

Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the Library, 251 South "A" Street and the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Any materials to be presented at this meeting will be made available electronically 24 hours prior to the meeting, at the end of this agenda. The agenda reports are on the City of Oxnard web site at www.oxnard.org.



AGENDA

OXNARD CITY COUNCIL

*OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY

* OXNARD FINANCING AUTHORITY

*OXNARD HOUSING AUTHORITY

Council Chambers, 305 West Third Street

November 29, 2016

Regular Meeting - 6:00 PM

Closed Session - 4:30 PM

A. ROLL CALL/POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: OXNARD CITY COUNCIL

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

At this time, a person may address the legislative body only on matters appearing on the closed session agenda. The presiding officer shall limit public comments to three minutes

C. CLOSED SESSION - 4:30 PM

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

CC (Government Code section 54956.9 (d)(1))

Name of case: City of Oxnard; et al. v. Aaron Starr

Ventura County Superior Court, Case No. 56-2016-00479696-CU-MC-VTA

The City Attorney requested that this item be discussed in closed session under the Brown Act authorization for the City Council to confer with its legal counsel regarding pending litigation.

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

CC On the advice of the City Attorney, pursuant to Government Code section 54956.9(d)(2), based on existing facts and circumstances, there is significant exposure to litigation against the City in one potential case.

The City Attorney requested that this item be discussed in closed session under the Brown Act exception of Conference with Legal Counsel – Anticipated Litigation.

D. OPENING CEREMONIES - 6:00 PM

Pledge of allegiance to the flag of the United States

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

City of Oxnard internet address: www.oxnard.org.

E. CEREMONIAL CALENDAR

1. SUBJECT: Presentation of a Commendation to Frank Carreto, Jr. for His Selfless Act of Heroism in Assisting Officer Fernando Espinosa on September 14, 2016.
2. SUBJECT: Swearing in of New Fire Chief Darwin Base.

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of thirty minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker cards will not be accepted after the beginning of the general public comment period. Based on the number of speaker cards submitted, the presiding officer may impose time limits per speaker. Typically, speakers are limited to three minutes, but shorter time may be established as deemed necessary. A person not able to address the legislative body at this time because the thirty minutes expires may do so just prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager/ Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing.

G. REPORT OF CITY MANAGER/EXECUTIVE DIRECTOR/SECRETARY

The City Manager/Executive Director/Secretary shall report on items of interest to the legislative body occurring since the last meeting. The legislative body cannot enter into detailed discussion or take action on any item presented during this report. Such items may only be referred to the City Manager/Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion.

H. CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY/FINANCING AUTHORITY BUSINESS/COMMITTEE REPORTS

At this time, a member of the legislative body may make a brief announcement, or make a brief report on his or her activities. Further, members of the legislative body may request to schedule consideration of whether to place an item on a future agenda. The legislative body cannot enter into detailed discussion or take action on any item presented during this report. The member's report shall not exceed three minutes, unless additional time is granted by the presiding officer.

I. REVIEW OF INFORMATION/CONSENT AGENDA

The members of the legislative body will consider whether to remove Information/Consent Agenda items for discussion later during the meeting.

J. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

At this time, a person may address the legislative body only on matters appearing on the information/consent agenda. The presiding officer shall limit public comments to three minutes.

K. INFORMATION CONSENT AGENDACity Attorney Department

1. SUBJECT: Change to the Neighborhood Council Bylaws.
RECOMMENDATION: That City Council adopt a resolution approving amended bylaws for the Neighborhood Councils removing the mandatory requirement for physical delivery of flyers to each household.
Legislative Body: CC Contact: Stephen M. Fischer Phone: 385-7483

City Clerk Department

2. SUBJECT: Approval of Council Minutes of November 1 and 15, 2016.

RECOMMENDATION: Approval of Council Minutes of November 1 and 15, 2016.

Legislative Body: CC

Contact: Daniel Martinez

Phone: 385-7803

City Manager Department

3. SUBJECT: Agreements for City Council Review

RECOMMENDATION: That City Council, pursuant to Ordinance 2835, and Resolution No. 13,932, approve and authorize the City Manager to execute the agreements/contracts and change orders/amendments in amounts more than \$25,000 but no more than \$250,000, which are described on the attached list: (A) Jensen Design & Survey, Inc., construction management and litigation support for recycled water backbone Phase 1 (\$25,000); (B) Granite Construction Company, Inc., Change Order No. 1 a reduction in the contract for Orchard Park Neighborhood Resurfacing (-\$55,752); (C) Toro Enterprises, Inc., Change Order No. 1 a reduction in the contract for College Estates Neighborhood Resurfacing (-\$145,863) and (D) Zumar Industries, Inc., for street maintenance-signage material (\$27,962).

Legislative Body: CC

Contact: Greg Nyhoff

Phone: 385-7430

Fire Department

4. SUBJECT: Acceptance of Assistance to Firefighters Grant Program (AFG) Federal Emergency Management Agency (FEMA) for Hazardous Materials Technician Training as a Subrecipient to the Ventura City Fire Department in the Amount of \$88,000.

RECOMMENDATION: That City Council: 1) Adopt a resolution authorizing The City Manager or designee to accept the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant designation from Ventura City Fire Department (VFD) to the City of Oxnard Fire Department in the amount of \$88,000; The Chief Financial Officer or designee to submit financial reports and grant claims, and perform all other required financial actions; The Fire Chief or designee to submit non-financial reports and 2) Approve a budget appropriation recognizing the Firefighters Grant designation from Ventura City Fire Department (VFD) in the amount of \$88,000 and transfer a 10% match from FY16-17 budgeted General Fund Fire Suppression Training in the amount of \$8,800.

Legislative Body: CC

Contact: Darwin Base

Phone: 385-7722

L. PUBLIC HEARINGS

M. APPOINTMENT ITEMS

N. REPORTS

Public Works Department

1. SUBJECT: Agreement Number A-7927 with JCI Jones Chemical, Inc. for Chemical Purchases for Water, Wastewater and Recycled Water Facilities (5/10/10)

RECOMMENDATION: That City Council approve and authorize the Mayor to execute an agreement with JCI Jones Chemical, Inc. for supply and delivery of sodium hydroxide and sodium hypochlorite to the Water Campus and Blending Station No. 3 in the amounts of

\$214,744 and \$132,692, respectively, sodium hydroxide and sodium hypochlorite to the Wastewater Treatment Plant (WWTP) in the amounts of \$119,801 and \$597,010, respectively, and sodium hydroxide and sodium hypochlorite to the Advanced Water Purification Facility (AWPF) in the amounts of \$23,960 and \$36,340, respectively, for a total purchase amount of \$1,124,547.

Legislative Body: CC

Contact: Daniel Rydberg

Phone: 385-8055

Finance Department

2. SUBJECT: Repeal of Wastewater Rates (15/25/30)

RECOMMENDATION: That City Council receive a report on the potential impacts if the Measure “M” wastewater rate repeal takes effect, and direct staff to request the court issue a stay of the operative date of Measure “M” after the election results are certified, continue with the current litigation seeking the court's determination of the legality of Measure “M”, proceed with an updated rate study, and begin the next Proposition 218 notification process for setting new wastewater rates.

Legislative Body: CC

Contact: Jim Throop

Phone: 385-7475

City Attorney Department

3. SUBJECT: Marijuana Code Amendment (5/10/20)

RECOMMENDATION: That City Council approve the first reading by title only and waive further reading of an ordinance amending Section 7-282 of the City Code to provide that indoor marijuana cultivation in compliance with state law is not prohibited.

Legislative Body: CC

Contact: Stephen M. Fischer

Phone: 385-7483

4. SUBJECT: Adoption of Claims Adjusting and Settlement Policy (5/10/10)

RECOMMENDATION: That City Council adopt a resolution (1) repealing section D. *Claims Adjusting and Settlement* of Resolution No. 11,867; (2) providing authority to designated City staff for management and settlement (up to \$50,000) of claims and actions; (3) clarifying the authority of the Liability Review Committee, with settlement authority up to \$75,000 per claim or action; and (4) clarifying the authority of the Claims Review Committee, with settlement authority up to \$75,000 per workers’ compensation claim.

Legislative Body: CC

Contact: Stephen M. Fischer

Phone: 385-7483

O. PUBLIC COMMENTS ON REPORTS

At this time, a person may address the legislative body only on matters appearing on the reports. The presiding officer shall permit a person to address the legislative body after the staff presentation on the report and before the consideration of the report by the legislative body. The presiding officer shall limit public comments to three minutes.

P. PUBLIC COMMENTS ON STUDY SESSION

At this time, a person may address the legislative body only on matters appearing on the study session agenda. The presiding officer shall permit a person to address the legislative body after the staff presentation on the item and before the consideration of the item by the legislative body. The presiding officer shall limit public comments to three minutes.

Q. STUDY SESSION

R. ADJOURNMENT



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 1

DATE: November 29, 2016

TO: City Council

FROM: Stephen Fischer
City Attorney

A handwritten signature in dark ink, appearing to be "S. Fischer".

SUBJECT: Change to the Neighborhood Council Bylaws

CONTACT: Stephen Fischer, City Attorney
Stephen.Fischer@oxnard.org, 385-7483

RECOMMENDATION:

That the City Council adopt a resolution approving amended bylaws for the Neighborhood Councils removing the mandatory requirement for physical delivery of flyers to each household.

BACKGROUND

The Inter-Neighborhood Council Organization (INCO) met on November 2, 2016 and discussed the noticing process for Neighborhood Council meetings. The discussion centered on the current mandatory language of the Neighborhood Council bylaws requiring that each neighborhood residence be supplied with meeting notices via physical delivery of a printed flyer.

As discussed by the INCO, there is a large expense associated with the printing and delivery of flyers, yet this process only produces an average attendance rate of less than 1% at neighborhood meetings. Last fiscal year, it cost the City approximately \$24,000 to purchase paper and deliver the flyers. The total cost does not include staff labor.

The INCO wishes to change this process so that meeting notifications can be accomplished via new and more effective methods, including posting the flyers to the City's website.

The revisions to the bylaws remove the mandatory flyer requirement, but do not specify a particular method which must be used to communicate notices of neighborhood meetings and other information. However, City staff is in the process of finalizing a new website feature that will allow residents to enter their addresses and then view an interactive map that displays

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neighborhood information. The information will include neighborhood council meeting flyers that can be downloaded, photos representing each neighborhood, descriptions of each neighborhood and the contact information for each neighborhood chair. Staff used the website feature at the September 7, 2016 INCO town hall meeting at the check-in table to provide neighborhood information to residents who did not know which neighborhood council area they reside in. Staff also presented on the website feature at the October 2016 INCO general membership meeting. In addition to this new interactive feature, staff will create individual web pages for each of the neighborhood councils so that there will be an archive of flyers readily available on the City's website for residents to access.

The proposed revisions (Exhibit 1, to Attachment A) were approved by vote of the INCO on November 2, 2016, and the INCO has requested that the City Council approve these revisions.

Staff has prepared amendments to the Neighborhood Council bylaws to accomplish the INCO's request. A resolution adopting the bylaw amendment is attached for the City Council's approval.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to build relationships and create opportunities within the community for safe and vibrant neighborhoods, which will showcase the promising future of Oxnard. This item supports the following goals and objectives:

Goal 3. Strengthen neighborhood development, and connect City, community and culture.

Objective 3b. Empower and connect our Inter-Neighborhood Council Organizations (INCOs), Community Advisory Groups (CAGs) and Neighborhood Watch Program.

Objective 3c. Improve our methods of communicating with residents, businesses and neighborhoods (e.g. leverage social media and tools like Nextdoor).

FINANCIAL IMPACT

The phase-out of physical flyer delivery has a potential annual costs savings to the City of up to \$24,000.

ATTACHMENTS:

Attachment A: Neighborhood Council bylaw resolution

Change to the Neighborhood Council Bylaws
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Exhibit 1 to Attachment A

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
 APPROVING AMENDMENTS TO THE NEIGHBORHOOD COUNCIL BYLAWS
 CHANGING THE REQUIREMENTS FOR MANDATORY FLYERS

WHEREAS, on November 2, 2016 the Inter-Neighborhood Council Organization (INCO) met, discussed and voted to recommend to the City Council that the Neighborhood Council bylaws be modified to remove the mandatory requirement for distribution of printed flyers; and

WHEREAS, the City Council wishes to adopt the proposed changes to the Neighborhood Council bylaws.

NOW, THEREFORE, the City Council of the City of Oxnard hereby resolves that the amended Neighborhood Council bylaws, attached hereto as Exhibit 1 and incorporated herein by reference, are adopted.

PASSED AND ADOPTED THIS _____ day of _____, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

 Tim Flynn, Mayor

ATTEST:

 Daniel Martinez, City Clerk

APPROVED AS TO FORM:

 Stephen M. Fischer, City Attorney

Exhibit 1
Revised Neighborhood Council Bylaws



NEIGHBORHOOD COUNCIL BYLAWS

ARTICLE I **PURPOSES OF THE PROGRAM**

- A. The City Council of the City of Oxnard (the City) established the Neighborhood Council Program (the Program) and approved these Bylaws for adoption by each of the Neighborhood Councils that participate in the Program.
- B. The purposes of the Program are to:
1. Encourage neighborhood residents to take action to improve their neighborhoods.
 2. Foster cooperation and goodwill within neighborhoods.
 3. Promote greater understanding of the needs and expectations of the City's neighborhoods and of the City's responsibilities.
 4. Provide a structure for advocacy of neighborhoods' interests.
 5. Facilitate communication within neighborhoods and between neighborhoods and the City.
 6. Allow neighborhoods to participate in City decisions affecting neighborhoods.
 7. Help the City identify neighborhood problems and needs; and to provide a process for neighborhoods and the City to respond to such problems and needs.
 8. Provide a mechanism to facilitate two-way communication between residents and City government.
 9. Encourage residents and property owners to undertake action programs to improve the physical and social environment of their neighborhoods.
 10. Serve as an advocate of the interests of a neighborhood before any agency, public or private, or before any group or individual requesting the view of that neighborhood.
- C. All neighborhood council meetings shall be for the purpose of conducting the business of the neighborhood. Examples of neighborhood business are election meetings, general meetings and neighborhood clean-up events.

ARTICLE II **CITY INFORMATION AND SUPPORT OF NEIGHBORHOOD COUNCILS**

- A. Each Neighborhood Council adopting these Bylaws acknowledges that the City Council defines neighborhoods for purposes of the Program. The City Council may define neighborhoods, as they are identified in the City's 2030 General Plan or otherwise.
- B. A neighborhood, as defined by the City Council for purposes of the Program, may form a Neighborhood Council and participate in the Program and in the Inter-Neighborhood Council Organization (INCO) if the City Council certifies that within one hundred and twenty (120) days before such certification

eleven (11) persons eighteen (18) years of age or older who reside in the neighborhood, attended the formation meeting, that a majority of those persons approved these Bylaws, and that an Interim Executive Board of at least three (3) persons has been selected for the proposed Neighborhood Council.

- C. The persons constituting the Interim Executive Board shall meet the qualifications for Executive Board members set out in these Bylaws. Such persons may volunteer or, on request of any person present at the meeting at which the Interim Executive Board is selected, shall be selected by written ballot. Within one year after City Council certification, the Neighborhood Council shall conduct a regular election of Executive Board members as set out in these Bylaws.

ARTICLE III

POWERS OF NEIGHBORHOOD COUNCILS

- A. A Neighborhood Council may only conduct official business at General Membership meetings and Executive Board meetings called and conducted in accordance with these Bylaws.
- B. A Neighborhood Council may address the needs of the neighborhood by any lawful means.
- C. A Neighborhood Council may raise funds to support its activities.
- D. A Neighborhood Council may initiate direct action programs, working alone, or in cooperation with private or public agencies, to respond to the needs of that neighborhood.
- E. A Neighborhood Council may submit recommendations to the City Council and City staff concerning matters of interest to the neighborhood.
 - 1. Recommendations adopted by majority vote of the General Membership shall be submitted in writing or presented verbally by the Chair or another member of the Executive Board designated by the Chair.
 - 2. Recommendations submitted in writing to City staff shall be directed to City staff assigned to the Program with a copy to the City Manager.
 - 3. Recommendations submitted in writing to other agencies shall include submitting a copy of each recommendation to City staff assigned to the Program.
 - 4. Recommendations of the Executive Board, which require transmittal to the City before a General Membership meeting is held, may be submitted as provided in subsection E (1) of this article, accompanied by the written or verbal statement that such recommendations were approved by the Executive Board, but have not been acted on by the General Membership.
 - 5. Any person who submits a recommendation to the City or another organization/person without the approval of the Executive Board or General Membership shall state that the recommendation is made on behalf of that individual, and not on behalf of the Neighborhood Council.
 - 6. Any written submission required by this Article may also be accomplished via electronic mail.

ARTICLE IV

ORGANIZATION OF NEIGHBORHOOD COUNCILS

A. General Membership

1. For purposes of determining the vote of the General Membership, the General Membership consists of all persons eighteen (18) years of age or older who reside in the neighborhood and who are present at the General Membership meeting when the vote is taken.
2. Only a general member who is present at a General Membership meeting may vote at the meeting.
3. Membership in a neighborhood council shall be open to all residents located within the boundaries of that neighborhood council, as defined by The City of Oxnard. Only those who reside in a neighborhood are eligible for election to a neighborhood council executive board. Business owners and property owners that do not actually reside in a neighborhood cannot be elected to a neighborhood council executive board, nor can they vote at neighborhood council meetings.

B. Executive Board

1. The Executive Board consists of the positions of Chair, Vice-Chair, Secretary and/or Treasurer, and may include from one to three Members-at-Large. As so constituted, the Executive Board shall consist of at least three (3), but not more than seven (7) members.
2. Each member of the Executive Board shall reside in the neighborhood.
3. No member of the Executive Board may hold an elected office with any public agency.
4. Each member of the Executive Board who is present at a meeting of the General Membership or the Executive Board may vote.

C. Election of Executive Board

1. Each year City staff assigned to the Program shall prepare notice for each Neighborhood Council announcing that neighborhood's annual election. Such neighborhood shall advise City staff of the date, time and location of the meeting.
2. At least three (3) days, but not more than thirty (30) working days, before the annual election meeting, such notice will be disseminated to the neighborhood.
3. Failure of any person to receive notice shall not be grounds to cancel the annual election meeting or invalidate any vote taken at such meeting.
4. At the annual election meeting, general members and Executive Board members may nominate persons for a specific office who are eligible to hold such office and who are present at the meeting or who have notified an Executive Board member they will accept nomination. Executive Board members shall be elected by majority vote of those eligible to vote.
5. The current Neighborhood Council Secretary shall prepare and submit to City staff assigned to the Program the minutes of the annual election meeting, which shall include election results and the meeting sign-in sheet. If the election of the Executive Board is not completed at the annual election meeting, the Neighborhood Council shall hold such additional General Membership meetings as are

necessary to complete the election, within sixty (60) working days of the date of the failed annual election meeting. The new Executive Board shall take office when a quorum has been met.

6. The Secretary, or the Treasurer if no Secretary was elected, shall make a list of each person attending the annual election meeting who is eligible to vote. At the discretion of the general members present, votes may be taken by group voice vote, individual voice vote or written ballot. Absentee or proxy voting shall not be permitted.
7. The name, address, telephone number, e-mail address and position of those elected must be submitted to the INCO Executive Secretary within ten (10) working days after the election. A copy of the sign-in sheet from the annual election meeting shall be included.
8. All communication to neighborhood residents purporting to be from the neighborhood council under the auspice of Neighborhood Council business shall be approved by Neighborhood Services staff and/or the INCO Executive Board prior to being distributed.

D. Term of Office

Each member of the Executive Board shall serve until a new Executive Board takes office, as provided in Article V, Section B. The term shall be for one year, or until a successor is elected as provided in Article V, Section B. An Executive Board member elected to fill a position that was vacated after the annual election meeting shall serve the remainder of the term.

E. Duties

1. The duties of the Chair are to:
 - a. Preside over all regular and special meetings of the General Membership and of the Executive Board.
 - b. Appoint all committees with the approval of a majority of the Executive Board.
 - c. Dissolve any committee with the approval of a majority of the Executive Board.
 - d. Be an ex-officio member of all standing committees.
 - e. Respond to questions concerning procedures and business of the Neighborhood Council.
 - f. Perform other acts not in conflict with these Bylaws.
 - g. Attend INCO General Membership meetings as a voting member.
2. The duties of the Vice Chair are to:
 - a. Perform the duties of the Chair in his or her absence.
 - b. Promote participation in the Neighborhood Council.
3. The duties of the Secretary are to:
 - a. Prepare and distribute an agenda for each meeting of the General Membership and of the Executive Board.

- b. Keep minutes of all meetings of the General Membership and of the Executive Board, including whether a quorum is present and if so, the names of the persons constituting the quorum.
 - c. Record motions made and whether the motions passed or failed.
 - d. Note in the minutes any action taken on items on or not on the agenda.
 - e. Carry on the official correspondence of the Neighborhood Council, and to note in the minutes any correspondence received.
 - f. Sign all minutes after approval by the General Membership or the Executive Board.
 - g. Perform the duties of the Treasurer, if none is elected.
4. The duties of the Treasurer are to:
- a. Account for and secure any funds.
 - b. Spend such funds only as authorized by majority vote of the General Membership or the Executive Board.
 - c. Prepare and present a statement of the finances to the Executive Board or to the General Membership at each meeting.
 - d. Perform the duties of the Secretary if none is elected.
5. The duties of Members-at-large are to undertake special projects as directed by the Executive Board.
6. The duties of the Executive Board are to:
- a. Plan and direct the work of the Neighborhood Council.
 - b. Represent the Neighborhood Council before any group or individual, subject to the direction and review of the General Membership.
7. Neighborhood Council chairs and board members must promote unbiased good will and cooperation in their respective neighborhood. Board members shall not use their positions to promote or further their personal agendas.

F. Committees

- 1. The Chair, with the approval of a majority of the Executive Board, may appoint standing or ad hoc committees to consider matters likely to be of interest to the Neighborhood Council.
- 2. Committees shall present their findings and recommendations to the General Membership and/or the Executive Board at each meeting.
- 3. No committee or member thereof shall purport to represent the Neighborhood Council or present any findings or recommendations of the committee to any entity, except as directed by the General Membership.

4. The majority of the committee shall decide whether meetings of standing or ad hoc committees shall be open to the public.
5. At the annual election meeting, all committees whether standing or ad hoc, are deemed dissolved.

ARTICLE V

GENERAL MEMBERSHIP MEETINGS

- A. A Neighborhood Council shall hold at least two (2) General Membership meetings each calendar year; including one meeting designated as the annual election meeting.
- B. Each January, City staff assigned to the Program shall prepare and disseminate to each Neighborhood Council a schedule of dates for the annual election meeting of each Neighborhood Council. At the annual election meeting, the Neighborhood Council shall elect a new Executive Board, which shall take office at the end of the meeting; the current Executive Board shall report on its year's activities; and the current Treasurer shall prepare a Treasurer's report.
- C. Notices of the meetings shall be disseminated to the neighborhood. Failure of any person to receive notice shall not be grounds to cancel the meetings or invalidate any vote taken at the meetings. At such meetings, in addition to any other business, the General Members by majority vote may fill vacancies in Executive Board positions.
- D. On written request submitted to the Chair and signed by at least eleven (11) General Members or Executive Board members of the Neighborhood Council, the Chair shall call and give notice of a General Membership meeting and hold such meeting within thirty (30) calendar days of receipt of such written request.
- E. A quorum for a General Membership meeting shall be eleven (11) members of the Neighborhood Council.
- F. The General Membership may by majority vote place an item on the agenda of a General Membership meeting.
- G. To ensure that a quorum of a neighborhood council is present at a neighborhood council meeting, a sign-in sheet will be provided to attendees and submitted to the executive secretary of Neighborhood Services within 30 days of said meeting. Sign in sheets shall include the names, addresses and phone numbers of all attendees. Persons that refuse to sign in will not be counted as having attended the meeting.

ARTICLE VI

EXECUTIVE BOARD MEETINGS

- A. Meetings of the Executive Board shall be scheduled at the request of the Chair or of a majority of the Executive Board. Failure of any Executive Board member to receive notice shall not be grounds to cancel the meeting or invalidate any vote taken at the meeting.
- B. A quorum for an Executive Board meeting shall be a majority of the Executive Board members.
- C. All Executive Board meetings shall be open to all residents of that neighborhood.
- D. Any three (3) General Members of the neighborhood may submit a written request for a meeting with the Executive Board of the neighborhood.

ARTICLE VII

RULES OF PROCEDURE

A. Open Meetings

All meetings of the General Membership shall be open to the public. No such meeting is subject to Government Code section 54950 et seq. (the Ralph M. Brown Act).

B. Records Available for Inspection

All minutes of General Membership and Executive Board meetings and all financial records of the Neighborhood Council shall be made available for inspection within seven (7) working days after receipt of a written request from any General Member of the neighborhood.

C. Orderly Conduct at Meetings

Persons attending General Membership meetings and Executive Board meetings shall not disrupt the orderly conduct of the meetings. The Chair shall direct persons to refrain from disrupting, delaying, preventing or disturbing the meeting and from addressing anyone other than the Chair. By majority vote of the General Membership present at a General Membership meeting or the Executive Board present at an Executive Board meeting, persons failing to comply with such direction shall be required to leave the meeting.

D. Removal of Executive Board Members

1. Any General member may submit a petition signed by twenty five (25) General Members of that neighborhood to the Secretary, or the Secretary/Treasurer, directing the Secretary or Secretary/Treasurer to place on the agenda of a General Membership meeting the issue of a recall of a member of the Executive Board. In such event the General Membership meeting must be held within sixty (60) calendar days of the date the Secretary or Secretary/Treasurer receives the petition.
2. At the General Membership meeting held pursuant to Section 1 above, a motion may be made for recall of any member of the Executive Board. If a majority votes in favor of the request, the recall shall be placed on an agenda within sixty (60) calendar days.
3. At the meeting, proponents of the recall may address the General Membership concerning the reasons to vote for the recall. Opponents of the recall may then address the General Membership concerning the reasons not to vote for the recall. The Chair shall allow each person no more than five minutes to address the issue of recall. Rebuttals shall be allowed by majority vote of the General Membership.
4. A vote shall then be taken. The Board Member subject to the recall shall not be entitled to vote. If a two third (2/3) majority of those present vote for recall, such Executive Board member(s) shall be deemed recalled. If a quorum is not present at the scheduled meeting, the matter shall be continued as necessary until it is heard at a duly noticed meeting with a quorum present.
5. The vacated position shall be filled by majority vote of the General Membership at the recall election meeting. The recalled person(s) may not be elected to that position for one (1) year.

E. Interpretation of Bylaws

1. The Chair, directed by majority vote of the General Membership, shall make a written request of the INCO to interpret any portion of these Bylaws that is unclear or ambiguous. The request shall identify the portion in question, and describe the different interpretations.
2. The General Membership may, by majority vote, appeal the interpretation of the INCO to the City Council. The appeal shall be in writing, directed to the City Clerk, and shall state the reason for the General Membership's disagreement with the interpretation of the INCO. Copies of the request from the Neighborhood Council to the INCO and the INCO's response shall be attached to the appeal.

F. Amendment of Bylaws

1. By majority vote of the General Membership, a Neighborhood Council may request that the INCO recommend the City Council amend these Bylaws. The request shall be in writing, directed to the INCO Executive Secretary, and shall identify the portion of the Bylaws to be amended, describe the reason for the amendment, and attach the proposed wording of the amendment.
2. The INCO Executive Secretary shall place the amendment request on the agenda of an INCO General Membership meeting to be held within sixty (60) calendar days of the date received.
3. If a majority of the INCO General Membership votes in favor of the request, the INCO Executive Secretary shall forward the request to the City Council with a letter stating that a majority of the INCO General Membership recommends the City Council grant the request.
4. The City Council shall decide to approve or disapprove the amended Bylaws.

G. Adoption of Additional Policies and Procedures

These Bylaws are intended only to provide a structure for the Program, not to provide detailed rules of procedure for the conduct of meetings or other business of Neighborhood Councils. Neighborhood councils are authorized and encouraged to adopt, by majority vote of the General Members, additional written policies and procedures that are consistent with these Bylaws. The General Membership by majority vote may interpret and amend policies and procedures so adopted.

ARTICLE VIII**INTER-NEIGHBORHOOD COUNCIL ORGANIZATION**

- A.** All Neighborhood Councils are encouraged to seek assistance from the INCO and to attend and participate in INCO meetings.
- B.** The General Members of the INCO are the Chairs of all the Neighborhood Councils or their designees, as set out in the INCO Bylaws. Each General Member may vote at INCO meetings, as set out in the INCO Bylaws.

ARTICLE IX
CITY SUPPORT

- A.** Consistent with the stated purposes of the Program and recognizing the special insight, which its participants can provide, the City Council agrees to solicit and consider carefully information and recommendations from each Neighborhood Council regarding matters affecting the neighborhood.
- B.** Staff members of City departments will furnish information and assistance to the Program upon written request of any Neighborhood Council within ten (10) working days.
- C.** City staff will provide, supporting staff services, including, but not limited to, staff services and advice as may be required to establish and maintain an active meaningful Program.
- D.** In adopting the City's annual operating budget in future years, the City Council shall appropriate funds to the Program sufficient to meet reasonable expenses for neighborhood communication.

ARTICLE X
DEEMING NEIGHBORHOOD COUNCIL INACTIVE

- A.** The Executive Board of the INCO shall deem a Neighborhood Council to be inactive after finding either that such Neighborhood Council's annual election was not conducted and completed in accordance with these Bylaws or that such Neighborhood Council did not conduct at least two (2) General Membership meetings in a calendar year.
- B.** An inactive Neighborhood Council may not participate in the Program or receive funding or staff support from the City.
- C.** The Chair of an inactive Neighborhood Council is not a member of the INCO.
- D.** Persons who reside in or own property in a neighborhood with an inactive Neighborhood Council are welcome and encouraged to attend INCO General Membership meetings, but shall not vote at the meetings.
- E.** Persons who reside in or own property in a neighborhood with an inactive Neighborhood Council are encouraged to bring to the INCO any matters they would like to be addressed concerning their neighborhood.
- F.** City staff assigned to the Program shall be custodian of all funds for an inactive Neighborhood Council until reactivated.
- G.** An inactive Neighborhood Council may be reactivated and restored to participation in the Program by the procedure set out in Article II, Section B of these Bylaws.

- End -

Redline Version of Bylaw Amendments



NEIGHBORHOOD COUNCIL BYLAWS

ARTICLE I PURPOSES OF THE PROGRAM

- A. The City Council of the City of Oxnard (the City) established the Neighborhood Council Program (the Program) and approved these Bylaws for adoption by each of the Neighborhood Councils that participate in the Program.
- B. The purposes of the Program are to:
1. Encourage neighborhood residents to take action to improve their neighborhoods.
 2. Foster cooperation and goodwill within neighborhoods.
 3. Promote greater understanding of the needs and expectations of the City's neighborhoods and of the City's responsibilities.
 4. Provide a structure for advocacy of neighborhoods' interests.
 5. Facilitate communication within neighborhoods and between neighborhoods and the City.
 6. Allow neighborhoods to participate in City decisions affecting neighborhoods.
 7. Help the City identify neighborhood problems and needs; and to provide a process for neighborhoods and the City to respond to such problems and needs.
 8. Provide a mechanism to facilitate two-way communication between residents and City government.
 9. Encourage residents and property owners to undertake action programs to improve the physical and social environment of their neighborhoods.
 10. Serve as an advocate of the interests of a neighborhood before any agency, public or private, or before any group or individual requesting the view of that neighborhood.
- C. All neighborhood council meetings shall be for the purpose of conducting the business of the neighborhood. Examples of neighborhood business are election meetings, general meetings and neighborhood clean-up events.

ARTICLE II CITY INFORMATION AND SUPPORT OF NEIGHBORHOOD COUNCILS

- A. Each Neighborhood Council adopting these Bylaws acknowledges that the City Council defines neighborhoods for purposes of the Program. The City Council may define neighborhoods, as they are identified in the City's 2030 General Plan or otherwise.
- B. A neighborhood, as defined by the City Council for purposes of the Program, may form a Neighborhood Council and participate in the Program and in the Inter-Neighborhood Council Organization (INCO) if the City Council certifies that within one hundred and twenty (120) days before such certification

eleven (11) persons eighteen (18) years of age or older who reside in the neighborhood, attended the formation meeting, that a majority of those persons approved these Bylaws, and that an Interim Executive Board of at least three (3) persons has been selected for the proposed Neighborhood Council.

- C. The persons constituting the Interim Executive Board shall meet the qualifications for Executive Board members set out in these Bylaws. Such persons may volunteer or, on request of any person present at the meeting at which the Interim Executive Board is selected, shall be selected by written ballot. Within one year after City Council certification, the Neighborhood Council shall conduct a regular election of Executive Board members as set out in these Bylaws.

ARTICLE III

POWERS OF NEIGHBORHOOD COUNCILS

- A. A Neighborhood Council may only conduct official business at General Membership meetings and Executive Board meetings called and conducted in accordance with these Bylaws.
- B. A Neighborhood Council may address the needs of the neighborhood by any lawful means.
- C. A Neighborhood Council may raise funds to support its activities.
- D. A Neighborhood Council may initiate direct action programs, working alone, or in cooperation with private or public agencies, to respond to the needs of that neighborhood.
- E. A Neighborhood Council may submit recommendations to the City Council and City staff concerning matters of interest to the neighborhood.
1. Recommendations adopted by majority vote of the General Membership shall be submitted in writing or presented verbally by the Chair or another member of the Executive Board designated by the Chair.
 2. Recommendations submitted in writing to City staff shall be directed to City staff assigned to the Program with a copy to the City Manager.
 3. Recommendations submitted in writing to other agencies shall include submitting a copy of each recommendation to City staff assigned to the Program.
 4. Recommendations of the Executive Board, which require transmittal to the City before a General Membership meeting is held, may be submitted as provided in subsection E (1) of this article, accompanied by the written or verbal statement that such recommendations were approved by the Executive Board, but have not been acted on by the General Membership.
 5. Any person who submits a recommendation to the City or another organization/person without the approval of the Executive Board or General Membership shall state that the recommendation is made on behalf of that individual, and not on behalf of the Neighborhood Council.

6. Any written submission required by this Article may also be accomplished via electronic mail.

ARTICLE IV ORGANIZATION OF NEIGHBORHOOD COUNCILS

A. General Membership

1. For purposes of determining the vote of the General Membership, the General Membership consists of all persons eighteen (18) years of age or older who reside in the neighborhood and who are present at the General Membership meeting when the vote is taken.
2. Only a general member who is present at a General Membership meeting may vote at the meeting.
3. Membership in a neighborhood council shall be open to all residents located within the boundaries of that neighborhood council, as defined by The City of Oxnard. Only those who reside in a neighborhood are eligible for election to a neighborhood council executive board. Business owners and property owners that do not actually reside in a neighborhood cannot be elected to a neighborhood council executive board, nor can they vote at neighborhood council meetings.

B. Executive Board

1. The Executive Board consists of the positions of Chair, Vice-Chair, Secretary and/or Treasurer, and may include from one to three Members-at-Large. As so constituted, the Executive Board shall consist of at least three (3), but not more than seven (7) members.
2. Each member of the Executive Board shall reside in the neighborhood.
3. No member of the Executive Board may hold an elected office with any public agency.
4. Each member of the Executive Board who is present at a meeting of the General Membership or the Executive Board may vote.

C. Election of Executive Board

1. Each year City staff assigned to the Program shall prepare ~~a written~~ notice for each Neighborhood Council announcing that neighborhood's annual election. Such neighborhood shall advise City staff of the date, time and location of the meeting.
2. At least three (3) days, but not more than thirty (30) working days, before the annual election meeting, such notice will be ~~distributed, as determined by the current Executive Board, by leaving a copy of the notice at each residence~~ indisseminated to the neighborhood.
3. Failure of any person to receive notice shall not be grounds to cancel the annual election meeting or invalidate any vote taken at such meeting.
4. At the annual election meeting, general members and Executive Board members may nominate persons for a specific office who are eligible to hold such office and who are present at the meeting or who have notified an Executive Board member they will accept nomination. Executive Board members shall be elected by majority vote of those eligible to vote.
5. The current Neighborhood Council Secretary shall prepare and submit to City staff assigned to the Program the minutes of the annual election meeting, which shall include election results and the meeting sign-in sheet. If the election of the Executive Board is not completed at the annual election

meeting, the Neighborhood Council shall hold such additional General Membership meetings as are necessary to complete the election, within sixty (60) working days of the date of the failed annual election meeting. The new Executive Board shall take office when a quorum has been met.

6. The Secretary, or the Treasurer if no Secretary was elected, shall make a list of each person attending the annual election meeting who is eligible to vote. At the discretion of the general members present, votes may be taken by group voice vote, individual voice vote or written ballot. Absentee or proxy voting shall not be permitted.
7. The name, address, telephone number, e-mail address and position of those elected must be submitted to the INCO Executive Secretary within ten (10) working days after the election. A copy of the sign-in sheet from the annual election meeting shall be included.
8. All ~~correspondence for distribution~~ communication to neighborhood residents purporting to be from the neighborhood council under the auspice of Neighborhood Council business shall be approved by Neighborhood Services staff and/or the INCO Executive Board prior to being distributed.

D. Term of Office

Each member of the Executive Board shall serve until a new Executive Board takes office, as provided in Article V, Section B. The term shall be for one year, or until a successor is elected as provided in Article V, Section B. An Executive Board member elected to fill a position that was vacated after the annual election meeting shall serve the remainder of the term.

E. Duties

1. The duties of the Chair are to:
 - a. Preside over all regular and special meetings of the General Membership and of the Executive Board.
 - b. Appoint all committees with the approval of a majority of the Executive Board.
 - c. Dissolve any committee with the approval of a majority of the Executive Board.
 - d. Be an ex-officio member of all standing committees.
 - e. Respond to questions concerning procedures and business of the Neighborhood Council.
 - f. Perform other acts not in conflict with these Bylaws.
 - g. Attend INCO General Membership meetings as a voting member.
2. The duties of the Vice Chair are to:
 - a. Perform the duties of the Chair in his or her absence.
 - b. Promote participation in the Neighborhood Council.
3. The duties of the Secretary are to:
 - a. Prepare and distribute an agenda for each meeting of the General Membership and of the Executive Board.

- b. Keep minutes of all meetings of the General Membership and of the Executive Board, including whether a quorum is present and if so, the names of the persons constituting the quorum.
 - c. Record motions made and whether the motions passed or failed.
 - d. Note in the minutes any action taken on items on or not on the agenda.
 - e. Carry on the official correspondence of the Neighborhood Council, and to note in the minutes any correspondence received.
 - f. Sign all minutes after approval by the General Membership or the Executive Board.
 - g. Perform the duties of the Treasurer, if none is elected.
4. The duties of the Treasurer are to:
- a. Account for and secure any funds.
 - b. Spend such funds only as authorized by majority vote of the General Membership or the Executive Board.
 - c. Prepare and present a statement of the finances to the Executive Board or to the General Membership at each meeting.
 - d. Perform the duties of the Secretary if none is elected.
5. The duties of Members-at-large are to undertake special projects as directed by the Executive Board.
6. The duties of the Executive Board are to:
- a. Plan and direct the work of the Neighborhood Council.
 - b. Represent the Neighborhood Council before any group or individual, subject to the direction and review of the General Membership.
7. Neighborhood Council chairs and board members must promote unbiased good will and cooperation in their respective neighborhood. Board members shall not use their positions to promote or further their personal agendas.

F. Committees

- 1. The Chair, with the approval of a majority of the Executive Board, may appoint standing or ad hoc committees to consider matters likely to be of interest to the Neighborhood Council.
- 2. Committees shall present their findings and recommendations to the General Membership and/or the Executive Board at each meeting.
- 3. No committee or member thereof shall purport to represent the Neighborhood Council or present any findings or recommendations of the committee to any entity, except as directed by the General Membership.

4. The majority of the committee shall decide whether meetings of standing or ad hoc committees shall be open to the public.
5. At the annual election meeting, all committees whether standing or ad hoc, are deemed dissolved.

ARTICLE V

GENERAL MEMBERSHIP MEETINGS

- A. A Neighborhood Council shall hold at least two (2) General Membership meetings each calendar year; including one meeting designated as the annual election meeting.
- B. Each January, City staff assigned to the Program shall prepare and ~~distribute~~disseminate to each Neighborhood Council a schedule of dates for the annual election meeting of each Neighborhood Council. At the annual election meeting, the Neighborhood Council shall elect a new Executive Board, which shall take office at the end of the meeting; the current Executive Board shall report on its year's activities; and the current Treasurer shall prepare a Treasurer's report.
- C. Notices of the meetings shall be ~~distributed throughout~~disseminated to the neighborhood ~~by leaving a copy of the notice at each residence~~. Failure of any person to receive notice shall not be grounds to cancel the meetings or invalidate any vote taken at the meetings. At such meetings, in addition to any other business, the General Members by majority vote may fill vacancies in Executive Board positions.
- D. On written request submitted to the Chair and signed by at least eleven (11) General Members or Executive Board members of the Neighborhood Council, the Chair shall call and give notice of a General Membership meeting and hold such meeting within thirty (30) calendar days of receipt of such written request.
- E. A quorum for a General Membership meeting shall be eleven (11) members of the Neighborhood Council.
- F. The General Membership may by majority vote place an item on the agenda of a General Membership meeting.
- G. To ensure that a quorum of a neighborhood council is present at a neighborhood council meeting, a sign-in sheet will be provided to attendees and submitted to the executive secretary of Neighborhood Services within 30 days of said meeting. Sign in sheets shall include the names, addresses and phone numbers of all attendees. Persons that refuse to sign in will not be counted as having attended the meeting.

ARTICLE VI

EXECUTIVE BOARD MEETINGS

- A. Meetings of the Executive Board shall be scheduled at the request of the Chair or of a majority of the Executive Board. Failure of any Executive Board member to receive notice shall not be grounds to cancel the meeting or invalidate any vote taken at the meeting.
- B. A quorum for an Executive Board meeting shall be a majority of the Executive Board members.
- C. All Executive Board meetings shall be open to all residents of that neighborhood.

- D.** Any three (3) General Members of the neighborhood may submit a written request for a meeting with the Executive Board of the neighborhood.

ARTICLE VII

RULES OF PROCEDURE

A. Open Meetings

All meetings of the General Membership shall be open to the public. No such meeting is subject to Government Code section 54950 et seq. (the Ralph M. Brown Act).

B. Records Available for Inspection

All minutes of General Membership and Executive Board meetings and all financial records of the Neighborhood Council shall be made available for inspection within seven (7) working days after receipt of a written request from any General Member of the neighborhood.

C. Orderly Conduct at Meetings

Persons attending General Membership meetings and Executive Board meetings shall not disrupt the orderly conduct of the meetings. The Chair shall direct persons to refrain from disrupting, delaying, preventing or disturbing the meeting and from addressing anyone other than the Chair. By majority vote of the General Membership present at a General Membership meeting or the Executive Board present at an Executive Board meeting, persons failing to comply with such direction shall be required to leave the meeting.

D. Removal of Executive Board Members

1. Any General member may submit a petition signed by twenty five (25) General Members of that neighborhood to the Secretary, or the Secretary/Treasurer, directing the Secretary or Secretary/Treasurer to place on the agenda of a General Membership meeting the issue of a recall of a member of the Executive Board. In such event the General Membership meeting must be held within sixty (60) calendar days of the date the Secretary or Secretary/Treasurer receives the petition.
2. At the General Membership meeting held pursuant to Section 1 above, a motion may be made for recall of any member of the Executive Board. If a majority votes in favor of the request, the recall shall be placed on an agenda within sixty (60) calendar days.
3. At the meeting, proponents of the recall may address the General Membership concerning the reasons to vote for the recall. Opponents of the recall may then address the General Membership concerning the reasons not to vote for the recall. The Chair shall allow each person no more than five minutes to address the issue of recall. Rebuttals shall be allowed by majority vote of the General Membership.
4. A vote shall then be taken. The Board Member subject to the recall shall not be entitled to vote. If a two third (2/3) majority of those present vote for recall, such Executive Board member(s) shall be deemed recalled. If a quorum is not present at the scheduled meeting, the matter shall be continued as necessary until it is heard at a duly noticed meeting with a quorum present.
5. The vacated position shall be filled by majority vote of the General Membership at the recall election meeting. The recalled person(s) may not be elected to that position for one (1) year.

E. Interpretation of Bylaws

1. The Chair, directed by majority vote of the General Membership, shall make a written request of the INCO to interpret any portion of these Bylaws that is unclear or ambiguous. The request shall identify the portion in question, and describe the different interpretations.
2. The General Membership may, by majority vote, appeal the interpretation of the INCO to the City Council. The appeal shall be in writing, directed to the City Clerk, and shall state the reason for the General Membership's disagreement with the interpretation of the INCO. Copies of the request from the Neighborhood Council to the INCO and the INCO's response shall be attached to the appeal.

F. Amendment of Bylaws

1. By majority vote of the General Membership, a Neighborhood Council may request that the INCO recommend the City Council amend these Bylaws. The request shall be in writing, directed to the INCO Executive Secretary, and shall identify the portion of the Bylaws to be amended, describe the reason for the amendment, and attach the proposed wording of the amendment.
2. The INCO Executive Secretary shall place the amendment request on the agenda of an INCO General Membership meeting to be held within sixty (60) calendar days of the date received.
3. If a majority of the INCO General Membership votes in favor of the request, the INCO Executive Secretary shall forward the request to the City Council with a letter stating that a majority of the INCO General Membership recommends the City Council grant the request.
4. The City Council shall decide to approve or disapprove the amended Bylaws.

G. Adoption of Additional Policies and Procedures

These Bylaws are intended only to provide a structure for the Program, not to provide detailed rules of procedure for the conduct of meetings or other business of Neighborhood Councils. Neighborhood councils are authorized and encouraged to adopt, by majority vote of the General Members, additional written policies and procedures that are consistent with these Bylaws. The General Membership by majority vote may interpret and amend policies and procedures so adopted.

ARTICLE VIII**INTER-NEIGHBORHOOD COUNCIL ORGANIZATION**

- A. All Neighborhood Councils are encouraged to seek assistance from the INCO and to attend and participate in INCO meetings.
- B. The General Members of the INCO are the Chairs of all the Neighborhood Councils or their designees, as set out in the INCO Bylaws. Each General Member may vote at INCO meetings, as set out in the INCO Bylaws.

ARTICLE IX

CITY SUPPORT

- A. Consistent with the stated purposes of the Program and recognizing the special insight, which its participants can provide, the City Council agrees to solicit and consider carefully information and recommendations from each Neighborhood Council regarding matters affecting the neighborhood.
- B. Staff members of City departments will furnish information and assistance to the Program upon written request of any Neighborhood Council within ten (10) working days.
- C. City staff will provide, supporting staff services, including, but not limited to, staff services and advice as may be required to establish and maintain an active meaningful Program.
- D. In adopting the City's annual operating budget in future years, the City Council shall appropriate funds to the Program sufficient to meet reasonable expenses for ~~paper, duplicating and postage~~neighborhood communication.

ARTICLE X

DEEMING NEIGHBORHOOD COUNCIL INACTIVE

- A. The Executive Board of the INCO shall deem a Neighborhood Council to be inactive after finding either that such Neighborhood Council's annual election was not conducted and completed in accordance with these Bylaws or that such Neighborhood Council did not conduct at least two (2) General Membership meetings in a calendar year.
- B. An inactive Neighborhood Council may not participate in the Program or receive funding or staff support from the City.
- C. The Chair of an inactive Neighborhood Council is not a member of the INCO.
- D. Persons who reside in or own property in a neighborhood with an inactive Neighborhood Council are welcome and encouraged to attend INCO General Membership meetings, but shall not vote at the meetings.
- E. Persons who reside in or own property in a neighborhood with an inactive Neighborhood Council are encouraged to bring to the INCO any matters they would like to be addressed concerning their neighborhood.
- F. City staff assigned to the Program shall be custodian of all funds for an inactive Neighborhood Council until reactivated.
- G. An inactive Neighborhood Council may be reactivated and restored to participation in the Program by the procedure set out in Article II, Section B of these Bylaws.

- End -



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 2

DATE: November 29, 2016

TO: City Council

FROM: Daniel Martinez
City Clerk

A handwritten signature in cursive script that reads "Daniel Martinez".

SUBJECT: Regular City Council Minutes of November 1 and 15, 2016.

CONTACT: Daniel Martinez, City Clerk
Daniel.Martinez@oxnard.org, 385-7803

RECOMMENDATION:

Approve Regular City Council Minutes of November 1 and 15, 2016.

STRATEGIC PRIORITIES

This agenda item is a routine operational item that does not directly relate to the four strategic plans adopted by City Council on May 17, 2016. This agenda item does provide transparency of Council meetings to the public.

FINANCIAL IMPACT

None.

ATTACHMENTS:

Attactment A cc161101

Attachment B cc161115

MINUTES
OXNARD CITY COUNCIL
Regular Meeting
November 1, 2016

A. ROLL CALL/POSTING OF AGENDA

At 5:02 p.m., the regular meeting of the Oxnard City Council convened in the Council Chambers . Councilmembers Tim Flynn, Carmen Ramirez, Bryan A. MacDonald, Dorina Padilla and Bert Perello were present. The Deputy City Clerk stated that the agenda was posted on Thursday at the Oxnard City Hall and the Library. Staff members present were: Greg Nyhoff, City Manager; Maria Hurtado, Assistant City Manager; Stephen Fischer, City Attorney and Lyn McGraw, Deputy City Clerk.

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

C. CLOSED SESSION

At 5:05 p.m. the City Council recessed to a closed session, pursuant to Government Code section 54956.9(d)(1) to confer with its attorneys. The title and case number of the litigation being discussed Ruel A. Gadbury; et al. v. Granite Construction Company; et al.

The City Council also recessed to a closed session, pursuant to Government Code section 54956.9(d)(2). The purpose of the closed session was for the City Council to consider whether to allow the late claim application of Lisa C. Kalani Gadbury.

At 5:51 p.m. the City Council reconvened and recessed to the evening session. At 6:06 p.m. the City Council reconvened and City Attorney reported that the City Clerk granted allowing the late claim application of Kalani Gadbury.

D. OPENING CEREMONIES

At 6:06 p.m., the regular meeting of the Oxnard City Council reconvened in the Council Chambers. The meeting opened with the pledge of allegiance to the flag of the United States, followed by a moment of silence. Mayor Flynn presided. Additional staff members present were: Daniel Martinez, City Clerk; Scott Whitney, Police Chief; Darwin Base, Fire Chief; Arturo Castillo, Housing Director; Ingrid Hardy, Cultural and Community Services Director; Ashley Golden, Development Services Director and Kathleen Mallory, Principal Planner.

E. CEREMONIAL CALENDAR

ITEMS REMOVED FROM AGENDA

The City Council concurred to remove (K-1) form the agenda, unanimously.

SUBJECT: Emergency Resolution.

RECOMMENDATION: Placement of Emergency Resolution on Agenda.

DISCUSSION: The City Attorney reviewed the reasons that the City Council must make a motion to place the emergency resolution requiring a 2/3 vote and reporting requirements.

ACTION: Moved to place the emergency Resolution on City Council's agenda (Ramirez/Padilla)
Ayes: Flynn, Ramirez, MacDonald, Padilla and Perello.

DISCUSSION: The City Manager reported on the “need” for an “emergency” resolution to repair RiverRidge Golf Course building due to emergency repairs caused by a fire.

ACTION: Received report regarding Emergency **Resolution No. 14,971** (Perello/Ramirez) Ayes: Flynn, Ramirez, MacDonald, Padilla and Perello.

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments received from: Michael Gleason (City maintenance fees); Jackie Tedeschi (monthly Inter-Neighborhood meetings); Peter De Domenico (City Clerk candidate); Phillip Molina (City Treasurer candidate); Daniel Chavez (City Council candidate); Woodrow Thomas (past legal claims); Tiffany Lopez (City Clerk candidate); Martin Jones (Starr’s candidate position); Aurora de la Selva (the moving of political signs); Laura Gallardo (Harbor Commissioner candidate); Steve Nash (influence of Police and Fire unions); Al Jones (City Treasurer candidate); Michelle Ascencion (City Clerk candidate); Alicia Percell (“Moving Oxnard Forward” issues); Jonathan Royas (City Treasurer candidate); Dan Pinedo (“You Tube” channel to view candidates) and Al Velasquez (City Council candidate).

G. REPORT OF CITY MANAGER

The City Manager commented on: fire at River Ridge Golf Course building; Planning Commission on “short-term” rental issues; Ventura County Firefighter Memorial Service (adding name of Scott Carrol) and newly appointed Fire Chief, Darwin Base. The Housing director announced the recognition by HUD for high performance rating of Section 8 Rental Assistance Program and Public Housing Program.

H. CITY COUNCIL BUSINESS/COMMITTEE REPORTS

The City Council commented on: election process (November. 8, 2016); Performing Arts Center benefit to local schools and non-profits and impact of “water ejection” wells on local water quality.

I. REVIEW OF INFORMATION/CONSENT AGENDA

Comments were received from: Principal Planner and Fire Chief (K-4); City Manager and Public Works Director (K-5).

J. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

Public comments were received from: Orlando Dozier (K- 4); Alicia Percell (K-5); Aaron Starr (K-5) and Pat Brown (K-2).

K. INFORMATION CONSENT AGENDA

City Attorney Department

1. SUBJECT: Consent to Sublease of the Boys and Girls Club
RECOMMENDATION: Removed from agenda.

City Clerk Department

2. SUBJECT: Minutes of October 11, 2016
RECOMMENDATION: Approve City Council Minutes of October 11, 2016.

City Manager Department3. SUBJECT: Agreements for City Council Review

RECOMMENDATION: Approve and authorize the City Manager to execute the agreements/ contracts and change orders/amendments in amounts more than \$25,000 but no more than \$250,000, which are described on the attached list. A) Aleshire & Wynder, LLP., to provide advice and representation concerning Rice Avenue/Highway 101 Interchange (\$200,000).

Development Services Department4. SUBJECT: Planning and Zoning Permit No. 16-580-01 (Zone Text Amendment) - Final and Parcel Subdivision Map Approval, and Acceptance and Consent to Deeds or Grants.

RECOMMENDATION: 1) Introduce **Ordinance No. 1210** amending Sections 15-52 through 15-56, 15-60, 15-62 and 15-67 of Division 3, Article III, of Chapter 15 of the City of Oxnard Municipal Code relating to Final and Parcel Subdivision Map approval by the Development Services Director; and 2) Repeal Resolution No. 1939 and approve a **Resolution No. 14,968** authorizing the Development Services Director and Public Works Director to accept and consent to deeds or grants to the City of Oxnard conveying interests in or easements upon real estate.

Public Works Department5. SUBJECT: Third Amendment to Agreement with Carollo Engineers, Inc. to Provide Local Limits Evaluation for Wastewater Pretreatment Reporting Requirements Under the National Pollutant Discharge Elimination System (A-7714).

RECOMMENDATION: Approve and authorize the Mayor to execute a Third Amendment to the Agreement with Carollo Engineers, Inc. to provide Local Limits Evaluation for Wastewater Pretreatment Reporting Requirements under the National Pollutant Discharge Elimination System (NPDES) (A-7714), in the amount of \$53,510 to bring the total amount to \$689,403.

INFORMATION/CONSENT AGENDA ACTION: Approved as recommended with removal of K-1 (MacDonald/Padilla) Ayes: MacDonald, Padilla, Perello, Flynn and Ramirez.

L. PUBLIC HEARINGSDevelopment Services Department1. SUBJECT: PZ 13-300-02 (Final Map for Tract 5877) - Rancho Victoria Plaza

RECOMMENDATION: Adopt **Resolution No. 14,969** approving Planning and Zoning Permit No. 13-300-02 (Final Map for Tract No. 5877), which will authorize subdivision of the 6-acre (vacant) project site into 11 separate parcels which is located at 3600-3700 West Fifth Street (APN Nos 185-0-170-085, 095) (A-7787).

ACTION: Approved as recommended. (Ramirez/MacDonald) Ayes: Padilla, Perello, Flynn, Ramirez and MacDonald.

ACTION: Mayor Flynn declared the public hearing open.

DISCUSSION: The City Clerk reported on posting, publication and that there were no written communications received.

2. SUBJECT: Planning and Zoning Permit No. 15-660-01 (Alley Vacation) - Gateway Station Apartments

RECOMMENDATION: Adopt **Resolution No. 14,970** vacating a portion of an existing alley that extends for approximately 820 feet and is located between an approved 12- acre apartment complex site (Gateway Station); properties addressed between 1156 and 1250 South Oxnard Boulevard; railroad right-of-way to the north; and the Oxnard Mobile Home Lodge to the south.

DISCUSSION: The Development Services Director reviewed the proposed “alley vacation” location, improved parking and “railroad crossing access” of City vehicles.

Public comments received from: Pat Brown; Shaw Burr; Peggy Rivera; Lucy Cartagena and Barbara Mari-Ortiz.

ACTION: Close the public hearing (Ramirez/Flynn) unanimously.

DISCUSSION: The City Council discussed parking, transport safety of railroad tracks use, loss of vacation property value, AHOP program, traffic issues and address of housing needs.

ACTION: Approved as recommended. (Padilla/Ramirez) Ayes: Perello, Flynn, Ramirez, MacDonald and Padilla.

M. APPOINTMENT ITEMS

N. REPORTS

Cultural and Community Service Department

1. SUBJECT: Agreement of the Somis Union Elementary School District and the City of Oxnard to Operate a State of California After School Education and Safety Program.

RECOMMENDATION: That City Council choose one of the following recommendations: 1) Approve and authorize the City Manager to execute an agreement (A-7925) with the Somis Union Elementary School District for the City of Oxnard to receive the total amount of \$26,214, to provide services under the California After School Education and Safety (ASES) at (1) school through December 31, 2016, or; 2) Approve and authorize the City Manager to execute an agreement (A-7925) with the Somis Union Elementary School District for the City of Oxnard to receive the total amount of \$52,428, to provide services under the California After School Education and Safety (ASES) at (1) school through June 9, 2017. Authorize the City Manager or designee to appropriate funds in the amount equal to the executed agreement

DISCUSSION: The Cultural and Community Services Director reviewed the program history; requested continuing program and possible school district options.

Public comments received from: Colleen Robertson, Somis Union Elementary School District; Daniel Chavez; Lucy Cartagena; George Miller; Steve Nash; Dan Pinedo and Pat Brown.

The City Council commented on: the City Corps program, training program for City Corps individuals, transportation costs, future options and funding considerations.

ACTION: Approved the selection of Option 2 (two). (Flynn/MacDonald) Ayes: Flynn, Ramirez, MacDonald, Padilla and Perello.

Housing Department2. SUBJECT: Funding Request for Homeless Winter Shelter

RECOMMENDATION: Approve and authorize the use of \$30,000 of Salary Savings from the Housing Department to fund a Winter Warming Shelter for the Homeless at the Ventura National Guard Armory for the 2016-2017 winter.

ACTION: Continue to future meeting.

Public Works Department3. SUBJECT: Chemical Purchases for Water and Wastewater Treatment Facilities.

RECOMMENDATION: 1. Approve and authorize the Mayor to execute four agreements for the as-needed supply and delivery of chemicals to Water and Wastewater Treatment Facilities in the period of November 15, 2016, through November 14, 2019: 1) Agreement A-7924 with Argo Chemical, Inc. for supply and delivery of aqueous ammonia to the Water Facilities in the amount of \$61,722; 2) Agreement A-7927 with JCI Jones Chemical, Inc. for supply and delivery of sodium hydroxide and sodium hypochlorite to the Water Campus and Blending Station No. 3 in the amounts of \$214,744 and \$132,692, respectively, sodium hydroxide and sodium hypochlorite to the Wastewater Treatment Plant (WWTP) in the amounts of \$119,801 and \$597,010, respectively, and sodium hydroxide and sodium hypochlorite to the Advanced Water Purification Facility (AWPF) in the amounts of \$23,960 and \$36,340, respectively, for a total purchase amount of \$1,124,547; 3) Agreement A-7928 with Kemira Water Solutions, Inc. for supply and delivery of ferric chloride to the WWTP in the amount of \$1,358,546; and 4) Agreement A-7929 with Univar USA, Inc. for supply and delivery of sodium bisulfite to the WWTP in the amount of \$138,969 and of citric acid, hydrogen peroxide, sodium bisulfite and sulfuric acid to the AWPF in the amounts of \$119,402, \$206,777, \$13,897 and \$357,008, respectively, for a total purchase amount of \$836,053; and 2) Approve and authorize the Mayor to execute Purchase Order 6039 for the as-needed supply and delivery of liquid lime to the AWPF in the period of November 15, 2016

ACTION: Continue to future meeting.

O. PUBLIC COMMENTS ON REPORTSP. PUBLIC COMMENTS ON STUDY SESSIONQ. STUDY SESSIONR. ADJOURNMENT

At 10:04 p.m. the City Council concurred to adjourn the meeting.

DANIEL MARTINEZ
City Clerk

TIM FLYNN
Mayor

LYN MCGRAW
Deputy City Clerk

MINUTES
OXNARD CITY COUNCIL
Regular Meeting
November 15, 2016

A. ROLL CALL/POSTING OF AGENDA

At 4:38 p.m., the regular meeting of the Oxnard City Council convened in the Council Chambers. Councilmembers Carmen Ramirez, Bryan A. MacDonald, Dorina Padilla and Bert Perello were present. Mayor Flynn was absent. The City Clerk stated that the agenda was posted on Thursday at the Oxnard City Hall. Mayor Pro Tem Ramirez presided and called the meeting to order. Staff members present were: Daniel Martinez, City Clerk; Greg Nyhoff, City Manager and Stephen Fischer, City Attorney.

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

Public comments received from: Shirley Godwin; Steve Nash; Alicia Percell; Edward Castillo and Larry Godwin.

C. CLOSED SESSION

At 4:49 p.m., the City Council recessed to a closed session, pursuant to Government Code section 54956.9(d)(1) to confer with its attorneys. The title and case number of the litigation being discussed was City of Oxnard; et al. v. Aaron Starr Ventura County Superior Court, Case No. 56-2016-00479696-CU-MC-VTA

At 5:14 p.m., Mayor Flynn was present.

The City Council also recessed to a closed session pursuant to Government Code section 54956.9(d)(2), based on existing facts and circumstances, there is significant exposure to litigation against the City in one potential case.

At 6:21 p.m. the City Council reconvened and recessed to the evening session.

D. OPENING CEREMONIES

At 6:23 p.m., the regular meeting of the Oxnard City Council reconvened in the Council Chambers. The meeting opened with the pledge of allegiance to the flag of the United States, followed by a moment of silence. Mayor Flynn presided. Additional staff members present were: Maria Hurtado, Assistant City Manager; Daniel Rydberg, Public Works Director; Arturo Castillo, Housing Director; Thien Ng, Wastewater Division Manager; Shiri Klima, Assistant City Attorney; Ashley Golden, Development Services Director; Karl Lawson, Compliance Services Manager and Raja Bamrungpong, Public Safety IT Manager.

ITEMS REMOVED FROM AGENDA

The City Manager requested to remove reports N-5 and N-6 with the City Council concurrence.

E. CEREMONIAL CALENDAR

1. SUBJECT: Presentation of a Commendation to Jessy Tapia for Receiving the California Expanded Learning Emerging Leadership Award from the California Department of Education.

DISCUSSION: Terrel Harrison, Community Service Manager commented the recognition of Jessy Tapia who oversees the after-school enrichment and academic activities offered at 20 different schools with Oxnard School District.

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments received from: Armando Vazquez (looking for location); Laura Gallardo (community); Victor Gallardo (wrestling match at Cal Poly); Daniel Chavez (voting & election activity); Steve Nash (community); Harold Ceja (Colonia Road project); Pete Placencia (reducing speeding in neighborhood); Dan Pinedo (local student protest); Aaron Starr (election results); George Miller (Veteran's Day activities, election results); Pat Brown (traffic "truck" signs) and Larry Stein (election results).

G. REPORT OF CITY MANAGER

The City Manager commented on meeting with the Senior Services Commission and the availability of Cultural Arts Commission grants.

H. CITY COUNCIL BUSINESS/COMMITTEE REPORTS

The City Council commented on: the election process; Veteran's Day activities; Oxnard Visitors and Convention Bureau meeting and recent Oxnard Boulevard "Clean-Up" activities.

I. REVIEW OF INFORMATION/CONSENT AGENDA

Comments were received from: Assistant City Manager (K-2(a))(K-3) and Public Safety IT Manager (K-2(c)).

J. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

Public comments received from: Gloria Delgado (K-3) and Daniel Chavez (K-3).

K. INFORMATION CONSENT AGENDACity Clerk Department

1. SUBJECT: Approval of Council Minutes of October 18 and 25, 2016 and Special Council Minutes of October 27, 2016.

RECOMMENDATION: Approval of Council Minutes of October 18 and 25, 2016 and Special Council Minutes of October 27, 2016.

City Manager Department2. SUBJECT: Agreements for City Council Review

RECOMMENDATION: Approve and authorize the City Manager to execute the agreements/ contracts and change orders/amendments in amounts more than \$25,000 but no more than \$250,000, which are described on the attached list. (A) (7417-16-HR) Management Partners for assistance in recruiting for technical positions within Public Works (\$25,500); (B) (7592-16-PW) Kelly Cleaning & Supplies, Inc., amendment for custodial services for Public Works facilities (\$84,785); and (C) (P.O. 006042) Sungard HTE for annual software maintenance (\$127,835).

3. SUBJECT: Amendment to Agreement for Translation Services for City Council Meetings

RECOMMENDATION: Approve and authorize the Mayor to enter into a Third Amendment to Agreement No. 5753-12-CM with All Languages Interpreting and Translating in the amount of \$57,800 for Interpreting Services at City Council meetings and the Inter-Neighborhood Council Organization's annual town hall meeting.

Development Services Department4. SUBJECT: Second Reading and Adoption of Ordinance 2910 Approving Planning and Zoning Permit No. 16-580-01 (Zone Text Amendment) - Final and Parcel Subdivision Map Approval, and Acceptance and Consent to Deeds or Grants

RECOMMENDATION: Adopt **Ordinance 2910** approving Planning and Zoning Permit No. 16-580-01 (Zone Text Amendment) - Final and Parcel Subdivision Map Approval, and Acceptance and Consent to Deeds or Grants.

Public Works Department5. SUBJECT: Approval of Lowest Responsible and Responsive Bid and Authorization to Issue and Execute a Contract (A-7915) for PW16-13 - Del Norte Regional Recycling & Transfer Station Facility (Del Norte Facility) Waste Tipping Floor Restoration.

RECOMMENDATION: 1) Award A-7915 to the lowest responsible and responsive bidder, American Restore, Inc., in the amount of \$169,750 for PW16-13 - Del Norte Facility Waste Tipping Floor Restoration Project, and authorize the purchasing agent to execute the contract upon receipt of final documents. 2) Approve an additional 15% (\$25,462) of the contract value of \$169,750 for a total potential funding of \$195,212 for contingency reserves in the event of unforeseeable change orders for this project.

6. SUBJECT: Administering Agency-State Master Agreement 07-5129F15 for Federal Aid Projects and Resolution Authorizing the Mayor to Execute Program Supplements

RECOMMENDATION: 1) Approve Administering Agency-State Master Agreement for Federal Aid Projects Agreement No. 07-5129F15 (A-7935) and authorize the Mayor to execute this Master Agreement; and 2) Adopt **Resolution No. 14,972** authorizing the Mayor or his or her designee to execute all future project- or grant- specific supplemental agreements and related documents that fall under this Master Agreement.

INFORMATION/CONSENT AGENDA ACTION: Approved as recommended. (Ramirez/ Padilla)
Ayes: Ramirez, MacDonald, Padilla, Perello and Flynn.

L. PUBLIC HEARINGS

M. APPOINTMENT ITEMSN. REPORTSPublic Works Department

1. 1.SUBJECT: Chemical Purchases for Water and Wastewater Treatment Facilities.

RECOMMENDATION: 1) Approve and authorize the Mayor to execute four agreements for the as-needed supply and delivery of chemicals to Water and Wastewater Treatment Facilities in the period of November 15, 2016, through November 14, 2019: (a) Agreement A-7924 with Argo Chemical, Inc. for supply and delivery of aqueous ammonia to the Water Facilities in the amount of \$61,722; (b) Agreement A-7927 with JCI Jones Chemical, Inc. for supply and delivery of sodium hydroxide and sodium hypochlorite to the Water Campus and Blending Station No. 3 in the amounts of \$214,744 and \$132,692, respectively, sodium hydroxide and sodium hypochlorite to the Wastewater Treatment Plant (WWTP) in the amounts of \$119,801 and \$597,010, respectively, and sodium hydroxide and sodium hypochlorite to the Advanced Water Purification Facility (AWPF) in the amounts of \$23,960 and \$36,340, respectively, for a total purchase amount of \$1,124,547; (c) Agreement A-7928 with Kemira Water Solutions, Inc. for supply and delivery of ferric chloride to the WWTP in the amount of \$1,358,546; (d) Agreement A-7929 with Univar USA, Inc. for supply and delivery of sodium bisulfite to the WWTP in the amount of \$138,969 and of citric acid, hydrogen peroxide, sodium bisulfite and sulfuric acid to the AWPF in the amounts of \$119,402, \$206,777, \$13,897 and \$357,008, respectively, for a total purchase amount of \$836,053; and 2) Approve and authorize the Mayor to execute Purchase Order 6039 for the as-needed supply and delivery of liquid lime to the AWPF in the period of November 15, 2016 through November 14, 2017, in the amount of \$117,300.*

DISCUSSION: The Wastewater Division Manager commented on the required use of chemicals and bid process.

The Assistant City Attorney reviewed the bid process and City options.

The City Council commented on: storage requirements and chain of “custody” information.

ACTION: Approved as recommended with removal of N-1(b)* (MacDonald/Perello). Ayes: MacDonald, Padilla, Perello, Flynn and Ramirez.

City Attorney Department

2. 2.SUBJECT: Emergency Work at Golf Course Clubhouse

RECOMMENDATION: Adopt **Resolution No. 14,973** terminating the action regarding the emergency at the River Ridge Golf Club’s clubhouse, making findings therefor, and ordering that the remainder of the clean-up, demolition and repair work at the facility be completed by giving notice for bids.

DISCUSSION: The City Manager, City Attorney and Assistant City Attorney reviewed the emergency actions taken, completion of emergency work, the need for more work, insurance information and request to terminate “emergency” resolution.

ACTION: Approved as recommended. (Ramirez/MacDonald). Ayes: Padilla, Perello, Flynn Ramirez and MacDonald.

Housing Department4. SUBJECT: Funding Request for Homeless Winter Shelter

RECOMMENDATION: Authorize the use of \$30,000 of Salary Savings from the Housing Department to fund a Winter Warming Shelter for the Homeless at the Oxnard National Guard Armory for the 2016-2017 winter, and authorize the City Manager or designee to execute agreements necessary to participate in the 2016-2017 Winter Warming Shelter for Homeless at the Oxnard National Guard Armory.

DISCUSSION: The Housing Director reviewed: proposed change of location to Oxnard; the proposed budget and services to be provided at an Oxnard location.

The City Manager discussed the financial position for hosting Winter Shelter.

Public comments received from: Daniel Chavez; Steve Nash; Gloria Delgado; Abel Magana; Francine Castanon; Barbara Maci-Ortiz and Aaron Starr.

The City Council discussed homeless issues including the partnership with Ventura, proposed winter location, funding, services and possible future options.

ACTION: Approved as recommended (MacDonald/Ramirez). Ayes: Flynn, Ramirez, MacDonald and Padilla. Noes: Perello.

Finance Department3. SUBJECT: Repeal of Wastewater Rates

RECOMMENDATION: Report on the repeal of the wastewater rates and the issues that it has created for the Wastewater fund, as well as a general process to move forward in securing the proper funding for the Enterprise fund.

DISCUSSION: The City Manager reported on impacts of the initiative including possible financial penalties, possible availability of funds, stopping Wastewater Capital Improvement Projects, maintenance of immediate needs and essential "Wastewater" needs.

Public comments received from: Aaron Starr; Robert Chatenever; Alicia Percell; Larry Stein; George Miller; Steve Nash and Daniel Chavez.

The City Attorney commented on the past infrastructure "fee" study.

The Public Works Director reviewed proposed projects

The City Council discussed: the established infrastructure fee; providing "bare minimums" services, providing "safe" wastewater system; community "trust" and possible increased of "interest" rates.

ACTION: The City Council provided comments and directions to staff.

Public Works Department

5. SUBJECT: Progress Report on City Operation of Del Norte Regional Recycling and Transfer Station (MRF) and Environmental Resources Division Optimization Planning and Implementation Project, Approval of Agreement No. A-7764 for Development of an Environmental Resources Division Optimization Planning and Implementation Project, and Approval of a Budget Appropriation of Funds

RECOMMENDATION: 1) Receive An Annual Progress Report on City Operation of Del Norte Regional Recycling and Transfer Station (MRF); 2) Approve and authorize the Mayor to execute a three-year agreement with E. Tseng and Associates, Inc. A-7764 in the amount of \$842,500 for the development of an Environmental Resources Division Optimization Planning and Implementation Project; and 3) Approve an appropriation of funds in the amount of \$280,833 from Environmental Resources Operating Fund Balance to the Environmental Resources Administrative & Planning for the optimization planning and implementation assessment.

ACTION: Removed from agenda

City Attorney Department

6. SUBJECT: Marijuana Code Amendment

RECOMMENDATION: Approve the first reading by title only and waive further reading of an ordinance amending Section 7-282 of the City Code to provide that indoor marijuana cultivation in compliance with state law is not prohibited.

ACTION: Removed from agenda

O. PUBLIC COMMENTS ON REPORTS

P. PUBLIC COMMENTS ON STUDY SESSION

Q. STUDY SESSION

R. ADJOURNMENT

At 10:49 p.m. the City Council concurred to adjourn the meeting.

DANIEL MARTINEZ
City Clerk

TIM FLYNN
Mayor

CARMEN RAMIREZ
Mayor Pro Tem



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 3

DATE: November 29, 2016

TO: City Council

FROM: Greg Nyhoff
City Manager

SUBJECT: Agreements for City Council Review

CONTACT: Greg Nyhoff, City Manager
Greg.Nyhoff@oxnard.org, 385-7430

RECOMMENDATION:

That City Council, pursuant to Ordinance 2835, and Resolution No. 13,932, approve and authorize the City Manager to execute the agreements/contracts and change orders/amendments in amounts more than \$25,000 but no more than \$250,000, which are described on the attached list.

- A. Jensen Design & Survey, Inc., construction management and litigation support for recycled water backbone Phase 1 (\$25,000).
- B. Granite Construction Company, Inc., Change Order No. 1 a reduction in the contract for Orchard Park Neighborhood Resurfacing (-\$55,752).
- C. Toro Enterprises, Inc., Change Order No. 1 a reduction in the contract for College Estates Neighborhood Resurfacing (-\$145,863).
- D. Zumar Industries, Inc., for street maintenance-signage material (\$27,962).

A complete explanation of the agreement and funding sources are attached.

BACKGROUND

On November 16, 2010, the City Council approved changes to the City's Purchasing Procedures reducing the threshold for City agreements/contracts and change orders/amendments requiring City Council approval to \$25,000. The agreements/contract and change orders/amendments

Agreements for City Council Review
November 29, 2016
Page 2

described on the attached list involve amounts above \$25,000 and up to \$250,000.

FINANCIAL IMPACT

Funding information is included on the attached list.

NOTE: Copies of the agreement/contracts and change orders/amendments on the list are available in the City Clerk's Office prior to the Council meeting.

ATTACHMENTS:

Attachment A: City Manager Contract List for November 29, 2016

City Manager Contract List for 11/29/2016

Contracts from \$25,000 to \$250,000

A Construction Management and Litigation Support for Recycled Water Backbone Phase 1

Vendor: Jensen Design & Survey Inc.
 Type: Amendment
 Agreement No.: A-7821
 Amendment No.: 1
 Purchase Order No.: 5614
 Begin Date: 07/28/2015
 End Date: 09/01/2018
 Term: 3 yrs

Amount to be Approved:
 Current FY Amount:
 Total Contract Amount:
 Funding Source:
 Vendor Selection Process:
 # of Bids/Proposals/Quotes:
 Project Manager:
 Department:
 Telephone:
 Email:

\$25,000
 \$25,000
 \$120,000
 Water Operating
 Negotiated Contract
 N/A
 Daniel Rydberg, PE.
 Public Works
 805-385-8055
 daniel.rydberg@oxnard.org

Purpose:

This Amendment is to increase the compensation by \$25,000 for a total not to exceed \$120,000. This is for pending litigation of the Hueneme Road Phase 1 Recycled Water Backbone System, Project PW-12-13.

Jensen Design & Survey, Inc. was a subconsultant on the Hueneme Road project acting as the project/construction manager. The contractor, Mladen Buntich, filed litigation against the City. Because of its role in the project, Jensen Design & Survey, Inc. scope of services has been modified to include litigation support services. The Agreement with Jensen is for the balance of the construction management services and litigation support.

City Manager Contract List for 11/29/2016

Contracts from \$25,000 to \$250,000

B Orchard Park Neighborhood Resurfacing Project

Vendor: Granite Construction Company, Inc.
 Type: Change Order
 Agreement No.: A-7839
 Amendment No.: 1
 Purchase Order No.: 5814
 Begin Date: 03/01/2016
 End Date: 05/20/2016
 Term: 3 months

Amount to be Approved: -\$55,752
 Current FY Amount: -\$55,752
 Total Contract Amount: \$839,591
 Funding Source: Lease Revenue Bond Funds
 Vendor Selection Process: Public Works Bid
 # of Bids/Proposals/Quotes: 4
 Project Manager: Raymond Williams
 Department: Public Works/Capital Projects Management
 Telephone: 797-8206
 Email: raymond.williams@oxnard.org

Purpose:

Change Order No. 1 is a reduction in the contract by \$55,752.19 for resurfacing of the Orchard Park neighborhood and close the project. Public Work construction contracts are bid using estimated quantities of work. Estimates are used to account for unknown or unmeasured amounts such as the quantity of street subgrade that needs to be replaced but is not visible until the surface is removed during the project. During construction, City inspectors verify the actual quantities constructed by the contractor and payments are made based on the actual work performed. When the project is completed, a balancing change order is used to adjust the estimated quantity of work to the actual quantity of work.

This contract is for Public Work construction which is required by State Law and City procurement policy to be awarded through a public bid process to the contractor with the lowest bid that is deemed to be responsible and responsive.

City Council approved plans and specifications on June 16, 2015. The contract was advertised on August 20, 2015. Four bids were received at the public bid opening on October 7, 2015. Upon review of the bids by department staff and Contract Compliance Review Committee, it was recommended to award this contract to Granite Construction Company, Inc. The bid received from Granite Construction was found to be the lowest responsible and responsive bid and City Council approved the contract on November 10, 2015.

City Manager Contract List for 11/29/2016

Contracts from \$25,000 to \$250,000

C College Estates Neighborhood Resurfacing Project

Vendor:	Toro Enterprises, Inc.	Amount to be Approved:	-\$145,863
Type:	Change Order	Current FY Amount:	-\$145,863
Agreement No.:	A-7817	Total Contract Amount:	\$1,719,029
Amendment No.:	1	Funding Source:	Lease Revenue Bond Funds and Water Operating Funds
Purchase Order No.:	5896/5908	Vendor Selection Process:	Public Works Bid
Begin Date:	05/25/2016	# of Bids/Proposals/Quotes:	3
End Date:	10/19/2016	Project Manager:	Raymond Williams
Term:	5 months	Department:	Public Works/Capital Projects Management
		Telephone:	797-8206
		Email:	raymond.williams@oxnard.org

Purpose:

Change Order No. 1 is a reduction in the contract by \$145,862.97 for resurfacing of the College Estates neighborhood and close the project. Public Work construction contracts are bid using estimated quantities of work. Estimates are used to account for unknown or unmeasured amounts such as the quantity of street subgrade that needs to be replaced but is not visible until the surface is removed during the project. During construction, City inspectors verify the actual quantities constructed by the contractor and payments are made based on the actual work performed. When the project is completed, a balancing change order is used to adjust the estimated quantity of work to the actual quantity of work.

This contract is for Public Work construction which is required by State Law and City procurement policy to be awarded through a public bid process to the contractor with the lowest bid that is deemed to be responsible and responsive.

City Council approved plans and specifications on April 28, 2015. The contract was advertised on June 4 and 11, 2015. Three bids were received at the public bid opening on July 8, 2015. Upon review of the bids by department staff and Contract Compliance Review Committee, it was recommended to award this contract to Toro Enterprises, Inc. The bid received from Toro Enterprises was found to be the lowest responsible and responsive bid and City Council approved the contract on April 5, 2016.

City Manager Contract List for 11/29/2016

Contracts from \$25,000 to \$250,000

D Street Maintenance-Signage Material

Vendor: Zumar Industries Inc.
 Type: Purchase Order
 Agreement No.: 6063
 Amendment No.: N/A
 Purchase Order No.:
 Begin Date: 12/01/2016
 End Date: 12/31/2016
 Term: 1 Month

Amount to be Approved:
 Current FY Amount:
 Total Contract Amount:
 Funding Source:
 Vendor Selection Process:
 # of Bids/Proposals/Quotes:
 Project Manager:
 Department:
 Telephone:
 Email:

\$27,962
 \$27,962
 \$27,962
 Gas Tax Funds
 Informal Bids
 3
 Raymond Williams, Interim Streets Manager
 Public Works / Street Division
 797-8206
 raymond.williams@oxnard.org

Purpose:

Zumar Industries, Inc. ("Zumar") was the materials supplier for FY 2015-2016. When the City sought new bidders for FY 2016-2017, Zumar was the only vendor to respond. In order to not halt the Street Division's sign maintenance activity, materials continued to be ordered from Zumar for the 2015-2016 Contract. Public Works has developed new bid documents and the project is being repackaged as a multi-year material supply agreement. Once funding is identified, the project will be bid. In the interim, the City owes Zumar for materials supplied to date.



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 4

DATE: November 29, 2016

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Darwin Base
Fire Chief

SUBJECT: Acceptance of Assistance to Firefighters Grant Program (AFG) Federal Emergency Management Agency (FEMA) for Hazardous Materials Technician Training as a Subrecipient to the Ventura City Fire Department in the Amount of \$88,000.

CONTACT: Darwin Base, Fire Chief
Darwin.Base@oxnard.org, 385-7700

RECOMMENDATION:

That City Council

- 1) Adopt a resolution authorizing The City Manager or designee to accept the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant designation from Ventura City Fire Department (VFD) to the City of Oxnard Fire Department in the amount of \$88,000; The Chief Financial Officer or designee to submit financial reports and grant claims, and perform all other required financial actions; The Fire Chief or designee to submit non-financial reports.
- 2) Approve a budget appropriation recognizing the Firefighters Grant designation from Ventura City Fire Department (VFD) in the amount of \$88,000 and transfer a 10% match from FY16-17 budgeted General Fund Fire Suppression Training in the amount of \$8,800.

BACKGROUND

The Ventura City Fire Department (VFD) has been awarded a regional grant by FEMA for the

Acceptance of FEMA Grant for HazMat Tech

November 29, 2016

Page 2

amount of \$275,000. The funds are to be used for training of fire personnel from VFD, the Ventura County Fire Protection District, and City of Oxnard Fire Departments in Hazardous Materials Technician Training.

The funds will require a 10% match from each agency. The amount awarded to Oxnard Fire Department is \$79,200 with a required match of \$8,800, for a total award of \$88,000. The allocation will be used to pay for \$24,000 in contractor training costs and \$64,000 in personnel costs to train eight (8) Oxnard Fire Department Firefighters to be Hazardous Materials Technicians.

Hazardous Materials Technician 1 takes place over the course of four one-week modules. The course consists of classroom and practical training in which the student becomes familiar with health and safety issues, incident management, hazard and risk analysis, personal protective clothing, and decontamination. This course is required for firefighters to respond to hazardous material emergencies.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to strengthen and stabilize the organizational foundation of the City in the areas of Finance, Information Technology, and Human Resources, and to improve workforce quality while increasing transparency to the public. This item supports the following goals and objectives:

Goal 3. Focus on creating a culture of learning and talent development that will lead to a quality workforce which meets the needs of our community.

FINANCIAL IMPACT

No additional General Fund appropriation is needed with this grant. FEMA will provide \$79,200 Hazardous Materials Technician Training and the City of Oxnard Fire Department will provide a 10% cost share of \$8,800 from budgeted FY16-17 General Fund Fire Suppression Training (Account 101-2201-802.83-43).

ATTACHMENTS:

Attachment A - Award Letter

Attachment B - HazMat Resolution

Acceptance of FEMA Grant for HazMat Tech
November 29, 2016
Page 3

Attachment C - Budget Appropriation

CITY OF VENTURA

FIRE DEPARTMENT

November 2, 2016

Oxnard Fire Department
Fire Chief Darwin Base
360 West Second Street
Oxnard, CA 93030

NOTIFICATION OF SUBGRANT AWARD

Fiscal Year: 2015 Assistance to Firefighters Grant Program
Grant Number: EMW-2015-FR-00129
Regional Project: Hazardous Materials Technician Training
Performance Period: August 20, 2016 – August 19, 2017

Dear Chief Base,

The FEMA Assistance to Firefighters Grant (AFG) Program has approved the Ventura City Fire Department regional application for Hazardous Materials Technician Training in the amount of \$275,000. Your organization has been awarded an amount not to exceed \$64,000 to cover personnel costs, including overtime, backfill, applicable personnel benefits and \$24,000 for contractor training costs. The AFG grant requires a 10% match; therefore, Ventura City Fire will reimburse 90% of your agencies costs.

Your grant administrator is responsible for reviewing all federal and state guidance to ensure compliance with federal and state regulations. This is a reimbursement grant; therefore, funds must be expended and a reimbursement request with the appropriate supporting documentation must be submitted to the Ventura City Fire Department before your agency receives the grant funds.

The Ventura City Fire Department must receive all reimbursement requests by March 31, 2017.

Sincerely,



David Endaya
Fire Chief

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING
GRANT ACCEPTANCE AND PROCEDURES

WHEREAS, City Council Resolution No. 12,053 sets out the City of Oxnard's grant procedures; and

WHEREAS, City Council wishes to accept, as a subrecipient, the Federal Emergency Management Agency (FEMA) Assistance to Firefighters grant designation from Ventura City Fire Department to the City of Oxnard Fire Department in the amount of \$88,000.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to approve the acceptance of the grant award by the City Manager for Hazardous Materials Technician Training. The City Council further resolves that the City Manager or designee is authorized to execute grant agreements; the Finance Director or designee is authorized to submit financial reports and grant claims and approve budget appropriations for the use of grant funds; and the Fire Chief or designee is authorized to submit non-financial reports.

PASSED AND ADOPTED THIS 29th day of November, 2016, by the following vote:

AYES:

NOES:

ABSENTS:

Timothy Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Daniel Martinez, City Clerk

Stephen Fischer, City Attorney

REQUEST FOR BUDGET APPROPRIATION

Department: Fire
 Project/Program _____
 Manager: Darwin Base

Date: November 7, 2016
 Phone: 805-385-7700

Reason for Appropriation:

To recognize Oxnard City Fire Department's allocation of Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant FY15, a regional grant awarded to Ventura City Fire Department as the lead agency. The total grant is \$275,000 with a cost match of 10%. The allocation designated to the City of Oxnard is \$79,920 with a \$8,800 cost match (10%), per award EMW-2015-FR-00129.

Accounts and Descriptions**AMOUNT****Fund: 101 - GENERAL FUND****Expenditures/Transfers Out****FIRE SUPPRESSION (2201)**

101-2201-802.83-43	TRAINING/WORKSHOP/MTNGS	(8,880)
101-2201-802.87-33	TRANSFER TO GRANT FUND	8,880
	Sub-total Expenditures	0

Net Change to Fund Balance	0
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Fund: 238 - HOMELAND SECURITY GRANT FUND**Revenues/Transfers In****FEMA HazMat FY15 (772258)**

238-2221-531.72-20	GENERAL FUND MATCH - FED. GR	8,880
238-2221-531.72-31	FEDERAL/STATE GRANT REVENUES	79,920
	Sub-total Revenues	88,800

Expenditures/Transfers Out**FEMA HazMat FY15 (772258)**

238-2221-802.80-03	PERSONAL SERVICES / OVERTIME	45,000
238-2221-802.80-08	PERSONAL SERVICES / STATION COVERAGE	10,000
238-2221-802.80-41	EMPLOYEE BENEFITS	2,200
238-2221-802.80-42	WORKERS COMPENSATION INS	6,000
238-2221-802.80-43	PERSONNEL SERVICES / PERS	1,600
238-2221-802.83-43	TRAINING/WORKSHOP/MTNGS	24,000
	Sub-total Expenditures	88,800

Net Change to Fund Balance	0
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Net Appropriation Change	88,800
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Approvals

Department Director _____

Chief Financial Officer _____

City Manager _____

BA# (Finance Use Only) _____

BA DOC.# (Finance) _____

Rev _____

DOES NOT REQUIRES CITY COUNCIL AUTHORIZATION

Packet Pg. 53



CITY COUNCIL
AGENDA REPORT

TYPE OF ITEM: Report

AGENDA ITEM NO.: 1

DATE: November 29, 2016

TO: City Council

THROUGH: Greg Nyhoff
City Manager

A handwritten signature in blue ink, appearing to read "Greg Nyhoff".

FROM: Daniel Rydberg
Public Works Director

A handwritten signature in blue ink, appearing to read "Daniel Rydberg".

SUBJECT: Agreement Number A-7927 with JCI Jones Chemical, Inc. for Chemical Purchases for Water, Wastewater and Recycled Water Facilities (5/10/10)

CONTACT: Daniel Rydberg, Public Works Director
Daniel.Rydberg@oxnard.org, 385-8055

RECOMMENDATION:

That the City Council approve and authorize the Mayor to execute an agreement with JCI Jones Chemical, Inc. for supply and delivery of sodium hydroxide and sodium hypochlorite to the Water Campus and Blending Station No. 3 in the amounts of \$214,744 and \$132,692, respectively, sodium hydroxide and sodium hypochlorite to the Wastewater Treatment Plant (WWTP) in the amounts of \$119,801 and \$597,010, respectively, and sodium hydroxide and sodium hypochlorite to the Advanced Water Purification Facility (AWPF) in the amounts of \$23,960 and \$36,340, respectively, for a total purchase amount of \$1,124,547.

BACKGROUND

On November 15, 2016, City staff agendized requests for supply and delivery of several chemicals needed for water, wastewater and recycled water treatment. Just a couple of hours prior to the City Council meeting on November 15th, one of the vendors notified City staff that it was unsure that it could honor its bid prices for sodium hydroxide and sodium hypochlorite. As a result, staff pulled the request for approval of the agreement for supply and delivery of these two chemicals. City Council approved the remaining agreements for supply and delivery of aqueous ammonia, ferric chloride, sodium bisulfite, citric acid, hydrogen peroxide, sulfuric acid and liquid lime. On November 17, 2016 staff received confirmation that the vendor would be

Agreement with JCI Jones for Chemical Purchases for Water, Wastewater and Recycled Water Facilities

November 29, 2016

Page 2

able to honor the bid prices; therefore, staff recommends that City Council approve the agreement with JCI Jones for supply and delivery of sodium hydroxide and sodium hypochlorite.

The City utilizes three sources of water to serve its customers: groundwater from the City's wells, groundwater delivered by the United Water Conservation District (UWCD), and imported surface water delivered by Calleguas Municipal Water District (CMWD). The City owns and operates six blending stations where the City blends its three sources of water supply. The blending stations utilize the following chemicals:

- Sodium hydroxide solution for pH balance; and
- Sodium hypochlorite for chloramination disinfection.

Wastewater treatment is provided through primary, secondary, and recycled water treatment. Primary wastewater treatment consists of settling tanks to remove inorganic materials and heavy solid materials. Secondary treatment consists of biological treatment in activated sludge treatment basins (or bio-towers) and settling tanks to remove soluble organics. Recycled water treatment consists of membrane filtration and reverse osmosis followed by advanced oxidation and disinfection to remove dissolved organics, minerals, and viruses. The WWTP utilizes the following chemicals:

- Sodium hydroxide solution for odor control scrubber treatment to remove hydrogen sulfide gas (sewer gas);
- Sodium hypochlorite solution to disinfect treated wastewater;

The AWPf utilizes the following chemicals:

- Sodium hydroxide and sodium hypochlorite for microfiltration and reverse osmosis membrane cleaning.

The City of Oxnard must follow all the requirements of the Safe Drinking Water Act, and as such is required to chemically and physically treat the water supply and the water discharged as waste from the treatment plants. Because of the multi-barrier treatment process, these chemicals are an essential part of protecting public health as well as protecting filter media and membrane integrity and life.

On September 1, 2016, the City issued a Request for Bids (RFB) for treatment chemicals purchase for the WWTP, located at 6001 South Perkins Road, the AWPf, located at 5700 South Perkins Road, the Water Campus, located at 251 South Hayes Avenue, and the Water Blending Station No. 3, located at 1700 Solar Drive. The City sent the RFB to sixteen (16) known companies that provide these chemicals and also advertised the RFB on the City's website and in the Vida newspaper. The closing date for the RFB was September 16, 2016. Since it was unlikely that any one company would be able to provide all the treatment chemicals needed, the City allowed each bidder to submit a bid for each of the chemicals that bidder is able to provide. For each chemical, the City awarded a contract to the lowest bidder.

The agreement was calculated by reviewing operations and estimating the quantity of chemicals

Agreement with JCI Jones for Chemical Purchases for Water, Wastewater and Recycled Water Facilities

November 29, 2016

Page 3

needed for the term of the agreement. The agreements allow the vendors to amend their prices annually upon submission to the City of the new prices and City's approval of those new prices. Thus, the agreement amounts were incrementally increased by 15% each year to accommodate price changes and potential operational changes that would require additional chemicals. Over the past three years, chemical prices have been fairly stable, so the 15% should be sufficient to cover cost fluctuations and operational changes. If a chemical's price increases from one year to the next by more than 15%, staff will return to the City Council for additional approvals and appropriations.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016.

FINANCIAL IMPACT

Sufficient funds are available in Fiscal Year 2016-17 Operating Budget for the purchase order of each agreement in the following accounts:

Description	Accounts	Amount
Water Production – Operating Supplies / Chemicals	601-6001-843-8106	\$77,961
Water Recycle Water – Operating Supplies / Chemicals	601-6012-843-8106	\$13,484
Wastewater Treatment Services – Operating Supplies / Chemicals	621-6202-843-8106	\$160,287
	Total	\$251,732

The remaining balance of the agreement will be appropriated in fiscal years 2017-18 and 2018-19 Budget.

ATTACHMENTS:

Attachment A - Agreement A-7927

AGREEMENT FOR TRADE SERVICES

THIS AGREEMENT FOR TRADE SERVICES (“Agreement”) is entered into in Ventura County, California, this 15th day of November, 2016, by and between the City of Oxnard (“City”) and JCI Jones Chemicals, Inc. (“Vendor”), subject to the following terms and conditions:

1. Vendor shall provide to City the following services: 1) Supply and delivery of sodium hydroxide to the Water Campus at 251 South Hayes Avenue, Oxnard, CA 93030. Solution should be 25% (NaOH), suitable for potable water treatment (NSF approved). 2) Supply and delivery of sodium hydroxide 25% to the Wastewater Treatment Plant at 6001 Perkins Road, Oxnard, CA 93033. Sodium hydroxide shall comply with ANSI/AWWA Standard B501-98 or most current standard. 3) Supply and delivery of sodium hydroxide to the Advanced Water Purification Facility at 5700 South Perkins Road, Oxnard, CA 93033. Solution shall be 25% and suitable for water treatment. Sodium hydroxide shall comply with ANSI/AWWA Standard B501-98 or most current standard. 4) Supply and delivery of sodium hypochlorite to the Water Campus at 251 South Hayes Avenue, Oxnard, CA 93030 and to Blending Station No. 3 at 1700 Solar Drive, Oxnard, CA 93030. Solution should be 12.5% by weight (NaOCl) and suitable for potable water treatment (NSF approved). 5) Supply and delivery of sodium hypochlorite to the Wastewater Treatment Plant at 6001 Perkins Road, Oxnard, CA 93033. Solution should be 12.5 wt% available NaOCl, suitable for water treatment. 6) Supply and delivery of sodium hypochlorite to the Advanced Water Purification Facility at 5700 South Perkins Road, Oxnard, CA 93033. Solution should be 12.5wt% available NaOCl, suitable for water treatment.

Vendor shall provide these Services to City in accordance with Exhibit A, which is attached hereto and incorporated herein by this reference (“Services”).

2. Vendor shall provide the Services during the term of this Agreement, as set forth in Section 3 below. Vendor shall be excused for delays resulting from causes beyond the control of Vendor.

3. This Agreement shall begin on November 15, 2016, and shall end on November 14, 2019. City may terminate this Agreement at any time, with or without cause, by giving written notice to Vendor, specifying the effective date of termination. Unless City asserts that Vendor has breached the Agreement, City agrees to pay Vendor in full for the Services satisfactorily performed as of the effective date of termination, including any expenditures incurred on City’s behalf, whether for the employment of third parties or otherwise. If City pays for any materials, City shall be entitled to the title and possession of such materials.

4. City shall pay Vendor an amount not to exceed \$1,124,547 for the Services performed during the term of this Agreement in accordance with Exhibit B, which is attached hereto and incorporated herein by this reference. Vendor’s acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Vendor for anything completed, finished or relating to the Services. Vendor agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Vendor or its employees, subcontractors, agents and sub-vendors for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such

payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Vendor, its employees, subcontractors, agents and sub-vendors. Vendor shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Vendor or materials or products provided to City by Vendor, Vendor shall pay the sales tax. City shall not reimburse Vendor for sales taxes paid by Vendor.

5. a. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as **Exhibit C**. While this Agreement is in effect, Vendor shall pay such employee no less than \$15.14 per hour for each hour that such employee provides services under this Agreement. This hourly rate shall be adjusted on July 1, 2016, and each July 1 thereafter, according to the percentage change in the Consumer Price Index, all items, prepared by the Bureau of Labor Statistics for the Los Angeles, Riverside, Orange County area relating to all urban consumers (CPI-U), index base 1967 + 100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

b. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by the Oxnard City Council on July 9, 2002, and effective October 1, 2002.

c. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.

d. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of \$500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

6. a. To the fullest extent permitted by law, Vendor shall (1) immediately defend; (2) indemnify; and (3) hold harmless City, its City Council, each member thereof, and its directors, officers, and employees (the **"Indemnified Party"**) from and against all liabilities regardless of nature, type, or cause, arising out of or resulting from or in connection with Vendor's performance of this Agreement or Vendor's failure to comply with any of its obligations contained in this Agreement. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. Vendor's obligation to indemnify applies unless it is adjudicated that any of the liabilities covered by this Section are the result of the sole active negligence or sole willful misconduct of the Indemnified Party. If it is finally adjudicated that liability is caused by the comparative negligence or willful misconduct of the Indemnified Party, Vendor's indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

b. The duty to defend is a separate and distinct obligation from Vendor's duty to indemnify. Vendor shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the Indemnified Party immediately upon tender to Vendor of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination of negligence or willful misconduct by the Indemnified Party shall not relieve Vendor from its separate and distinct obligation to defend the Indemnified Party. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes the obligation to provide independent defense counsel if Vendor asserts that liability is caused in whole or in part by the negligence or willful misconduct of the Indemnified Party. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of the Indemnified Party, Vendor may submit a claim to City for reimbursement of reasonable attorneys' fees and defense costs.

c. The review, acceptance or approval of Vendor's work or work product by the Indemnified Party shall not affect, relieve or reduce Vendor's indemnification or defense obligations. This Section shall survive completion of the Services or termination of this Agreement. The provisions of this Section shall not be restricted by and do not affect the provisions of this Agreement relating to insurance.

7. Vendor shall continuously maintain adequate protection of all of Vendor's work from damage and shall protect the City's property from any and all injury or loss arising in connection with this Agreement. Vendor shall take all necessary precaution for the safety of employees on the job and shall comply with all applicable provisions of federal, state and municipal safety laws and building codes to prevent accidents or injury to persons on, about or adjacent to any premises where the work is being performed.

8. a. Vendor shall obtain and maintain during the performance of the Services under this Agreement the insurance coverages specified in **Exhibit INS-I**, attached hereto and incorporated herein by reference, issued by a company satisfactory to the Risk Manager, unless the Risk Manager waives, in writing, the requirement that Vendor obtain and maintain such insurance coverages.

b. Vendor shall, prior to performance of the Services, file with the Risk Manager evidence of insurance coverage as specified in **Exhibit INS-I**.

c. Maintenance of insurance coverages by Vendor is a material element of this Agreement. Vendor's failure to maintain or renew insurance coverages or to provide evidence of renewal may be considered a material breach of this Agreement.

9. In performing the Services under this Agreement, Vendor is an independent contractor. Vendor and Vendor's agents, employees, subcontractors and other persons acting on Vendor's behalf are not officers or employees of City.

10. Vendor shall not, without the written consent of City's Purchasing Officer, assign this Agreement, or any interest therein, or any money due thereunder.

11. In performing the Services under this Agreement, Vendor shall comply with all applicable laws, ordinances and regulations. Before performing the Services under this Agreement, Vendor shall obtain all required licenses and permits, including a City business tax certificate.

12. This Agreement may be amended only by a written document signed by both City and Vendor.

13. Any notices to Vendor may be delivered personally or by mail addressed to: Colleen Dubose, Office Manager/Sales Coordinator, JCI Jones Chemicals, Inc. – Torrance, 1401 Del Amo Boulevard, Torrance, CA 90501. Any notices to City may be delivered personally or by mail addressed to: Public Works Administration, 305 West Third Street, East Wing, Third Floor, Oxnard, CA 93030.

14. This Agreement constitutes the entire agreement of City and Vendor regarding the subject matter described herein and supersedes all prior communications, agreements and promises, either oral or written.

15. Vendor agrees that City or its auditors shall have access to and the right to audit and reproduce any of Vendor's relevant records to ensure that City is receiving all the Services to which City is entitled under this Agreement or for any other purpose relating to the Agreement. Vendor shall maintain and preserve all such records for a period of at least three years after the expiration of this Agreement, or until an audit has been completed and accepted by City. Vendor agrees to maintain all such records in City or to promptly reimburse City for all reasonable costs incurred in conducting the audit at a location other than in City, including but not limited to expenses for personnel, salaries, private auditor, travel, lodging, meals and overhead.

16. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one and the same agreement or document. A signed copy of this Agreement transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

[Signatures on the next page]

CITY OF OXNARD

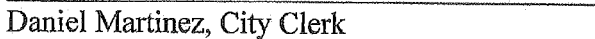
JCI JONES CHEMICALS, INC.


 Tim Flynn, Mayor


 Colleen DuBose, Sales Coordinator

ATTEST:

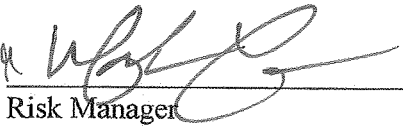

 Timothy Ross, Branch Manager


 Daniel Martinez, City Clerk

APPROVED AS TO FORM:


 Stephen M. Fischer, City Attorney

APPROVED AS TO INSURANCE:


 Risk Manager

APPROVED AS TO CONTENT:


 Daniel Rydberg, P.E., Public Works Director

APPROVED AS TO CONTENT:


 Thien Ng, Project Manager

APPROVED AS TO CONTENT:


 Omar Castro, Project Manager

APPROVED AS TO AMOUNT:

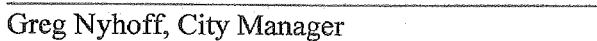

 Greg Nyhoff, City Manager

Exhibit A
Supplier Specifications and General Requirements

1. Delivery:

- a. **Timing:** Product shall be delivered within 48 hours of agency request. All deliveries shall be made Monday through Friday between 8:00 a.m. and 2:00 p.m.
- b. **Delivery vehicles:** Shall be in good condition and operated by Supplier. Truck tractors and tank trailers shall be pneumatic-tired; conform to all applicable State and Federal regulations; and be fully equipped and maintained to safely transport and deliver specified chemical product. Tank trailers shall be specially designed to prevent leakage and resist rupture in the event of a collision, and carry all equipment necessary to respond to an accidental chemical release.
- c. **Delivery Driver:** Shall be trained and experienced in handling specified chemical product, and be specifically trained to stop chemical flow in the event of an emergency. Supplier shall provide evidence of such training and experience upon request.
- d. **Posted Speed Limits:** Shall be observed at all times while driving on agency property. Supplier shall be completely liable for any damage to property or personnel.
- e. **Delivery Equipment:** Shall include an appropriate compression unit and piping to permit safe transfer of the specified chemical product to stationary bulk containers. Hoses, fittings and appurtenant equipment shall be provided by Supplier and be free of leaks.
- f. **Unloading:** Shall be done in a safe manner by Supplier in the presence of a plant operator. Appropriate protective clothing shall be worn, and industry safety practices and procedures followed explicitly at all times.
- g. **Chemical Responsibility:** City of Oxnard shall be the delivery terminus. Chemicals shall be the full responsibility of vendor until delivered to City terminus. Vendor shall be responsible for any loss of product prior to delivery to City, including any environmental cleanup resulting from loss.
- h. **Pay Quantity of Bulk Product Delivered:** Shall be determined by weighing the tank trailer before and after filling at Supplier's plant on a certified truck scale. If any product has been spilled, then the tank trailer will need to be weighed on a certified truck scale at the nearest weigh scale available. Copies of weigh master's certificates shall be provided with delivery.
- i. **Other:** Agency may require Supplier to furnish an affidavit stating product complies fully with this specification, a certified analysis of the product delivered, and/or the preventative maintenance schedule of delivery truck's unloading compressor.
- j. **Deliver To:** 251 South Hayes Avenue, Oxnard, CA; to City of Oxnard Blending Station No. 3, 1700 Solar Drive, Oxnard, CA; to the Wastewater Treatment Plant at 6001 Perkins Road, Oxnard, CA 93033 and the Advanced Water Purification Plant at 5700 South Perkins Road, Oxnard, CA 93033 as required.

2. Quantity:

Exact quantities may vary from the estimates given, and may be increased or decreased to meet agency's requirements. No minimum is guaranteed.

3. Invoice:

A separate invoice shall be provided for each delivery during contract period.

4. Specification:

Supplier shall bring apparent error or omissions to City's attention.

Exhibit B
Chemical Description and Price

Chemical	Location	Unit Price Per Gallon
Sodium Hydroxide 25%	Water	\$0.750
Sodium Hydroxide 25%	Wastewater	\$0.750
Sodium Hydroxide 25%	AWPF	\$0.750
Sodium Hypochlorite 12.5%	Water	\$0.780
Sodium Hypochlorite 12.5%	Wastewater	\$0.650
Sodium Hypochlorite 12.5%	AWPF	\$0.650

The price per gallon listed above shall be effective through the term of this Agreement. If the Vendor wants to amend its prices, it must notify the City in writing by August 1st of each year of the prices effective that following November 15th. By October 1st, the City will continue the contract at the new rates, terminate the contract, or continue the contract at another negotiated rate.

EXHIBIT C**LIVING WAGE POLICY**

The Living Wage Policy of the City of Oxnard is hereby adopted by the City Council on July 9, 2002 to be effective October 1, 2002.

1. Pursuant to this Living Wage Policy, a service contractor shall pay those employees who provide services to the City under contract:
 - (a) Effective October 1, 2002, at least \$9.00 an hour for the time during which the employee is providing services to the City;
 - (b) Effective July 1, 2003, at least \$9.25 an hour for the time during which the employee is providing services to the City and 32 hours of paid leave per every calendar year in which an employee provides services to the City;
 - (c) Effective July 1, 2004, at least \$10.59 an hour for the time during which the employee is providing services to the City and 64 hours of paid leave per every calendar year in which an employee provides services to the City; and
 - (d) Effective July 1, 2005, at least \$12.22 an hour for the time during which the employee is providing services to the City and 96 hours of paid leave per every calendar year in which an employee provides services to the City.
2. The hourly rates established in Section 1 shall be adjusted July 1, 2006 and, each July 1 thereafter, according to the percentage change since July 1, 2005 in the Consumer Price Index prepared by the Bureau of Labor Statistics for the Los Angeles, Anaheim, Riverside area relating to all urban consumers.
3. A service contractor executing a service contract with the City for which the City will pay the contractor \$25,000 or more during the contract term shall be subject to the Living Wage Policy.
4. A service contractor executing more than one service contract with the City, and the combined monetary total of the payments by the City pursuant to such contracts is \$25,000 or more for the combined contract terms shall be subject to the Living Wage Policy.
5. This Living Wage Policy shall not govern the following types of contracts for: (a) the purchase, rental or lease of goods, products, equipment, supplies or other personal property; (b) public works projects as defined in State or local law; and (c) professional services.

6. This Living Wage Policy shall not govern the following service contractors: (a) nonprofit entities organized under IRS Code section 501(c)(3); (b) public entities such as cities, counties, special districts, states and the federal government; and (c) businesses employing fewer than five persons.
7. The City Attorney is directed to include in all standard trade services contracts and all contracts involving unique trade services, the language set forth in Exhibit 1 attached hereto and incorporated herein by this reference.
8. If a service contractor fails to comply with this Living Wage Policy, the City Manager is directed to terminate the subject service contract immediately and to impose appropriate fines and penalties as set forth in the service contract.
9. The City Manager and the City Attorney are responsible for the administration and enforcement, respectively, of the Living Wage Policy. If an employee of a service contractor governed by the Living Wage Policy concludes that he/she has been retaliated against for the exercise of rights under the Living Wage Policy, the employee should contact the City Manager at 385-7430.
10. The City Manager shall reasonably cooperate with representatives of the Ventura County Living Wage Coalition to ensure the effective administration and enforcement of the Living Wage Policy.
11. This Living Wage Policy may be changed only by City Council and only after a duly noticed public hearing.
12. The City Manager is directed to ensure that the City Council will review the Living Wage Policy as part of the FY 2003-2004/05 budget process.

Exhibit 1**Living Wage Policy**

Pursuant to the Living Wage Policy adopted July 9, 2002 by the City Council and effective October 1, 2002, the City Manager and City Attorney are directed to include the following language in all standard trade services contracts and all unique trade services contracts governed by the Living Wage Policy.

- A. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit C. While this Agreement is in effect, Vendor shall pay such employee no less than \$15.14 per hour for each hour that such employee provides services under this Agreement. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.
- B. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by City Council on July 9, 2002 and effective October 1, 2002.
- C. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.
- D. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of \$500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

CITY OF OXNARD LIVING WAGE REQUIREMENTS
EFFECTIVE JULY 1, 2016

1. a. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit 1. While this Agreement is in effect, Vendor shall pay such employee no less than **\$15.14 per hour** for each hour that such employee provides services under this Agreement. **This hourly rate shall be adjusted on July 1, 2017, and each July 1 thereafter, according to the percentage change in the Consumer Price Index**, all items, prepared by the Bureau of Labor Statistics for the Los Angeles, Riverside, Orange County area relating to all urban consumers (CPI-U), index base 1967 + 100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

b. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by the Oxnard City Council on July 9, 2002 and effective October 1, 2002.

c. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.

d. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of \$500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

e. The foregoing requirements are restated on pages 1 and 2 of the Agreement for Trade Services.

**INSURANCE REQUIREMENTS FOR VENDORS
(WHO DELIVER, INSTALL OR MAINTAIN PRODUCTS)**

1. Vendor shall obtain and maintain during the performance of any services under this Agreement the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the sale and delivery, installation or maintenance of products by vendor, its agents, representatives, or employees.

a. Commercial General Liability Insurance, including Contractual Liability, in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for general liability with coverage equivalent to Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001). If a general aggregate limit is used, that limit shall apply separately to the project or shall be twice the occurrence amount;

b. Business Automobile Liability Insurance in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for automobile liability with coverage equivalent to Insurance Services Office Automobile Liability Coverage (Occurrence Form CA0001) covering Code No. 1, "any auto;"

c. Workers' Compensation Insurance in compliance with the laws of the State of California, and Employer's Liability Insurance in an amount not less than \$1,000,000 per claimant.

2. Vendor shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-I. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before work commences. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be forwarded to the Risk Manager, addressed as follows:

City of Oxnard
Risk Manager
Reference No. _____
300 West Third Street, Suite 302
Oxnard, California 93030

3. Vendor agrees that all insurance coverages shall be provided by a California admitted insurance carrier with an A.M. Best rating of A:VII or better and shall be endorsed to state that coverage may not be suspended, voided, canceled by either party, or reduced in coverage or limits without 30 days' prior written notice to the Risk Manager. The Risk Manager shall not approve or accept any endorsement if the endorsement contains "best effort" modifiers or if the insurer is relieved from the responsibility to give such notice.

4. Vendor agrees that the Commercial General Liability and Business Automobile Liability Insurance policies shall be endorsed to name City, its City Council, officers, employees and volunteers as additional insureds as respects: liability arising out of activities performed by or on behalf of vendor; products and completed operations of vendor; premises owned, occupied or used by vendor; or automobiles owned, leased, hired or borrowed by vendor. The coverage shall contain no special limitations on the scope of protection afforded to City, its City Council, officers, employees and volunteers. **The General Liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-I or substitute forms containing the same information and acceptable to the Risk Manager shall be used to provide the endorsements (ISO form CG 2010 11/85 or if not available, CG 2010 with an edition date prior to 01/04 and CG 2037).**

5. The coverages provided to City shall be primary and not contributing to or in excess of any existing City insurance coverages (**this must be endorsed**). Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its City Council, officers, employees and volunteers. The insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6. Any deductibles or self-insured retentions must be declared to and approved by the Risk Manager. At the option of the Risk Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its City Council, officers, employees and volunteers, or the vendor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS***Certificates of Insurance***

The sample accord form on the following page is provided to facilitate your preparation and submission of certificates of insurance. You may use this or any industry form that shows coverage as broad as that shown on the attached sample. **Please note the certificate holder address must be as shown on the attached sample accord form with the contract number and insurance exhibit identification information completed.** Improperly addressed certificates may delay the contract start-up date because the City's practice is to return unidentifiable insurance certificates to the insured for clarification as to the contract number. **Cancellation provisions must be endorsed to the policy. Modifying the certificate does not change coverage or obligate the carrier to provide notice of cancellation.**

Endorsement Forms

Original endorsements are required for commercial general liability and business automobile liability insurance policies and must be attached to the applicable certificate of insurance. City preference is that you use the endorsement forms which are attached. Substitute forms will be accepted, however, as long as they include provisions comparable to the attached.

INS-I.doc

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

CODE

SUB-CODE

COMPANIES AFFORDING INSURANCE COVERAGE

INSURED

COMPANY

LETTER A

SPECIFY COMPANY NAMES IN THIS SPACE

COMPANY

LETTER B

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY [x] COMMERCIAL GENERAL LIABILITY [x] CLAIMS MADE [x] OCCUR. [x] OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$1,000,000 PRODUCTS COMP/OP AGG. \$1,000,000 PERSONAL & ADV. INJURY \$1,000,000 EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY [x] ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS

CERTIFICATE HOLDER

City of Oxnard

Attn: Risk Manager

Reference No. _____

300 W. Third Street, Suite 302

Oxnard CA 93030

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Rev 10/16

Packet Pg. 72



CERTIFICATE OF LIABILITY INSURANCE

 DATE (MM/DD/YYYY)
01/04/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER WA#712152 1-206-343-2323
AssuredPartners of Washington, LLC dba MCM
MCM Benefits and Insurance Services, LLC, CA Lic #0F82099
1325 Fourth Avenue, Suite 2100
Seattle, WA 98101

CONTACT
NAME:
PHONE
(A/C, No, Ext):
E-MAIL
ADDRESS:

FAX
(A/C, No):

INSURED
JCI Jones Chemicals
Inc
1765 Ringling Blvd
Sarasota, FL 34236

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: AIG SPECIALTY INS CO	26883 A
INSURER B: NATIONAL UNION FIRE INS CO OF PITTS	19445 A
INSURER C: COMMERCE & INDUSTRY INS CO	19410 A
INSURER D:	
INSURER E:	
INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 45830989

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	X	X	EG14240603	11/15/15	11/15/16	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	☒ COMMERCIAL GENERAL LIABILITY						
	☐ CLAIMS-MADE ☒ OCCUR						
	GEN'L AGGREGATE LIMIT APPLIES PER:						
	☐ POLICY ☒ PRO-JECT ☒ LOC						
B	AUTOMOBILE LIABILITY	X	X	CA3788910	11/15/15	11/15/16	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	☒ ANY AUTO						
	☐ ALL OWNED AUTOS						
	☐ HIRED AUTOS						
	☒ 1000 Coll ☒ 1000 Comp						
A	UMBRELLA LIAB	X		EGU14240892	11/15/15	11/15/16	EACH OCCURRENCE \$ 25,000,000 AGGREGATE \$ 25,000,000 \$
	☒ EXCESS LIAB						
	☐ DED ☐ RETENTION \$						
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	X		WC013626517	11/15/15	11/15/16	☒ WC STATU-TORY LIMITS ☐ OTH-ER
C	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WC013626516	11/15/15	11/15/16	E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Pollution Legal Liability	X	X	EG14240603	11/15/15	11/15/16	Each Loss 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Per the attached endorsement the following are included as additional insureds: City of Oxnard, its City Council, officers, employees and volunteers

This insurance is primary and non-contributory with a waiver of subrogation per attached endorsement.

CERTIFICATE HOLDER

CANCELLATION

City of Oxnard
Risk Manager
300 West Third Street, Suite 302
Oxnard, CA 93030
USA

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

David W. Bace

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ACORD 25 (2010/05)
tomgoeckel

The ACORD name and logo are registered marks of ACORD

POLICY NUMBER:

COMMERCIAL AUTO
CA 20 01 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LESSOR - ADDITIONAL INSURED AND LOSS PAYEE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Insurance Company:

Policy Number:

Effective Date:

Expiration Date:

Named Insured:

Address:

Additional Insured
(Lessor):

Address:

Designation Or Description Of "Leased Autos":

Coverages	Limit Of Insurance
Covered Autos Liability	Each "Accident"
Comprehensive	Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Deductible For Each Covered "Leased Auto"
Collision	Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Deductible For Each Covered "Leased Auto"
Specified Causes Of Loss	Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus Deductible For Each Covered "Leased Auto"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Additional Insured **SPECIMEN**
(Lessor):

ENDORSEMENT NO. 23

This endorsement, effective 12:01 AM, December 11, 2015

Forms a part of Policy No: EG 14240603

Issued to: JCI JONES CHEMICALS, INC.

By: AIG SPECIALTY INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED PRIMARY AND NON-CONTRIBUTORY ENDORSEMENT -
OWNERS, LESSEES OR CONTRACTORS - YOUR WORK**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY AND
POLLUTION LEGAL LIABILITY POLICY**

SCHEDULE

Name of Additional Insured Person(s) or Organization(s):

BLANKET WHERE REQUIRED BY WRITTEN CONTRACT

Location(s) of Covered Operation(s):

BLANKET WHERE REQUIRED BY WRITTEN CONTRACT

I. Solely as respects **COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY, COVERAGE E-2 PRODUCTS POLLUTION AND EXPOSURE LIABILITY, and COVERAGE E-3 - CONTRACTORS POLLUTION LIABILITY, SECTION II - WHO IS AN INSURED** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for **bodily injury, property damage, personal and advertising injury, environmental damage or emergency response costs** caused, in whole or in part, by:

A. Your acts or omissions; or

B. The acts or omissions of those acting on your behalf;

in the performance of **your work** for the additional insured(s) at the location(s) designated above.

II. As respects the coverage afforded the additional insured(s) scheduled above, this insurance is primary and non-contributory, and our obligations are not affected by any other insurance carried by such additional insured(s) whether primary, excess, contingent, or on any other basis.

All other terms, conditions and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy).

This endorsement, effective 12:01 AM 11/15/2015 forms a part of Policy No. WC 013-62-6517

Issued to JCI JONES CHEMICALS, INC.

By COMMERCE AND INDUSTRY INSURANCE COMPANY

We have a right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against any person or organization with whom you have a written contract that requires you to obtain this agreement from us, as regards any work you perform for such person or organization.

The additional premium for this endorsement shall be 2.00 % of the total estimated workers compensation premium for this policy.

WC 04 03 61
(Ed. 11/90)

Countersigned by _____



Authorized Representative

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement changes the policy to which it is attached effective on inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy).

This endorsement, effective 12:01 AM 11/15/2015 forms a part of Policy No. WC 013-62-6516

Issued to JCI JONES CHEMICALS, INC.

By COMMERCE AND INDUSTRY INSURANCE COMPANY

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

Schedule

**ANY PERSON OR ORGANIZATION TO WHOM YOU BECOME
OBLIGATED TO WAIVE YOUR RIGHTS OF RECOVERY
AGAINST, UNDER ANY CONTRACT OR AGREEMENT YOU ENTER
INTO, PRIOR TO THE OCCURRENCE OF LOSS.**

This form is not applicable in California, Kentucky, New Hampshire, New Jersey, North Dakota, Ohio, Texas, Utah, or Washington. This form is not applicable in Missouri when there is a construction code on the policy and there is Missouri premium or exposure.

WC 00 03 13
(Ed. 04/84)

Countersigned by _____



Authorized Representative

ENDORSEMENT NO. 7

This endorsement, effective 12:01 AM, November 15, 2015

Forms a part of Policy No: EG 14240603

Issued to: JCI JONES CHEMICALS, INC.

By: AIG SPECIALTY INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY AND
POLLUTION LEGAL LIABILITY COVERAGE FORM**

It is hereby agreed as follows:

SECTION IV - CONDITIONS, Paragraph 7. **Transfer of Rights of Recovery Against Others to Us - Applicable to Coverages A, B, C and E** is amended by the addition of the following at the end of such subparagraph:

We waive any right of recovery we may have against the person or organization shown in the Schedule below because of payments we make under Coverage A, B, C and E for injury or damage arising out of your ongoing operations or **your work** done under a contract with that person or organization and included in the **products-completed operations hazard**. This waiver applies only to the person or organization shown in the Schedule below.

SCHEDULE

Name of Person or Organization:

BLANKET WHERE REQUIRED BY WRITTEN CONTRACT

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Report
AGENDA ITEM NO.: 2

DATE: November 29, 2016

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Jim Throop
Chief Financial Officer

SUBJECT: Repeal of Wastewater Rates (15/25/30)

CONTACT: Jim Throop, Chief Financial Officer
Jim.Throop@oxnard.org, 385-7475

RECOMMENDATION:

That City Council receive a report on the potential impacts if the Measure “M” wastewater rate repeal takes effect, and direct staff to request the court issue a stay of the operative date of Measure “M” after the election results are certified, continue with the current litigation seeking the court's determination of the legality of Measure “M”, proceed with an updated rate study, and begin the next Proposition 218 notification process for setting new wastewater rates.

BACKGROUND

Measure “M”, the repeal of the current wastewater rate plan, was approved by voters on November 8, 2016, by a margin of 72% to 28%. The passage of Measure “M” will return rates back to the February 2016 level 10 days after certification of election results.

In March 2016, the City Council directed the City Attorney’s office to commence litigation on the merit of the proposed Measure “M”. The City contended that the measure was not valid because it would unconstitutionally force the City to violate its contractual obligations. The City, over the course of many years, had entered into debt bond agreements with banks and other entities for capital improvements to the wastewater plant. Each of these contracts contained language and covenants that the City accepted and agreed to follow in good faith.

Repeal of Wastewater Rates

November 29, 2016

Page 2

The Court declined to hear the City's case pending the outcome of the election. If the measure did not pass, the Court would not need to hear the matter. However, due to the passage of the measure, the City Council must now decide whether to continue with the litigation. Should the City Council decide to move forward with the litigation, the Court will most likely set a hearing date for some time in February or March 2017.

To be proactive, the City began to hold educational outreach meetings for residents on the condition of the wastewater system and the need for the rate increases. The City began holding the educational meetings on November 11, 2015, and the last meeting was held November 2, 2016. The City held a total of 43 community outreach meetings and tours to discuss and describe the current conditions of the entire wastewater collection and treatment plant.

Staff also presented information to the Fiscal Policy Task Force and City Council, in order to keep the City Council apprised of potential financial issues with the wastewater system. Each of these presentations listed the most likely financial conditions and constraints that would impact the wastewater fund.

There are two main concerns with Measure "M". First, it reduces wastewater revenues below levels required by bond contracts, thus resulting in a breach of those contracts. The contracts clause of the State of California and United States Constitutions prohibit legislative acts that impair existing contracts. It also violates the requirement of California Government Code Section 54515 that requires the City to set rates adequate to cover the costs of the utility and establishes the order for payment of those costs, starting with debt payments. The second concern, though more critical, is that operating and maintenance costs will not be covered by the reduced user rates. This could very easily lead to public health and safety issues.

It should also be noted that the voter-approved Proposition 218, which amended the California State Constitution, requires a specific process to approve property related fees like wastewater rates. The City followed that process and customers had an opportunity to protest the proposed rates. Approximately 10% of wastewater customers submitted written protests. Thus, in accordance with Proposition 218, the proposed rates were validated and put into effect.

In the event the City does not prevail in the litigation, or is otherwise unable to pursue litigation, the City Council will have to consider courses of action to minimize the negative impact to the Wastewater Utility's financial viability and its ability to protect the health and safety of the community. The negative implications suffered could also affect the City's ability to provide for the health, safety and welfare of the community, and its financial sustainability.

In November 2016, the City's issuer for the required Letter of Credit (LOC), Union Bank, notified the City that it is unlikely the institution would continue to issue the LOC if the City does not proceed with the request for a stay on the repeal of rates and continue with the current litigation. Removal of the LOC will cause the City's swap agreement to move into a default status and interest rates would immediately move to 7 percent, from the current approximate 3.6

Repeal of Wastewater Rates

November 29, 2016

Page 3

percent level, which would equate to almost \$500,000 more per year in debt service payments.

On November 22, 2016, Standard & Poor's (S&P), the bond rating agency, issued two reports on the City's current and potential credit outlook. The first report placed the City's Wastewater fund on a "Negative CreditWatch" due to the passage of Measure "M". S&P will monitor the choices made by the City Council and will then adjust their credit rating accordingly. S&P has stated that a downgrade will most likely occur should Council choose to not proceed with a request for a stay of the measure and continue with litigation. The S&P report is attached (See Attachment A).

The rating agency soon after released a second CreditWatch report, but for the General Fund. Due to the fact that the General Fund may need to assist the Wastewater fund in making its annual debt service payment, S&P has placed the General Fund on a "Negative CreditWatch". The General Fund, which had just recently been moved to a stable outlook, will be downgraded to a negative outlook. The S&P report is attached (See Attachment B).

FINANCIAL IMPACTS AND CONSEQUENCES:

- a. Oxnard ratepayers will face additional rate increases due to higher interest rates compared to current rates as well as incurring additional \$3.8 million termination penalty. This new user rate will be due to the required Swap Termination penalty payment of approximately \$3.8 million, and the need to re-borrow the outstanding \$17 million, at a potentially much higher interest rate. Also, the repeal of the rates generates a loss of over \$5.0 million in user fees, which are funds needed for operations and annual debt service.
- b. The City's wastewater bond rating will fall below the contractually required limit, which will in turn cause the Royal Bank of Canada (RBC) to begin the process to terminate the City's Swap Agreement.
- c. Termination of the Swap agreement (discussed above) requires a penalty payment of approximately \$3.8 million from the Wastewater Fund to RBC.
- d. The City's bonding ability will be negatively impacted and will either cause the City to pay extremely high interest rates, or it has the potential to push the City out of the debt market completely, thus not being able to borrow any funds.
- e. Payment of higher interest rates in excess of 10%. Using the current outstanding \$17.0 million swap agreement as an example, and a 10% interest rate, this equates to an additional \$700,000 per year in debt payments. At a possible 15% interest rate, additional debt service payments would over \$1.5 million more per year from the current debt payment.
- f. Depletion of all working capital, contingency, restricted and capital reserves in the

Repeal of Wastewater Rates

November 29, 2016

Page 4

Wastewater Fund

- g. Use of General Fund reserves, if used to support the Wastewater Fund, would impair the City's ability to deal with unexpected financial setbacks, and to deliver services necessary to the health, safety and welfare of the community. The General Fund bond rating will most likely be downgraded due to the possible use of reserves for wastewater debt payments.
- h. Damage to the City of Oxnard's reputation as an issuer of safe, reliable debt instruments in the form of adverse reports by Standard & Poor's on the City as a debt issuer and on individual reports on specific bond issues.
- i. A list of damaging remedies, which are the potential costs the City, may incur from its bond holders and other financially interested parties are attached (See Attachment C).

Direct financial impacts to the City may be immediate, resulting in demand for payments from the City pursuant to contractual terms or may possibly be deferred through extended and expensive litigation and re-negotiation with creditors. Indirect financial impacts will likely include substantially higher junk bond interest rates, due to fewer buyers having interest in purchasing City of Oxnard bonds. Impacts may also include more restrictive financing terms that could include higher debt coverage ratios, larger required reserve funds, more extensive financial reporting, or more extensive and frequent audits.

Capital market participants expect the City Council to do everything in its power to comply with bond contract terms consistent with state and federal law. If the City does not meet these expectations, each party to a contract with the City may act independently to protect its interests, which could equate to large legal bills and judgments. In some cases where contractual parties' interests are closely aligned, legal action may be coordinated among the parties.

Options - The following options may be considered by the City Council, though Option 1 and 2 may be run in parallel with any of the other options.

- **Option 1** - Request stay of rate repeal until litigation is finalized and/or a new user rate has been implemented. No immediate financial costs to the City, but the current bond holders and other financially interested parties are expecting the City Council to select this option. Continue with update of new user rate study, and Proposition 218 notice.
- **Option 2** - Continue with current litigation to overturn the Measure "M" repeal of wastewater user rates. Legal costs will be incurred, but the current bond holders and other financially interested parties are expecting the City Council to also select this option. These additional costs will need to be built into the new user fee rate. Continue with update of new user rate study and Proposition 218 notice.

- **Option 3** - Should the bond rating drop to BBB- and the Swap agreement is called, the City would borrow all necessary funds from either the normal municipal market, or if this is not available, seek out a private placement bond issue. If possible to find an entity to do the borrowing, will have an extremely high interest rate. These additional costs will need to be built into the new user fee rate.
- **Option 4** - Borrow up to \$10 million from the General Fund, or other unrestricted funds, and seek for an additional \$10 million reduction in General Fund expenses to cover the remaining amount. This option will have a devastating impact on the General Fund, both from a service level adequacy and from a financial standpoint. Additional decrease in bond rating will most likely happen. Residents should expect a significant decrease in city services.
- **Option 5** - Default on all outstanding debt service in the Wastewater fund. This is approximately \$110 million in outstanding bond debt. This option will eliminate any future borrowing by the City of Oxnard in the normal municipal bond market, but it would preserve cash to cover the day-to-day operating costs. Any possible new borrowing for any City fund would be extremely costly, if at all possible. This default option may also include an option to investigate the sale of the utility to a private entity, or the creation and sale to a special district. Both options 4 and 5 would have similar effects on the current situation, meaning increased user rates are required to cover all operating, debt service, and capital costs.

Effects Upon the Residents of Oxnard

The passage of this measure has serious financial implications upon the residents and utility rate payers of Oxnard. Though the measure passed with overwhelming support, it may be that the majority of the population did not realize the poor financial and physical condition of the wastewater system.

What does this really mean to the residents of Oxnard? First, without the proper rates in place, the daily operations of the wastewater plant are put into a precarious situation due to the age and condition of the plant. Without proper funding of daily operations and maintenance, the plant will more quickly be in a position that it will not be able to handle the waste of the City and possible sewage spills or breakdown of major components are most likely imminent. There are currently over \$7 million in critical repairs needed at the wastewater plant, however, there is currently only approximately \$8.5 million in reserves, and an immediate need for annual debt service payments of \$9.5 million. This means that there are no funds available for critical repairs. Should an emergency repair be needed, this has the potential to reduce the cash reserve to below a zero balance.

Another problem for the residents is that the monthly operating costs for the wastewater plant and collection system are approximately \$2.07 million per month. With the rollback of the rates, the monthly revenue collection will only be \$1.9 million per month. This puts the wastewater

Repeal of Wastewater Rates

November 29, 2016

Page 6

fund into a deficit spending pattern of (\$170,000) per month.

Should the City Council decide to not move forward with the request for stay of the measure, and the continuation of the litigation, it is almost certain, per the recent S&P CreditWatch report, that the City's wastewater bond rating would drop to at least a BBB- rating, with a possibility of an even lower rating, which would essentially be junk status. This decrease in ratings would then trigger a swap termination of one of its outstanding bond issues. This means that the residents would need to pay approximately \$3.8 million in a swap termination penalty, and attempt to find a way to borrow approximately \$17.0 million to pay off the outstanding bond that would be called. Due to the potential ratings downgrade, this will cause the City to pay a considerably higher interest on any debt that it could potentially borrow. These increased costs would be borne by the residents through additional rate increases.

To continue with the most likely scenario, S&P would look at downgrading the City's General Fund, due to the fact that the City may need to look to this fund to help make any debt service payments. Currently, the General Fund contains just over \$9.0 million in reserves. Adding in the potential use of Measure O funds, also unrestricted funds, this would push the amount available to help the Wastewater fund, to approximately \$12.0 million. This is still \$8.0 million short of the required \$20 million in swap termination penalty and repayment of the bond. Should the City need to appropriate these funds for any part of the wastewater fund, it would leave itself open to potential cash shortfalls in the event of an emergency. The potential ratings downgrade would also cause any future borrowing by the City to be more expensive, which in turn would cause the residents to bear the cost in additional assessments with any new borrowings.

What does this mean to a typical wastewater customer? It means that the rates that were approved and implemented in March 2016 will need to be substantially increased to cover the following:

1. Loss of over \$5.0 million in revenue from the repeal
2. Payment of the \$3.8 million swap termination penalty due to ratings downgrade
3. Increased borrowing costs due to the required repayment of the \$17 million bond issue from ratings downgrade
4. Increased costs due to the lack of critical capital repairs at the treatment plant, potential failure of main systems would push this cost up even more than currently estimated

The pros and cons of different financial resource options

Reduce Payments on Bonds

- Pro - conserve cash in Wastewater fund
- Con - payment of all legal costs incurred by interested financial parties
- Con - termination of LOC, resulting in increase of interest rate and penalty of \$3.8M
- Con - loss of access to bond market for indefinite number of years
- Con - increased user rates to cover potential private placement interest costs
- Con - immediate legal action will be taken by all financial parties

Use of General Fund Cash Reserves

- Pro - assists wastewater fund with debt service payments
- Con - wastewater fund must pay back General Fund, with interest, which will increase user rates
- Con - S&P will most likely downgrade the General Fund bond rating, possibly making future borrowing more expensive, which could either reduce city services to cover cost, or property tax assessments to increase, depending on type of debt.
- Con - General Fund cash reserves would be depleted leaving it with no ability to handle an emergency or other cash needed event.
- Con - if cash demand were needed, city services would need to be reduced to decrease costs

Other Borrowed Funds

- Pro - allows for Wastewater to hold cash reserves
- Con - if wastewater bonds are downgraded, fund defaults on debt payment, etc. cost of borrowing would extremely high, if even available
- Con - additional burden put on rate payers to cover new higher cost of borrowing

Default on Debt Payments

- Pro - preserves cash in wastewater fund
- Con - extreme legal remedies will be sought by all financially interested parties
- Con - bond rating will go immediately to a D-level and will most likely prohibit the City from borrowing in any of the capital markets
- Con - City's reputation in all markets will be damage for undetermined amount of time
- Con - any possible borrowing would be at extremely high rates, and with severe covenants such as multiple years of debt payments held by agent, increased frequency and depth of audits, etc.

SUMMARY

Staff is recommending only the first two options. The other options would need to be discussed further should the City not prevail in both requesting a stay of the measure and in the litigation. None of the other options described in this report are recommended unless absolutely necessary. All of these options will have the ability to increase the costs of the Wastewater Utility, thus an increase in user rates, impair liquidity, affect governmental services or result in damage to the City's reputation as a debt issuer that may increase future borrowing costs in the future.

If the City does not prevail in its legal action to challenge Measure "M" it would have to consider use of these options to allow it to respond to decisions made by its capital markets contract holders. The amount and cost involved will be fluid depending on decisions outside the City's direct control. It can, however, influence those actions and costs by consistently seeking to comply with contract terms and protect the interest of investors and creditors.

ATTACHMENTS:

Attachment A: S&P Water/Sewer

Attachment B: S&P General

Attachment C: List of Damaging Remedies in WW

RatingsDirect®

Summary:

**Oxnard Financing Authority,
California**

Oxnard; Joint Criteria; Water/Sewer

Primary Credit Analyst:

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Rationale

Summary:

Oxnard Financing Authority, California Oxnard; Joint Criteria; Water/Sewer

Credit Profile

Oxnard Fincg Auth, California

Oxnard, California

Oxnard Fincg Auth (Oxnard) wastewtr (AGM)

Unenhanced Rating

BBB(SPUR)/Watch Neg

On CreditWatch Negative

Oxnard Fincg Auth wastewtr VRDB (Headworks & Septic Sys Projs) ser 2004B

Unenhanced Rating

BBB(SPUR)/Watch Neg

On CreditWatch Negative

Long Term Rating

A+ /A-1

Affirmed

Oxnard Fincg Auth wastewtr (Headworks)

Unenhanced Rating

BBB(SPUR)/Watch Neg

On CreditWatch Negative

Many issues are enhanced by bond insurance.

Rationale

S&P Global Ratings placed on CreditWatch with negative implications its 'BBB' long-term rating and underlying rating (SPUR) on the City of Oxnard Financing Authority, Calif.'s fixed-rate wastewater revenue bonds. At the same time, we affirmed the 'A+' long-term component of our dual rating on the authority's series 2004B variable-rate demand wastewater revenue bonds (A+ /A-1). All debt was issued for the City of Oxnard. The 'A-1' short-term component of the dual rating remains unchanged.

We have placed the ratings on CreditWatch with negative implications based on significant financial stress that the wastewater system could experience during the next 90 days depending on specific near-term decisions to be made by the city council, the judicial system, and two financial counterparties.

The wastewater system's financial performance during the past seven fiscal years has been predominantly insufficient, and in our opinion, a recently approved ballot measure repealing a substantial service rate increase is a significant setback to the city's actions to stabilize the system. Through the California voter initiative process, a candidate for city council gathered a sufficient number of signatures to qualify a measure (Measure M) for the November 2016 ballot. We understand that the city filed a complaint for declaratory relief (City of Oxnard v. Aaron Starr) that challenged the legality of using the initiative process to reduce service rates to a level that would impair contractual obligations, including obligations to bond holders, but the judge presiding over the case deferred making a ruling pending the outcome of the election.

Measure M posed the question to the electorate whether the city's wastewater rates that were adopted in January 2016 should be repealed. The first rate increase of the adopted multiyear rate schedule was a 35% rate increase effective

Summary: Oxnard Financing Authority, California Oxnard; Joint Criteria; Water/Sewer

March 2016, with additional rate adjustments of 10%, 8%, 8%, and 8% approved for the subsequent four fiscal years, respectively. The multiyear schedule was based on a cost-of-service study that was completed by an external consultant and was designed to restore the system's financial capacity. In our opinion, the wastewater system's financial performance during the past seven fiscal years was insufficient in five fiscal years and adequate in the remaining two fiscal years. Measure M was approved by a vote of 72% (24,723 votes) in favor of repealing the city's wastewater rates.

We believe that the wastewater system's credit profile could materially degrade during the next 90 days depending on a few key upcoming decisions. In our opinion, the first--and most critical upcoming decisions--are anticipated to occur on Nov. 29, 2016, when the city council is scheduled to meet and consider several possible actions in response to Measure M. The actions that the city council may consider at this meeting include, but are not limited to, requesting a stay of the implementation of Measure M, halting nonessential services and capital projects, borrowing cash from other city funds to provide funds for the wastewater system to make a portion of its June 1, 2017, debt service payment, and initiating a new rate setting process with new service rates likely to be effective in early fiscal year 2018. We understand that the city council could choose to not request a stay and not proceed with the litigation based on the level of support from the electorate for Measure M; however, this is not a course of action that we expect will be recommended by the city administration. We also understand that Measure M does not impair or restrict the city's future rate setting authority and that new service rates may be set as long as the city complies with the substantive and procedural requirements of Proposition 218 as it normally does.

If the city requests a stay of Measure M, the next decision will be for the courts to decide whether to grant the stay in a timely manner prior to the implementation date. The city expects the certification of the election to occur on Dec. 6, 2016, and the implementation will occur 10 days after the certification. The city, with assistance from its financial advisor, has produced a cash flow projection indicating that the wastewater system's liquidity position could be reduced to \$0 by the end of fiscal year 2017 if Measure M is implemented. Based on draft financial data provided by the city, we understand that the wastewater fund held about \$5.9 million of unrestricted cash and investments at the end of fiscal year 2016.

There are also two decisions to be made by financial counterparties that could result in significant draws on the wastewater system's cash reserves. Union Bank provides a direct-pay letter of credit (LOC) that supports the authority's series 2004B variable-rate demand wastewater revenue bonds, and this LOC is scheduled to expire on Feb. 28, 2017. We understand that Union Bank is not likely to extend the expiration date of the LOC if the city does not request a stay and continue pursuing the existing litigation. If the LOC is not extended or a substitute credit facility is not procured prior to the LOC expiration date, then the trustee will issue a mandatory tender for the series 2004B bonds with a current existing par amount of \$16.75 million. The mandatory tender will be funded by a draw on the LOC, and the series 2004B bonds--then bank bonds--would be immediately due and payable. We understand that the city is not currently considering a fixed-rate refunding of the series 2004B bonds. We also understand that degradation in the wastewater system's credit profile--as determined by a rating lower than 'BBB' by S&P Global Ratings--would trigger a termination event for an interest rate swap with RBC. The mark-to-market value of the swap as of Nov. 16, 2016, was negative \$3,752,925. We understand that RBC is not likely to waive the termination event if the city council does not pursue a stay. It is not clear at this time what actions Union Bank and RBC will take if the city requests a stay,

Summary: Oxnard Financing Authority, California Oxnard; Joint Criteria; Water/Sewer

but it is not granted by the courts prior to the implementation of Measure M.

We anticipate resolving our CreditWatch following the city council's decision on Nov. 29, 2016, and, if applicable, the court's decision whether to grant a stay. We will likely take a negative rating action if, in our opinion, these decisions are likely to result in a significant reduction in the wastewater system's liquidity position or otherwise compromise the wastewater system's financial condition. We could remove the rating from CreditWatch if the decisions are likely to stabilize the wastewater system's financial condition and materially reduce the likelihood of any substantial draws on the wastewater system's liquidity in the near term.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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Summary:

Oxnard, California; Appropriations; General Obligation; Joint Criteria

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Rationale

CreditWatch

Summary:

Oxnard, California; Appropriations; General Obligation; Joint Criteria

Credit Profile

Oxnard ICR		
<i>Long Term Rating</i>	A+/Watch Neg	On CreditWatch Negative
Oxnard Fincg Auth, California		
Oxnard, California		
Oxnard Fincg Auth lse rev (Civic Center Phase 2 Project)		
<i>Unenhanced Rating</i>	A(SPUR)/Watch Neg	On CreditWatch Negative
<i>Long Term Rating</i>	AA+/A-1/Watch Neg	On CreditWatch Negative
Oxnard Fincg Auth lse VRDB ser 2003B		
<i>Unenhanced Rating</i>	A(SPUR)/Watch Neg	On CreditWatch Negative
<i>Long Term Rating</i>	AA+/A-1/Watch Neg	On CreditWatch Negative

Rationale

S&P Global Ratings has placed its 'A' rating on Oxnard Financing Authority, Calif.'s lease revenue project and refunding bonds issued for the city and its 'A+' issuer credit rating on the City of Oxnard, Calif.'s on CreditWatch with negative implications. The CreditWatch placement reflects the potential that interfund loans from unrestricted funds including the city's general fund will be needed by the city's wastewater fund to cover debt service obligations, as well as our view of the contingent credit and liquidity risk related to the city's wastewater variable-rate demand bonds, both of which we believe could exert pressure on the general fund.

On Nov. 8, 2016, the voters of Oxnard passed Measure M, which rolled back wastewater rates. It is city management's opinion that such rollback of rates will not allow the city to meet the majority of the wastewater fund's financial needs.

In our opinion, the first--and most critical--upcoming decisions are anticipated to occur on Nov. 29, 2016, when city council is scheduled to meet and consider several possible actions in response to Measure M. The actions include, but are not limited to, requesting a stay of the implementation of Measure M, halting non-essential services and capital projects, borrowing cash from other city funds to provide funds for the wastewater system to make its portion of its June 1, 2017, debt service payment, and initiating a new rate-setting process with new service rates likely to be effective in early fiscal 2018. We also understand that the city filed a complaint for declaratory relief (City of Oxnard v. Aaron Starr) that challenged the legality of using the initiative process to reduce service rates to a level that would impair contractual obligations, including obligations to bond holders, but the judge presiding over the case deferred making a ruling pending the outcome of the election.

We understand that council could chose to not request a stay and not proceed with litigation based on the level of

Summary: Oxnard, California; Appropriations; General Obligation; Joint Criteria

support from the electorate for Measure M; however, this is not a course of action that we expect will be recommended by the city administration. We understand management is considering requesting the court on an accelerated basis to issue an order to stay the rate appeal while litigation proceeds.

Should that not happen, the city has determined that cash in the sewer fund would be fully drawn down by the June 2017. Union Bank provides a direct-pay letter of credit (LOC) that supports the authority's series 2004B variable-rate demand wastewater revenue bonds and this LOC is scheduled to expire on Feb. 28, 2017. We understand that Union Bank is not likely to extend the expiration date of the series 2004B LOC if the city does not request a stay and continue pursuing the existing litigation. This would trigger a mandatory tender, and in the absence of a term-out provision in the series 2004B bonds, a significant interest rate rise to 7% from current market rates due to the default rate on bank bonds. Should the rating on the wastewater bonds fall below 'BBB', it is also possible that an interest rate swap with a negative mark of approximately \$3.75 million could terminate and become immediately due and payable if an event of default is triggered. We understand that the city's cash flow projections for the wastewater fund do not assume a swap termination event, and we believe that such an event could lead to a sharper decline in wastewater reserves than projected, potentially leading to more immediate general fund pressure.

Should there not be a stay of the rate appeal or if the rate appeal would take effect, or in the event the wastewater swap is terminated, the pressure on the city's general fund could be significant. In addition, Union Bank has indicated that it is unlikely to renew the LOC associated with the series 2004B wastewater revenue bonds which expires Feb. 28, 2017. The series 2003B and 2006 LOCs also expire February 2017. It is uncertain whether Union Bank will renew series 2004B and 2006 LOCs but we believe that renewal risk is heightened given the general fund's exposure to credit and liquidity risk from the wastewater fund and the potential for future political uncertainty. Should the city manage to avoid immediate and longer-term financial pressure on the general fund by the wastewater fund, and should we determine that political conditions going forward will allow city management to take the actions necessary to stabilize financial performance across enterprise and governmental funds we could affirm the rating and revise the outlook back to stable.

Alternatively, should a failure to reverse the financial condition of the wastewater fund result in what we consider to be significant financial pressure on the general fund, or should political gridlock or instability cause city management to be unable to take action to stabilize the city's financial performance, we could lower the rating by multiple notches.

CreditWatch

The CreditWatch negative placement reflects our view that there is at least a one-in-two likelihood of a negative rating action within 90 days.

Ratings Detail (As Of November 22, 2016)

Oxnard lse rev proj and rfdg bnd		
<i>Long Term Rating</i>	A/Watch Neg	On CreditWatch Negative
Oxnard lse ser 2011 (AGM)		
<i>Unenhanced Rating</i>	A(SPUR)/Watch Neg	On CreditWatch Negative

Summary: Oxnard, California; Appropriations; General Obligation; Joint Criteria

Ratings Detail (As Of November 22, 2016) (cont.)

Oxnard APPROP

Long Term Rating

A/Watch Neg

On CreditWatch Negative

California Municipal Finance Authority, California

Oxnard, California

California Municipal Finance Authority (Oxnard) APPROP

Long Term Rating

A/Watch Neg

On CreditWatch Negative

California Municipal Finance Authority (Oxnard) APPROP

Long Term Rating

A/Watch Neg

On CreditWatch Negative

Many issues are enhanced by bond insurance.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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List of Damaging Remedies

These are the consequences and legal basis for actions against the City of Oxnard following a payment default:

1. Breach of Covenant for failure to pay debt service under Indenture (Sec. 6.01)
2. Breach of Covenant for failure to prosecute suits under Indenture (Sec. 6.06)
3. Breach of Covenant to enforce Installment Sale Agreement (Sec. 6.04)
4. Indemnification of Trustee for fees and costs of prosecution and collection
5. Indemnification of Bond Insurer and Letter of Credit Bank for fees and costs
6. Payment of Swap Termination Fee per ISDA Contract with RBC
7. Remedies invoked per Indenture, Article IX:
8. Default interest rate of 7.0% under Letter of Credit Reimbursement Agreement
9. Default interest rate of 6.5% under Municipal Bond Insurance Policy
10. Loss of money to repair, operate and maintain Wastewater Utility Mechanism
11. Provisions of Indentures require Trustee to act when payment is not made (Article IX)
12. Failure to pay results in potential stigma on financial reputation following cure

Each of these consequences will have a potential financial impact upon the entire City, not just the Wastewater fund.



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Report

AGENDA ITEM NO.: 3

DATE: November 29, 2016

TO: City Council

FROM: Stephen Fischer
City Attorney

A handwritten signature in black ink, appearing to read "mf", located to the right of the "FROM:" field.

SUBJECT: Marijuana Code Amendment (5/10/20)

CONTACT: Stephen Fischer, City Attorney
Stephen.Fischer@oxnard.org, 385-7483

RECOMMENDATION:

That City Council approve the first reading by title only and waive further reading of an ordinance amending Section 7-282 of the City Code to provide that indoor marijuana cultivation in compliance with state law is not prohibited.

BACKGROUND

On November 8, 2016, the Control, Regulate, and Tax Adult Use of Marijuana Act ("AUMA") was passed by the California voters as Proposition 64. The AUMA legalizes the nonmedical use of marijuana by persons 21 years of age and over, the personal cultivation of up to six marijuana plants, and commercial marijuana businesses with a state license. The AUMA provides that local governments can reasonably regulate, but not ban, personal indoor cultivation of up to six living marijuana plants within a private residence. The AUMA allows local governments to regulate (including banning) personal outdoor cultivation operations. Marijuana cultivation, both indoor and outdoor, is currently prohibited in the City by Oxnard City Code Section 7-282.

Code Amendment in Response to AUMA Passage

With passage of Proposition 64, the portion of the City's existing regulations that prohibits indoor cultivation must be amended to be consistent with the AUMA. Personal indoor cultivation of up to six living marijuana plants within a person's private residence (a house, apartment, mobile home, or similar dwelling unit) may not be prohibited by City regulations. Cultivation of up to six plants in a greenhouse on the same property as the residence that is fully

Marijuana Amendment (5/10/20)
November 29, 2016
Page 2

enclosed, secure, and not publicly visible is also considered personal indoor cultivation under the AUMA. The proposed amendment (Attachment A) provides that indoor cultivation in compliance with state law is not prohibited within the City. Staff intends to return to the City Council soon with a workshop/study session to discuss the other implications of the passage of the AUMA, including commercial activities. It is not anticipated that the required state licenses for commercial marijuana activities will issue before January 1, 2018.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to build relationships and create opportunities within the community for safe and vibrant neighborhoods, which will showcase the promising future of Oxnard.

FINANCIAL IMPACT

No financial impact at this time.

ATTACHMENTS:

Attachment A: Marijuana Cultivation Amendment

ORDINANCE OF THE CITY OF OXNARD

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING
SECTION 7.282 OF ARTICLE XVI OF CHAPTER 7 OF THE OXNARD CITY CODE
RELATING TO MARIJUANA CULTIVATION

.....

WHEREAS, In January of this year the City Council adopted Ordinance 2898 prohibiting medical marijuana dispensaries, and marijuana cultivation and deliveries; and

WHEREAS, the City Council found that commercial medical marijuana activities, as well as cultivation can adversely affect the health, safety, and well-being of City residents; and

WHEREAS, on November 8, 2016, the Control, Regulate, and Tax Adult Use of Marijuana Act ("AUMA") was passed by the California voters as Proposition 64; and

WHEREAS, the AUMA provides that local governments can regulate, but not ban, personal indoor cultivation of up to six living marijuana plants within a private residence; and

WHEREAS, consistent with the AUMA, the City wishes to amend Section 7.282 of Article XVI to Chapter 7 of the Oxnard City Code to clarify that indoor marijuana cultivation in compliance with the AUMA is not prohibited.

NOW, THEREFORE, the City Council of the City of Oxnard does ordain as follows:

Part 1. Section 7.282 of Article XVI of Chapter 7 of the Oxnard City Code is hereby amended to read as follows:

"7.282. CULTIVATION OF MARIJUANA PROHIBITED.

Marijuana cultivation by any person or entity, including clinics, collectives, cooperatives and dispensaries, is prohibited within the city, with the exception of indoor personal, non-commercial marijuana cultivation not to exceed six plants in compliance with Cal. Health and Safety Code section 11362.2."

Part 2. The foregoing recitals are true and correct.

Part 3. If any section, sentence, clause or phrase of this Ordinance is determined to be invalid, illegal or unconstitutional by a decision or order of any court or agency of competent jurisdiction, then such decision or order will not affect the validity and enforceability of the remaining portions of this Ordinance. The City Council declares that it would have passed and adopted the Ordinance, and each section, sentence, clause or phrase thereof, regardless of the fact that

any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

Part 4. The City Clerk shall certify as to the adoption of this ordinance and shall cause this ordinance to be published with fifteen (15) calendar days of the adoption and shall post a certified copy of this ordinance, including the vote for and against the same, in the office of the City Clerk in accordance with Government Code Section 36933(a). Ordinance No. _____ was first read on _____, 2016, and finally adopted on _____, 2016, to become effective thirty days thereafter.

AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Report
AGENDA ITEM NO.: 4

DATE: November 29, 2016

TO: City Council

FROM: Stephen Fischer
City Attorney

A handwritten signature in black ink, appearing to read "S. Fischer".

SUBJECT: Adoption of Claims Adjusting and Settlement Policy (5/10/10)

CONTACT: Stephen Fischer, City Attorney
Stephen.Fischer@oxnard.org, 385-7483

RECOMMENDATION:

That City Council adopt a resolution (1) repealing section D. *Claims Adjusting and Settlement* of Resolution No. 11,867; (2) providing authority to designated City staff for management and settlement (up to \$50,000) of claims and actions; (3) clarifying the authority of the Liability Review Committee, with settlement authority up to \$75,000 per claim or action; and (4) clarifying the authority of the Claims Review Committee, with settlement authority up to \$75,000 per workers' compensation claim.

BACKGROUND

This resolution repeals Section D of Resolution No. 11,867 and provides a more efficient claims handling process clarifying the settlement authority of the Liability Review Committee and the Claims Review Committee, and designating City staff to manage and settle claims and actions consistent with current best practice and public policy. The proposed policy will reduce the number of claims and actions brought before City Council in closed session, while requiring Council review and approval to settle claims over \$75,000.

California Government Code 935.4 provides that "a local public entity by ordinance or resolution, may authorize an employee of the local public entity to perform those functions of the governing body of the public entity" (i.e., the City Council) under the Government Claims Act including authorizing "that employee to allow, compromise or settle a claim against the local public entity" in an amount up to \$50,000.

Adoption of Claims Adjusting and Settlement Policy (5/10/10)

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California Government Code 935.2 provides that a local public entity by ordinance or resolution, may establish a claims board of not less than three members to perform the duties of the City Council with regard to claim allowance, compromise or settlement. This authority for a claims board to settle claims does not include the \$50,000 limit imposed by Government Code 935.4. The Liability Review Committee consists of the City Attorney, the Risk Manager, the Chief Financial Officer, the Police Chief, and representatives of departments and divisions with the highest claims history. The Claims Review Committee consists of the Human Resources Department workers' compensation representative, the City Attorney, and a representative of the department employing the claimant.

In addition to settlement authority, pursuant to California Government Code 910.8 through 913.2, the City Council may authorize the designated employee or claims board to perform other claims-related functions, such as giving written notice of insufficiency of claims, ruling on applications for leave to present late claims, agreeing to extend the time for action on pending claims, acting on claims, and re-examining previously rejected claims for the purpose of settlement.

The existing Council policy set forth in Resolution No. 11,867 has not been updated since 2000, and the District Attorney's Office has recommended the update of particular provisions for clarity and compliance with the limit on delegating settlement authority to individual employees. The City Attorney's Office has reviewed the existing policy as well as policies currently in use by several other cities. Based on that review, it is recommended that the City Council repeal Section D *Claims Adjusting and Settlement* of Resolution No. 11,867, and replace it with a standalone Claims Adjusting and Settlement policy. For claims and actions, the proposed policy will provide settlement authority up to \$15,000 to the Risk Manager, joint settlement authority up to \$50,000 to the City Manager and the City Attorney, and settlement authority up to \$75,000 to the Liability Review Committee. For workers' compensation claims and actions, the proposed policy will provide settlement authority up to \$50,000 to the Human Resources Director or his/her designee, and settlement authority up to \$75,000 to the Claims Review Committee.

Under the California Environmental Quality Action (CEQA) guidelines, continuing administrative activities do not constitute a project and are therefore exempt from review.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to strengthen and stabilize the organizational foundation of the City in the areas of Finance, Information Technology, and Human Resources, and to improve workforce quality while increasing transparency to the public. This item supports the following goals and objectives:

Goal 1. To help foster a healthy and accountable corporate foundation by strengthening the

Adoption of Claims Adjusting and Settlement Policy (5/10/10)

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support functions of the organization, which include Finance, Information Technology and Human Resources.

FINANCIAL IMPACT

This policy modification and clarification does not have an immediate impact on the City's budget.

ATTACHMENTS:

Attachment A CLAIMS ADJUSTING AND SETTLEMENT POLICY

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD ADOPTING A REVISED CLAIMS ADJUSTING AND SETTLEMENT POLICY AND REPEALING SECTION D OF RESOLUTION NO. 11,867.

WHEREAS, the City Council of the City of Oxnard has adopted a coordinated risk management program; and

WHEREAS, a coordinated risk management program is more effective when responsibilities and authorities for overall management of the program and of various components of the program are clearly established; and

WHEREAS, the City adopted Resolution No. 11,867 on December 5, 2000, establishing a Risk Management Policy for the City; and

WHEREAS, based on reviews of the Risk Management Policy, the claims adjustment and settlement provisions set forth in Section D of Resolution No. 11,867 should be revised to clearly delegate authority to take various actions regarding claims and pending actions, as authorized by the Government Claims Act (Title 1, Division 3.6 of the California Government Code).

NOW, THEREFORE, the City Council of the City of Oxnard resolves as follows:

Part 1. The Council hereby adopts the following Claims Adjusting and Settlement Policy:

CLAIMS ADJUSTING AND SETTLEMENT

PURPOSE AND INTENT

Allowing, settling and compromising claims for money or damages and workers' compensation claims protects the City's interests, reduces time lost for personnel and equipment, and results in monetary savings. Department heads and division managers are responsible for assuring that accidents resulting in bodily injury to any person, whether or not employed by the City, and incidents resulting in damage, destruction or theft of City property shall be reported to the Risk Manager immediately. To enable prompt claims handling, management and responsibilities are assigned in the following manner.

THIRD PARTY ADMINISTRATORS

1. The Risk Manager may retain professional third party administrators ("TPA") for claims adjusting services for claims against the City for money or damages, and workers'

compensation. To assure that TPA costs and services remain competitive, the Risk Manager shall review fees and services periodically and a request for proposal process implemented upon determining that the respective agreement is not competitive.

2. The TPA agreement will be renewed on a service/performance basis if the cost is competitive and the level of service being provided is determined to be acceptable to the Risk Manager.
3. The TPA will work with staff as necessary to effectively adjust claims. City staff is responsible for coordinating and cooperating with the TPA as provided by operating procedures developed by the Risk Manager.

CLAIMS AND ACTIONS AGAINST THE CITY

All claimants must file claims against the City of Oxnard with the City Clerk's Office. The City Clerk shall record and distribute the claims to the City Attorney or his/her designee. The City Attorney or his/her designee shall submit claims to the head of the department where the claims originated, the Risk Manager and the TPA.

The City Council hereby designates performance of the functions of City Council relative to claims and actions against the City or any of its officers or employees under the provisions of Title I Division 3.6 Part 3 of the California Government Code as follows:

1. The City Council delegates to the City Attorney the authority to perform the following claims functions, including, but not limited to:
 - a. Give written notice of insufficiency of claims, pursuant to Government Code Section 910.8;
 - b. Rule on applications for leave to present late claims, pursuant to Government Code sections 911.4 through 911.8;
 - c. Agree to extend the time for action on pending claims, pursuant to Government Code section 912.4;
 - d. Act on claims, pursuant to Government Code sections 912.6 and 913; and
 - e. Re-examine previously rejected claims for the purposes of settlement, pursuant to Government Code section 913.2
2. The City Council delegates to the City Manager and the City Attorney joint authority to allow, settle or compromise claims and actions against the City up to \$50,000 per claim or action.
3. Pursuant to California Government Code 935.4, the City Council delegates to the Risk Manager or his/her designee the authority to reject, allow, settle or compromise claims or actions against the City up to \$15,000.
4. The City Attorney or his/her designee is authorized to execute all documents necessary and appropriate to implement the resulting settlements authorized by this Resolution.
5. The Risk Manager may file an annual report to the City Clerk on action taken on claims and actions against and by the City.

6. The Liability Review Committee, which shall consist of the City Attorney, the Risk Manager, the Chief Financial Officer, the Police Chief and representatives of departments and divisions with the highest instances of public liability or property damage claims, shall have the authority to settle or compromise claims or actions against the City greater than \$50,000, and up to \$75,000 per claim or action. The Liability Review Committee shall review claims and actions against the City on at least a quarterly basis.
7. Settlement of any claim or action requiring payment from City funds in excess of \$75,000 shall be presented to City Council. Unless the City Council determines otherwise, City Council consideration of the proposed settlement, and any action thereon, shall take place in closed session.

WORKERS' COMPENSATION CLAIMS

The presentation and response to workers' compensation claims is governed by California Labor Code 5400 through 5402. All claimants must file workers' compensation claims against the City of Oxnard with the head of their department(s). Department Heads shall submit workers' compensation claims to the Human Resources Director or his/her designee. The Human Resources Director or his/her designee shall submit workers' compensation claims to the City's designated TPA. The TPA shall conduct an investigation, and make a recommendation on the claim to the Human Resources Director or his/her designee.

The City Council hereby designates performance of the functions of City Council relative to workers' compensation claims and actions against the City as follows:

1. The Human Resources Director or his/her designee is hereby authorized to execute compromise and release settlements and stipulated awards of workers' compensation claims against the City in any case in which the amount to be paid by the City does not exceed \$50,000.
2. Workers' compensation settlements shall be reviewed by the Claims Review Committee. The committee shall consist of a City of Oxnard workers' compensation division representative, the City Attorney, and the Department Head or his/her designee who received the claim. The committee shall be vested with the power and authority to perform all the functions of the City Council with respect to claims against the City, but shall not allow, compromise, or enter into settlement of a claim that would result in the payment in excess of \$75,000 to any single claimant without prior approval of City Council.
3. Resolution of any claim requiring payment from City funds in excess of \$75,000 shall be presented to City Council. Unless the City Council determines otherwise, City Council consideration of the proposed settlement, and any action thereon, shall take place in closed session.
4. The Human Resources Director may file an annual report with the City Clerk, which describes all settlements of workers' compensation claims. The report shall identify

the type of disability and the amount of compensation paid without individually identifying the employee.

Part 2. Section D of Resolution No. 11,867 is hereby repealed.

Part 3. If any section, subsection, phrase, or clause of this resolution is for any reason held invalid, such decision shall not affect the validity of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrases or clauses be declared invalid.

PASSED AND ADOPTED THIS 29th day of November, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney