

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 City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.org.



AMENDED AGENDA
(Items G-1 and M-3 added – 7/23/20)

OXNARD CITY COUNCIL
OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY
OXNARD FINANCING AUTHORITY
OXNARD HOUSING AUTHORITY

Council Chambers, 305 West Third Street

July 29, 2020

Closed Session - 4:30 PM
Regular Meeting - 6:00 PM

This meeting is held pursuant to the State Emergency Services Act, the Governor's Emergency Declaration, and Governor's Executive Order N-29-20 to allow members of the City Council or staff to participate via teleconference.

Pursuant to the Ventura County Public Health Official's order and Governor's Executive Order N-33-20, all city buildings are temporarily closed to the public. The public is encouraged to view the meeting from home on the City's website at Oxnard.org/city-meetings, Spectrum channel 10, Frontier channel 35, or YouTube at Youtube.com/oxnardnews. Video recordings are typically available online immediately following the meeting.

The public may provide comments to the City Council via email at cityclerk@oxnard.org no later than 3:00 p.m. on the day of the meeting. Please identify the meeting date and agenda item in the Subject line.

A telephone option for public comments is also available at this time due to the State of California "Stay At Home" order. Requests to speak must be submitted no later than 3:00 p.m. on the day of the meeting. Use the form on the city's website to submit your request: Oxnard.org/city-meetings, or call the City Clerk's Office at (805) 385-7803, or email your request to cityclerk@oxnard.org.

A. ROLL CALL, POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: 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. PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION (Government Code section 54957)
Title: City Manager
This item is to be discussed in closed session under the Brown Act exception of Government Code section 54957(b)(1) (public employee performance evaluation).
Legislative Body: City Council
2. PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION (Government Code section 54957)
Title: City Attorney

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.

Agenda Item time estimates: (Staff Presentation / Council Discussion / Public Comment)

This item is to be discussed in closed session under the Brown Act exception of Government Code section 54957(b)(1) (public employee performance evaluation).

Legislative Body: City Council

D. OPENING CEREMONIES (6:00 PM)

Pledge of allegiance to the flag of the United States.

E. CEREMONIAL ITEMS

1. SUBJECT: Presentation of a Resolution to Fire Chief Darwin Base for Thirty-Two Years of Outstanding Service to the City of Oxnard.

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 requests shall be submitted as set forth on the first page of this agenda. Based on the number of speaker requests 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. 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.

1. City Manager Department **(NEW ITEM)**

SUBJECT: COVID-19 Update, Ratification of Director of Emergency Services Orders. (10/5/5)

RECOMMENDATION: That the City Council:

1. Receive an update from the Director of Emergency Services;
2. Adopt a resolution ratifying orders issued by the Director in response to the COVID-19 Local Emergency.

Legislative Body: City Council

Contact: Alexander Nguyen, (805) 385-7430

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 AGENDA**1. City Manager Department**

SUBJECT: Annual Delegation of Investment Authority and Investment Policy.

RECOMMENDATION: That the City Council adopt a resolution:

1. Delegating investment authority to the City Treasurer; and
2. Adopting the FY 2020-21 investment policy for the City.

(Finance and Governance Committee approved 3-0.)

Legislative Body: City Council

Contact: Alexander Nguyen, (805) 385-7430

2. Community Development Department

SUBJECT: Fifth Amendment to Agreement No. 7748-17-FN with HdL Companies for Cannabis Management Services.

RECOMMENDATION: That the City Council:

1. Approve and authorize the Mayor to execute the Fifth Amendment to Agreement No. 7748-17-FN with Hinderliter, de Llamas and Associates (“HdL”) to extend the term and increase the amount of the Agreement from \$666,350 to \$791,593 which includes Sales Tax and Economic Analysis, Allocation Audit and Recovery, and Cannabis Fiscal Analysis and Taxation Strategies consulting services; and
2. Approve the budget appropriation of \$125,243 for the Fifth Amendment to Agreement No. 7748-17-FN with Hinderliter, de Llamas and Associates, which is recoverable through the Cannabis Business Permit Fee and does not impact fund balance.

(Housing and Economic Development Committee approved 2-0 with Councilmember Basua absent)

Legislative Body: City Council

Contact: Jeffrey Lambert, (805) 385-7882

3. Community Development Department

SUBJECT: Vacation of a City Access Easement for Slope Maintenance associated with the Final Map of Tract 6004 (PZ No. 17-300-08) for “The Landing” at RiverPark located on the Southside of Town Center Drive Between Oxnard Boulevard and North Ventura Road within the RiverPark Specific Plan Area. Filed by Ann Walsh of Shea Properties.

RECOMMENDATION: That the City Council:

1. Adopt a Resolution to vacate an existing City Access Easement for Slope Maintenance;
2. Authorize the Mayor to sign the Quitclaim Deed releasing City authority and/or rights to the Access Easement for Slope Maintenance back to Sunflower, LP for parcels 132-0-470-125 and 132-

0-470-155; and

3. Authorize the Mayor to sign the Quitclaim Deed releasing City authority and/or rights to the Access Easement for Slope Maintenance back to Riverpark Landing, LLC for parcels 132-0-470-115 and 132-0-470-145.

Legislative Body: City Council

Contact: Jeffrey Lambert, (805) 385-7882

4. Community Development Department

SUBJECT: Planning and Zoning Permit No. 20-300-03 (Final Subdivision Map for Tract 5745-2) Associated with Planning & Zoning Permit No. 11-300-07 for Wagon Wheel "The Village" Specific Plan. Filed by Corey Harpole for CRFL Partners, LLC, 64 Maxwell, Irvine, CA. 92618, the owner.

RECOMMENDATION: That the City Council:

1. Accept Final Map 5745-2 associated with PZ No. 11-300-07 Tentative Subdivision Map 5745 for The Village Specific Plan;
2. Adopt a Resolution to authorize the Mayor to sign the owner statement on the title page of Final Map 5747-2 related to infrastructure easements;
3. Authorize the City Clerk to sign the "Abandonment Certificate" for the vacation of certain infrastructure easements; and
4. Receive and file a "Notice of Pending Approval" for Final Map of Tract 5745-2 by the Community Development Director including signature of "City Council's Certificate" on the title sheet.

Legislative Body: City Council

Contact: Jeffrey Lambert, (805) 385-7882

5. Fire Department

SUBJECT: Coronavirus Relief Funds.

RECOMMENDATION: That City Council adopt a resolution ratifying the signature and submission by the City Manager of a certification titled "Certification for Receipt of Funds Pursuant to Paragraphs (2) or (3) of Subdivision of Control Section 11.90 of the Budget Act of 2020," signed and submitted by the City Manager on July 2, 2020.

Legislative Body: City Council

Contact: Darwin Base, (805) 385-7700

6. Fire Department

SUBJECT: FEMA Grant Application for Prevention Training.

RECOMMENDATION: That City Council adopt a resolution authorizing:

1. The City Manager to submit a grant application to the Federal Emergency Management Agency (FEMA) Fire Prevention and Safety (FP&S) program in the amount of \$142,513;
2. The City Manager or designee to execute the grant agreement if funds are awarded to the City;
3. The Chief Financial Officer or designee to submit financial reports and grant claims, approve budget appropriations during FY2020-21 for the use of grant funds and perform all other required financial actions; and
4. The Fire Chief or designee to submit non-financial reports.

Legislative Body: City Council

Contact: Darwin Base, (805) 385-7700

7. Information Technology Department

SUBJECT: Response to Grand Jury Report titled "Cybersecurity Strategies for Cities in Ventura County."

RECOMMENDATION: That the City Council authorizes the Mayor, the City Manager, and the Chief Information Officer to respond on behalf of the City Council, to the Grand Jury Report titled "Cybersecurity Strategies for Cities in Ventura County" dated May 21, 2020, in the form included as the attachment titled "Response To Grand Jury Report Form." (Finance and Governance Committee approved 3-0)

Legislative Body: City Council

Contact: Keith Brooks, (805) 385-7597

8. Police Department

SUBJECT: City of Oxnard Response to the Ventura County Grand Jury's Report on Detention Facilities.

RECOMMENDATION: That the City Council authorize the Mayor, the City Manager, and the Police Chief to respond, on behalf of the City Council, to the Grand Jury's "Annual Detention Report" dated April 8, 2020. (Public Safety Committee approved 2-0)

Legislative Body: City Council

Contact: Scott Whitney, (805) 385-7624

9. Police Department

SUBJECT: City of Oxnard Response to Grand Jury Report Titled "Human Trafficking in Ventura County."

RECOMMENDATION: That the City Council authorize the Mayor, the City Manager, and the Police Chief to respond, on behalf of the City Council, to the Grand Jury Report titled "Human Trafficking in Ventura County" dated April 8, 2020, in the attached response form. (Public Safety Committee approved 2-0)

Legislative Body: City Council

Contact: Scott Whitney, (805) 385-7624

10. Public Works Department

SUBJECT: Purchase Order to Fastenal Company for Personal Protective Equipment for the Environmental Resources (ER) Division.

RECOMMENDATION: That the City Council authorize the City Manager to execute Purchase Order No. 7740 (PO) with Fastenal Company (Fastenal) for an amount not to exceed \$200,000 for a three (3) year term for personal protective equipment. (Public Works and Transportation Committee approved 3-0.)

Legislative Body: City Council

Contact: Rosemarie Gaglione, (805) 385-8055

11. Public Works Department

SUBJECT: Second Amendment to Agreement A-7974 with the County of Ventura for a Work Release Program.

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute a

Second Amendment to Agreement A-7974 with the County of Ventura in the amount of \$235,000 for a new not to exceed contract amount of \$925,000, and to extend the contract term from July 18, 2020, to July 18, 2021. (Public Works and Transportation Committee approved 3-0.)

Legislative Body: City Council

Contact: Rosemarie Gaglione, (805) 385-8055

L. PUBLIC HEARINGS

1. Community Development Department

SUBJECT: Appeal of the Planning Commission's Decision to Deny Planning and Zoning Permit No. 18-500-12 (Special Use Permit) Regarding Property at 2900 Saviers Road - 7-Eleven (APN 219-018-035), Subject to Certain Findings and Conditions. (10/20/10)

RECOMMENDATION: That the City Council:

1. Conduct a public hearing;
2. Find the Project to be Statutorily Exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15270 (Projects Which Are Disapproved); and
3. Adopt a resolution denying the appeal and upholding the Planning Commission's denial of Planning and Zoning Permit No. 18-500-12 (Special Use Permit) because the record does not contain the evidence necessary to make all of the Findings required by Oxnard City Code Section 16-531 and City Council Resolution No. 11,896 in order to grant a Special Use Permit.

Legislative Body: City Council

Contact: Jeffrey Lambert, (805) 385-7882

2. Community Development Department

SUBJECT: Implementation of Monitoring Contract for Short-Term Rentals and Resolution Establishing Fees. (10/10/5)

RECOMMENDATION: That the City Council:

1. Authorize the City Manager to enter into a contract with Host Compliance (Agreement No. A-8232) to assist in the implementation of, and ensure compliance with, Short-Term Rental (STR) regulations;
2. Hold a public hearing on proposed new STR fees recommended by staff for services related to the issuance of STR Permits and Business Licenses and adopt a Resolution establishing the new STR fees; and
3. Approve the budget appropriation of \$30,367 in FY 20-21 for the agreement with Host Compliance, which will recognize and appropriate STR Permit fee revenue and does not impact fund balance.

Legislative Body: City Council

Contact: Jeffrey Lambert, (805) 385-7882

M. REPORTS

1. Community Development Department

SUBJECT: Microenterprise Home Kitchen Operations. (10/10/10)

RECOMMENDATION: That the City Council receive a report on Microenterprise Home Kitchen

Operations (MEHKO) and provide direction to City Manager to prepare a letter for the Mayor's signature recommending that the Ventura County Board of Supervisors "opt out" of the MEHKO program. (Housing and Economic Development Committee approved 2-1)

Legislative Body: City Council

Contact: Jeffrey Lambert, (805) 385-7882

2. Public Works Department

SUBJECT: Purchase Order with Famcon Pipe & Supply for Essential and Critical Spare Parts and Supplies for the Water Division. (5/5/5)

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute Purchase Order No. 7732 with Famcon Pipe & Supply (Famcon) for \$367,282.19 for essential and critical water distribution and treatment spare parts and supplies for the Water Division during COVID-19 pandemic period.

Legislative Body: City Council

Contact: Rosemarie Gaglione, (805) 385-8055

3. City Treasurer **(NEW ITEM)**

SUBJECT: Monthly Investment Report for the period ending June 30, 2020. (10/5/5)

RECOMMENDATION: That the City Council receive and file the report.

Legislative Body: City Council

Contact: Phillip Molina, (805) 385-7808

N. ADJOURNMENT

CITY COUNCIL OF THE CITY OF

OXNARD RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
OXNARD COMMENDING FIRE CHIEF DARWIN BASE FOR 32
YEARS OF EXEMPLARY SERVICE TO THE CITY OF OXNARD

WHEREAS, Fire Chief ("Chief") Darwin Base has given 32 years of exemplary service as an employee of the City of Oxnard; and

WHEREAS, Chief Base began his career with the City of Oxnard Fire Department as a Firefighter in 1988; thereafter promoting to Fire Engineer in 1995, Fire Captain in 1998, Battalion Chief in 2005 and Assistant Fire Chief in 2015, accepting these positions of increasing responsibility, scope and challenge, resulting in his achieving his final position of Fire Chief in 2016; and

WHEREAS, Chief Base's rise through the ranks is only part of the story; he dedicated himself to the community and the Fire Department throughout his 32 year career, serving as the lead captain for academy training, as an instructor for the Oxnard College Fire Academy Program, lead instructor for the Community Emergency Response Team, Hazardous Material instructor, training chief and disaster preparedness coordinator for the department, spearheading Oxnard's Advance Life Support Program which enhanced the scope of emergency medical service it provides its residents; establishing Ready and Resilient which provides community members and City staff with current disaster preparation, and has been the recipient of numerous awards during his career, including Firefighter of the Year; and

WHEREAS, Chief Base achieved numerous educational, training and recognition certificates and over a dozen letters of commendation for extraordinary efforts during his career in the Fire service; he was, at one time, the only State-certified trainer for pump operator/apparatus driver and was a State-certified hazardous materials specialist, a response group leader for chemical emergencies not only for the City of Oxnard but also to the local region; and

WHEREAS, during his tenure as Fire Chief, he led the Fire Department by example, promoting a strong work ethic, dedication to service, and developing strong interpersonal skills among both staff and the community; and

WHEREAS, Chief Base, a faithful and fearless public servant, will be missed by those in the City government, the Oxnard Fire Department staff, and the community that he dedicated his career to protecting; and

Resolution No.

Page 2

NOW, THEREFORE, the City Council of the City of Oxnard does hereby resolve to commend, recognize and extend its gratitude to Chief Base for 32 years of exemplary service to the City of Oxnard and extends best wishes for a well-deserved and fulfilling retirement with family and friends.

PASSED AND ADOPTED this 29th of July, 2020 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Tim Flynn
Mayor

APPROVED AS TO FORM:

Michelle Ascencion
City Clerk

 7/16/2020
Stephen M. Fischer
City Attorney



CITY COUNCIL AGENDA REPORT
REPORT OF CITY MANAGER/EXECUTIVE
DIRECTOR/SECRETARY
AGENDA ITEM NO. G.1

DATE: July 29, 2020

TO: City Council

FROM: Alexander Nguyen, City Manager, (805) 385-7430, alexander.nguyen@oxnard.org

SUBJECT: (NEW) COVID-19 Update, Ratification of Director of Emergency Services Orders. (10/5/5)

RECOMMENDATION

That the City Council:

1. Receive an update from the Director of Emergency Services;
2. Adopt a resolution ratifying orders issued by the Director in response to the COVID-19 Local Emergency.

BACKGROUND

On March 4, 2020, the State of California declared a state of emergency in response to concerns over COVID-19. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. On March 12, 2020, the Ventura County Health Officer declared a Local Health Emergency in response to the COVID-19 pandemic. On March 13, 2020, in response to this rapidly evolving public health crisis, the City Manager, in his role as the Director of the Emergency Services (the "Director") as delegated in Chapter 6 of the City Code, proclaimed the existence of a local emergency, which the City Council ratified and proclaimed on March 17, 2020 (the "Local Emergency").

Pursuant to Government Code Section 8634, the Director "may promulgate orders and regulations necessary to provide for the protection of life and property." City Code section 6-3(C)(1) requires the Director, "at the earliest practicable time, request the city council to ratify such orders and regulations."

By Order dated July 13, 2020, the Ventura County Health Officer ordered specific industries or activities close or cease unless they can be modified to operate outside or by pick-up. The California Department of Public Health has issued guidance for specific types of businesses, such as faith based organizations, gyms/fitness centers, nail and hair salons, and other personal services, to operate outdoors during the COVID-19 Emergency.

In order to assist City businesses to operate and provide services to residents, the Director issued Director Order No. 20-12 on July 23, 2020. Order No. 20-12 allows businesses to operate to the extent permitted by, and consistent with orders, guidance and standards issued by, the State and the County Health Officer.

The attached resolution for Council's consideration ratifies the Director Order described above, and will be amended to include any additional Orders issued by the Director following the publication of the agenda for this meeting up to the time of the meeting.

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

There is no financial impact from adopting the ratification resolution.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Alexander Nguyen, City Manager

ATTACHMENTS

1. Resolution ratifying Director Orders.COVID-19.CC072920
2. Exhibit A - Director Order 20-12

CITY COUNCIL OF THE CITY OF OXNARD
RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
 RATIFYING ORDERS ISSUED BY THE DIRECTOR OF EMERGENCY SERVICES**

WHEREAS, Government Code section 8630 and Chapter 6 of the Oxnard City Code empower the City Manager of the City of Oxnard ("City"), acting in the capacity of the Director of Emergency Services (the "Director"), to proclaim the existence or threatened existence of a local emergency when the City is affected or likely to be affected by a public calamity and the City Council is not in session; and

WHEREAS, on March 13, 2020, in response to the rapidly evolving public health crisis resulting from the COVID-19 pandemic, the Director proclaimed the existence of a local emergency (the "Local Emergency"); and

WHEREAS, on March 17, 2020, the City Council adopted Resolution No. 15,304, proclaiming the Local Emergency and ratifying the Director's March 13, 2020 proclamation; and

WHEREAS, pursuant to Government Code section 8634, Resolution No. 15,304 and Chapter 6 of the City Code, the Director may promulgate orders and regulations necessary to provide for the protection of life and property and shall request the City Council to ratify such orders and regulations; and

WHEREAS, the Director has issued Order No. 20-12, attached as an exhibit hereto in response to the Local Emergency.

NOW, THEREFORE, the City Council of the City of Oxnard resolves that Order No. 20-12 issued by the Director and attached as Exhibit A hereto is hereby ratified.

PASSED AND ADOPTED THIS 29th day of July, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

 Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

 Michelle Ascencion, City Clerk

 Stephen M. Fischer, City Attorney

CITY OF OXNARD**DIRECTOR ORDER NO. 20-12****ORDER OF THE DIRECTOR OF EMERGENCY SERVICES OF THE CITY OF OXNARD PROVIDING FLEXIBILITY FOR BUSINESSES TO OPERATE OUTSIDE CONSISTENT WITH STATE AND COUNTY GUIDANCE AND ORDERS**

WHEREAS, Government Code section 8630 and Chapter 6 of the Oxnard City Code empower the City Manager of the City of Oxnard (“City”), acting in the capacity of the Director of Emergency Services (the “Director”), to proclaim the existence or threatened existence of a local emergency when the City is affected or likely to be affected by a public calamity and the City Council is not in session; and

WHEREAS, on March 4, 2020, the Governor of the State of California (the “Governor”) declared a state of emergency in response to the spread of the COVID-19 respiratory disease; and

WHEREAS, on March 13, 2020, in response to the rapidly evolving public health crisis resulting from the COVID-19 pandemic, the Director proclaimed the existence of a local emergency (the “Local Emergency”); and

WHEREAS, on March 17, 2020, the City Council adopted Resolution No. 15,304, proclaiming the Local Emergency and ratifying the Director’s March 13, 2020 proclamation; and

WHEREAS, on March 19, 2020, the Governor issued Executive Order N-33-20, ordering all individuals in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of sixteen critical infrastructure sectors; and

WHEREAS, on March 20, 2020, the Ventura County Health Officer issued an Order directing persons living in the County of Ventura to stay at their places of residence and restricting non-essential activities in response to COVID-19, imposing stay-at-home directives and further operational restrictions on businesses within the County in an effort to stop the spread of COVID-19; and

WHEREAS, on April 9, 2020, the Ventura County Health Officer issued an Order prohibiting all gatherings, adding to the list of essential businesses and requiring implementation of social distancing protocols; and

WHEREAS, on April 20, 2020, the Ventura County Health Officer issued an order closing certain non-essential businesses and prohibiting non-essential activities to combat COVID-19; and

WHEREAS, on May 7, 2020, the Ventura County Health Officer issued an Order requiring all businesses to establish, implement and enforce COVID-19 prevention plans, and has also issued worksite specific COVID-19 prevention plans for particular business sectors; and

*DES Order No. 20-12
July 23, 2020*

WHEREAS, by Order dated July 13, 2020, the Ventura County Health Officer ordered specific industries or activities close or cease unless they can be modified to operate outside or by pick-up; and

WHEREAS, the California Department of Public Health has issued guidance for specific types of businesses, such as faith based organizations, gyms/fitness centers, nail and hair salons, and other personal services, to operate outdoors during the Local Emergency; and

WHEREAS, the City wishes to allow businesses to operate to the extent permitted by, and consistent with orders, guidance and standards issued by, the State and the County Health Officer.

NOW, THEREFORE, THE DIRECTOR OF EMERGENCY SERVICES OF THE CITY OF OXNARD DOES HEREBY ORDER AS FOLLOWS:

SECTION 1. A business permitted to operate in an outdoor setting by the State and the County Health Officer during the Local Emergency may do so upon issuance of an Outdoor Business Approval by the Community Development Director. Such operation shall be in compliance with applicable orders, guidance and standards issued by the State, the County Health Officer, the Director, and conditions set forth in the Outdoor Business Approval.

SECTION 2. This Order may be modified or rescinded by further Order by the Director or by the City Council.

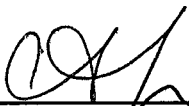
SECTION 3. This Order shall remain in effect during the period this Local Emergency exists and shall terminate upon City Council's determination that the Local Emergency no longer exists.

SECTION 4. This Order shall become effective immediately.

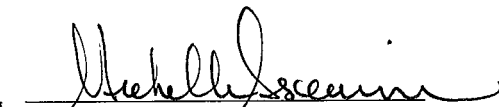
SECTION 5. This order shall be given publicity and notice as required by Government Code section 8634.

SECTION 6. The City Clerk shall certify to the adoption of this Order and shall cause a certified Order to be filed in the Office of the City Clerk.

Dated: 7/23/2020

By: 
Alexander Nguyen
City Manager/Director of Emergency Services
City of Oxnard

ATTEST:


Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

 7/23/2020
Stephen M. Fischer, City Attorney

DES Order No. 20-12
July 23, 2020



**CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.1**

DATE: July 29, 2020

TO: City Council

FROM: Alexander Nguyen, City Manager, (805) 385-7430, alexander.nguyen@oxnard.org

SUBJECT: Annual Delegation of Investment Authority and Investment Policy.

RECOMMENDATION

That the City Council adopt a resolution:

1. Delegating investment authority to the City Treasurer; and
 2. Adopting the FY 2020-21 investment policy for the City.
- (Finance and Governance Committee approved 3-0.)

BACKGROUND

Government Code section 53607 authorizes the City Council to delegate its authority to invest or to reinvest City funds, or to sell or exchange securities so purchased, for a one-year period to the City Treasurer. The Council may also renew this delegation of authority each year. On September 15, 1992, the City Council adopted Resolution No. 10,455, delegating to the City Treasurer the authority to invest and to reinvest surplus City funds in short-term public investments and securities. The attached resolution renews the City Treasurer's investment authority pursuant to Resolution No. 10,455 and Government Code section 53607.

Additionally, Government Code section 53646 provides that the City Treasurer may annually render to the City Council a statement of investment policy, which the Council shall consider at a public meeting. The Treasurer last submitted an investment policy to the City Council on July 30, 2019. This year, he instructed staff to submit the same investment policy as last year, changing only the date. Also, there were two references on page 14 of the policy in part G to "Sungard," which is the City's existing enterprise resource planning (ERP) system; those references have been updated. Appendix No. 3 of the policy has been updated with the current text of Government Code provisions amended by the State in 2019. Other than those three changes, the policy is the same as the one Council adopted last fiscal year. The policy is attached hereto, and the attached resolution adopts this policy.

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

Goal 2. Increase transparency with Council, community and staff related to the City's budget and financial management

processes.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

The Finance and Governance Committee approved 3-0 on July 14, 2020, to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Shiri Klima, Deputy City Manager

ATTACHMENTS

1. FY 2020-21 Investment Policy
2. Treasurer's Authority - Investment Policy Adoption Resolution FY 20-21

City of Oxnard, California
2020-21 Investment Policy
Adopted July , 2020

This statement is intended to provide guidelines for the prudent investment of surplus funds of the City of Oxnard and to outline the policies for maximizing the efficiency of the City's cash management system. It is the policy of the City to invest public funds in a manner that will provide high investment return with the maximum security while meeting the daily cash flow demands of the entity and conforming to all State and local statutes governing the investment of public funds. The references to the City Treasurer shall include his or her designee. This policy does not include retirement, retiree health care savings/trust/plan(s) or deferred compensation plans.

This investment policy applies to the City's pooled investment fund, which includes the General Fund, special revenue funds, capital project funds, enterprise funds, trust and agency funds, and internal service funds. This policy is generally applicable to bond proceeds with consideration given to specific provisions of each issuance. Reports of the investment of bond proceeds are issued monthly by the trustee and may be included in the City Treasurer's monthly report of the pooled investment fund.

3.0 PRUDENCE-*Reference Ca. Govt. Code 53600.3* Investments shall be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for the investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by City officials responsible for the investment of public funds shall be the "prudent investor" standard and shall be applied in the context of managing the overall City portfolio of funds. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual's security risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 INVESTMENT OBJECTIVES The City's cash management system is designed to accurately monitor and forecast revenues and expenditures thus enabling the City Treasurer to invest funds to the fullest extent possible. The City Treasurer maintains a diversified investment portfolio to accomplish the primary objectives of safety, liquidity and yield (in that order of priority).

Safety – The safety or risk associated with an investment refers to the potential loss of principal, accrued interest or a combination of these. The City seeks to mitigate credit risk by prequalifying and continuously monitoring financial institutions with which it will do business and by careful scrutiny of the credit worthiness of the investment instruments as well as the institutions. Such resources as FDIC bank ratings, Sheshunoff, Fitch, Moody's and Standard and Poor's rating services may be utilized for this review. The City seeks to mitigate interest rate risk through diversification of instruments as well as maturities.

Liquidity – The City investment portfolio will be structured with sufficient liquidity to allow the City to meet its anticipated cash requirements. This will be accomplished through diversity of instruments to include those with active secondary markets, those which match maturities to expected cash needs and the State Local Agency Investment Fund (LAIF) with immediate withdrawal provisions.

Yield – A competitive market rate of return is the third objective of the City investment program after the fundamental requirements of safety and liquidity have been met.

5.0 DELEGATION OF AUTHORITY California Government Code Section 53607 provides the authority for

the legislative body of the local agency to invest the funds of the local agency or to delegate that authority to the treasurer of the local agency. Effective January 1, 1997, such delegation is to be reviewed annually and may be renewed by the City Council (Appendix 3, Section 53607).

City Council – Under City of Oxnard Resolution No. 10455, the City Council has authorized the City Treasurer to invest City funds in accordance with California Government Code Section 53600, et. seq. The City Treasurer will include review of the delegation of authority in the annual presentation of the investment policy to the City Council.

City Treasurer – The execution of investment transactions on a daily basis will be conducted by the City Treasurer. The Assistant City Treasurer will execute transactions only as directed by the City Treasurer in the absence of the City Treasurer. The City Treasurer has established a system of controls and a segregation of responsibilities of investment functions to assure maintenance of internal control over the investment function. The City Treasurer may propose amendments to the City's investment policy, guidelines and procedures at any time in order to carry out the duties as chief investment officer for the City. Such amendments shall be reviewed by the City's Investment Review Committee and considered by the City Council at a public meeting.

6.0 ETHICS AND AVOIDANCE OF CONFLICTS OF INTEREST Investment officials shall refrain from personal business activity that could conflict with proper execution and management of the policy and the investment program, or which could impair their ability to make impartial decisions. Investment officials must provide a public disclosure document by February 1 of each year or when material interest in financial institutions or personal investment position(s) require it. Furthermore, investment officials must refrain from undertaking personal investment transactions with the same individual(s) employed by the financial institution with whom business is conducted on behalf of the City. The City Treasurer is governed by the Political Reform Act of 1974 regarding disclosure of material financial interests.

7.0 CA Govt. Code 53601.5 The City Treasurer shall transact business only with the banks, savings and loan and properly registered securities dealers.

Authorization – The City may conduct business with major registered securities broker-dealers and with dealers designated "Primary" by the Federal Reserve provided all the following criteria are met. The Treasurer or his or her designee will maintain a list of approved financial institutions authorized to provide investment services to the public agency in the State of California. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). Broker-dealers must:

- a. Have offices located within the State of California;
- b. Be adequately capitalized;
- c. Make markets in securities appropriate to the City's needs;
- d. Agree to abide by the conditions set forth in the City's investment policy;

The City Treasurer shall investigate all institutions which wish to do business with the City and shall require that each financial institution complete and return the appropriate questionnaire and required documentation. An annual review of the financial condition and registration of qualified bidders will be conducted by the City Treasurer.

No public deposit shall be made except in a qualified public depository as established by the established State laws. All financial institutions and broker/dealers who desire to conduct investment transactions with the public agency must supply the Treasurer (or Chief Financial Officer) with the following: audited financial statements, proof of NASD certification, trading resolution, proof of State of California registration, completed broker/dealer questionnaire, certification of having read the Public Agency's

investment policy and depository contracts.

Ratings – With the exception of the Local Agency Investment Fund (LAIF) and U.S. Treasury and Government Agency issues, investments shall be placed only in the those instruments and institutions rated favorably as determined by the City Treasurer with the assistance of bank rating services and nationally recognized rating services (FDIC, Fitch's, Moody's, Standard & Poor's, Sheshunoff performance rating, etc.).

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

California Government Code Section 53601 (Appendix 3) defines eligible securities for the investment of surplus funds by local agencies. Surplus funds of the City of Oxnard are invested in compliance with this statute and as further limited in this Investment Policy.

U.S. Government - United States Treasury Bills, Notes, and Bonds are backed by the full faith and credit of the United States Government. There shall be no limitation as to the percentage of the portfolio invested in this category. Maturities are limited to a maximum of five years.

U.S. Agencies - The purchase of instruments of, or issued by, a federal agency or a United States government-sponsored enterprise will be limited to a maximum maturity of five years. Such agencies include, but are not limited to, the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Student Loan Marketing Association, Tennessee Valley Authority, and the Federal National Mortgage Corporation.

Municipal Bonds, Notes or Evidences of Indebtedness - Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency. Registered State warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue producing property owned, controlled, or operated by the State or by a department, board, agency, or authority of the State.

Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this State include bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. A maximum of 15 percent of the portfolio may be so invested.

Bankers' Acceptances - Bills of exchange or time drafts drawn on and accepted by commercial banks which are eligible for purchase by the Federal Reserve System are known as bankers' acceptances. Purchases of these instruments may not exceed 180 days to maturity or 40 percent of an agency's surplus funds. A maximum of 30 percent may be invested in the bankers' acceptances of any one commercial bank.

Commercial Paper - This short-term unsecured promissory note is issued to finance short term credit needs. Eligible paper is that which is ranked "P1" by Moody's Investor Services or "A1" by Standard & Poor's or Fitch's, issued by a domestic corporation having assets in excess of \$500,000,000, and having an "A" or better rating on issuer's debt. Purchases of commercial paper may not exceed 270 days or represent more than 10 percent of the outstanding paper of an issuing corporation. Commercial paper purchases will be limited to 15 percent of the City's portfolio.

Negotiable Certificates of Deposit (NCDs) - Allowable NCDs are issued by a nationally or State-chartered bank or a State or federal association or by a State-licensed branch of a foreign bank. The City Treasurer may invest up to 30 percent of surplus funds in NCDs limited to institutions rated "Aa" or better by Moody's or "AA-" or better by Standard & Poor's CD Rating Services. A rating equivalent to FDIC rating of "One" or "Two" or a Sheshunoff performance rating of A or better is required for those institutions not rated by Moody's, Fitch's or Standard & Poor's. NCDs are considered liquid, trading actively in the

secondary market.

Certificates of Deposit (CDs) - Certificates of deposit or "time deposits" of up to \$250,000 are federally insured. Beyond that amount, these CDs must be collateralized with the collateral held separately from the issuing institution. The value of the investment must have collateral of at least 110 percent if government securities, or collateral of at least 150 percent if mortgage-backed securities. Statute does not limit CDs, however, this Investment Policy shall limit such investments to a maximum of 30 percent of the portfolio (GC 53601(i)). In addition, time deposits shall be placed in institutions meeting all capital requirements and which maintain a rating equivalent to FDIC rating of "One" or "Two" or a Sheshunoff performance rating of A or better.

Repurchase Agreements - The City may invest in repurchase agreements with banks and dealers of primary dealer status recognized by the Federal Reserve with which the City has entered into a master repurchase contract which specifies terms and conditions of repurchase agreements. The maturity of repurchase agreements shall not exceed 90 days. The market value of securities used as collateral for repurchase agreements shall be monitored by the City Treasurer's office and will not be allowed to fall below 102 percent of the value of the repurchase agreement. In order to conform with provisions of the Federal Bankruptcy Code, which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be eligible negotiable certificates of deposit, bankers' acceptances, commercial paper, or securities that are direct obligations of or that are fully guaranteed by the United States or any agency of the United States. These eligible securities are further defined by California Government Code Section 53651.

Medium Term Notes - A maximum of 30 percent of the City's portfolio may be invested in medium-term notes issued by corporations organized and operating within the United States. Note maturities may not exceed five years. Securities eligible for investment must be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service (i.e., Moody's or Standard & Poor's).

Mutual Funds - Shares of beneficial interest (mutual funds) issued by diversified management companies investing in securities/obligations authorized by California Government Code Section 53600, et. seq., and complying with Section 53601, are permitted investments. Section 53601(l) further defines requirements. A maximum of 20 percent of the portfolio may be so invested.

Local, State, or County Agency Investment Fund - The Local Agency Investment Fund (LAIF) has been established by the State Treasurer for the benefit of local agencies. The City may invest up to the maximum permitted by LAIF and the Ventura County Investment Pool operated under the control of the County Treasurer, and CALTRUST consistent with California Government Code Section 53635.

Ineligible Investments - Investments not described herein, including but not limited to common stocks and financial futures contracts and options, are prohibited in this fund.

City Inter-fund Loans - Funds may be invested in loans to provide specific funding to City programs, provided no loan shall violate any limitations prescribed by California law. Legal requirements shall include but not be limited to those listed in Government Code section 66006(b)(1)(G) for development impact fees and in Government Code section 66013(d)(5) for water connection, sewer connection and capacity charge fees.

9.0 COLLATERAL

The issue of collateral requirements is addressed in California Government Code Section 53652. All active and inactive deposits must be secured at all times with eligible securities in securities pools pursuant to Sections 53656 and 53657. Eligible securities held as collateral shall have a market value in excess of the total amount of all deposits of a depository as follows:

- government securities, at least 10 percent in excess
- mortgage backed securities, at least 50 percent in excess
- letters of credit, at least 5 percent in excess.

FDIC coverage as the Official Custodian of a public unit is insured up to \$250,000 per bank and all active and inactive deposits above the FDIC insured amount must be collateralized to be secured.

10.0 INVESTMENT POOLS/MUTUAL FUNDS

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed which will answer the following general questions:

- a) A description of eligible investment securities, and a written statement of investment policy and objectives.
- b) A description of interest calculations and how it is distributed, and how gains and losses are treated.
- c) A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- d) A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- e) A schedule for receiving statements and portfolio listings.
- f) Are reserves, retained earnings, etc. utilized by the pool/fund?
- g) A fee schedule, and when and how is it assessed.
- h) Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

11.0 DIVERSIFICATION

The City's portfolio will be suitably diversified by type and institution in an effort to reduce portfolio risk while attaining market average rates.

Security Type and Institution - U.S. Treasury securities and authorized pools, and any portfolio or institutional limits shall comply with California Government Code. Investments are further limited by specific language relating to each investment type as stated in Section 8 of this Policy.

Maximum Maturities - To the extent possible, the City Treasurer will attempt to match investments with anticipated cash flow requirements. The City's portfolio will not be directly invested in securities which mature more than five years from the date of purchase. Reserve funds may be invested in securities exceeding the five years as allowed by California Law (maturity of such investments should coincide as nearly as practicable with expected use of funds).

12.0 INTERNAL CONTROLS

A system of internal controls will be maintained to assure compliance with Federal and State regulations, City Council direction, and prudent cash management procedures.

Investment Review Committee - The City Treasurer shall form the investment committee, whose members may include the City Manager, and Finance Director, or their designated alternates plus members of the public whose interest and knowledge can provide sound advice to the Investment Review Committee tasked with quarterly review of procedures and adherence to this Investment Policy.

Investment Portfolio Guidelines - Guidelines (Appendix No. 2) have been established for procedures within the City Treasurer's Office to assure internal investment controls and a segregation of responsibilities of investment functions.

Annual Audit - The City's portfolio is included in the annual review of the City's financial management

performed by an independent (as defined by FASB and GASB) outside audit firm.

13.0 PERFORMANCE STANDARDS

The investment portfolio will be designed to attain at least a market-average rate of return during budgetary and economic cycles. Whenever possible, and consistent with risk limitations as defined herein and prudent investment principles, the Treasurer shall seek to augment returns above the market average rate of return as shown on the average CMT (Constant Maturity Treasury) whose maturity most closely matches the average maturity of the portfolio. In addition, the City portfolio will be compared with LAIF and the goal is to maintain a higher positive annual yield than LAIF's annual yield.

14.0 REPORTING—Reference: CA Govt. Code 53646(b)

The City Treasurer shall provide investment information to City Council.

Periodic Reports - The City Treasurer will provide detailed reports of the investments in the pooled investment fund portfolio on a monthly basis to the City Council, City Manager, Chief Financial Officer, and City Clerk. Within thirty days of the end of each quarter, these reports will be provided with additional information such as market pricing. This report shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the local agency, and shall additionally include a description of any of the local agency's funds, investments, or programs, that are under the management of contracted parties, including lending programs. With respect to all securities held by the local agency, and under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund, the report shall also include a current market value as of the date of the report, and shall include the source of this same valuation.

Annual Report - This Investment Policy will be presented annually following the close of the fiscal year, to the City Council for approval.

Financial Statements per GASB #31 - City Treasurer will provide the portfolio's market value gains/losses to Finance to be incorporated in the fiscal year-end balance sheet.

Financial Statements per GASB #40 - Effective June 30, 2005, additional disclosure is required. City Treasurer will provide detailed maturity and rating information to Finance to be incorporated in the Comprehensive Annual Financial Report (CAFR).

15.0 SAFEKEEPING AND CUSTODY—Reference: CA Govt. Code 53608

All security transactions, including collateral for repurchase agreements, entered into by the City Treasurer shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts.

16.0 INVESTMENT POLICY ADOPTION—Reference: CA Govt. Code 53646

The City of Oxnard's investment policy shall be adopted by resolution of the City Council. The policy shall be reviewed annually by the City Council and any modifications made thereto by the City Treasurer must be presented to the City Council.

The City Treasurer shall establish written investment policy procedures for the operation of the investment program consistent with this policy. The procedures should include reference to: safekeeping, master repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. *Such procedures shall include explicit delegation of authority to persons responsible for investment transactions.* No person, or officer may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City of Oxnard.

- No. 1 Glossary
- No. 2 Investment Portfolio Guidelines
- No. 3 California Government Code Sections related to Investment of Public Funds

City of Oxnard, California
2020-21 Investment Policy
Adopted July __, 2020

APPENDIX NO. 1: GLOSSARY

AGENCIES: Federal agency securities.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BASIS POINT: One one-hundredth of a percent (i.e. 0.01 %)

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in inter-dealer markets.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various

classes of institutions and individuals, e.g., S&Ls, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL FUNDS RATE: The rate of interest at which Federal funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loans associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term "pass-throughs" is often used to describe Ginnie Mae investment instruments.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF): Funds from local governmental units may be remitted to the California State Treasurer for deposit in this special fund for the purpose of investment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold at a specific date.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase and reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks, and a few unregulated firms.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market

price. This may be the amortized yield to maturity on a bond or the current income return.

RATING AGENCIES: S&P Probably the best known of the Big Three rating agencies, Standard and Poor's (S&P) is a company providing financial publishing, information and media to the world's capital markets. It is owned by the McGraw-Hill Companies. S&P also publishes stock market indices, the most well-known of which is the S&P 500.

S&P's ratings from the best quality borrowers to the lowest are: AAA, AA, A, BBB, BB, B, CCC, CC, C, and D. Investment grade is BBB and above. S&P uses plus and minus to add intermediate designations to these ratings.

Moody's Moody's started in 1909 as a publishing company, issuing railroad bond guides called Moody's Manuals. It later expanded its coverage to municipal and commercial bonds, and is now called Moody's Investment Services.

Moody's uses the following ratings: Aaa, Aa, A, Baa, Ba, B, Caa, Ca, and C. Numbers are added for intermediate designations, such as Baa1, Baa2, etc. Investment grade is considered to be Baa and above; anything below is considered speculative, or junk.

Fitch Owned by a French Holding Company, Fimalac SA, Fitch operates internationally and offers financial research as well as credit rating services. The smallest of the Big Three, Fitch uses the same ratings scale as S&P.

Conflicts of Interest of rating agencies

Credit ratings agencies receive fees from the issuers of the securities they rate. In the time leading up to the 2008 financial crisis, S&P, Moody's and Fitch all gave consistently high ratings to mortgage-backed securities created by the investment banks who were paying them. This overrating of risky debt instruments contributed to the financial bubble and subsequent decline. Congress has proposed new regulation of these agencies to increase competition and ensure independence in this market

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Federal Reserve Bank is said to be doing RP, it is lending money that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the banks' vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SPREAD: a) The yield or price difference between the bid and offer on an issue; b) The yield or price difference between different issues.

TREASURY BILLS: A non-interest bearing security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term U.S. Treasury securities having initial maturities of more than ten years.

TREASURY NOTES: Intermediate term coupon bearing U.S. Treasury securities having initial maturities of from one to ten years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME

YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

City of Oxnard, California
2020-21 Investment Policy
Adopted July __, 2020

APPENDIX NO. 2: OXNARD CITY TREASURER INVESTMENT PORTFOLIO GUIDELINES

A. INTRODUCTION. These guidelines are established to direct and control investment activities in such a manner to assure that the goals established in the Investment Policy are attained.

B. GENERAL FACTORS. Several factors must be considered in preparation for effective portfolio management.

1. Cash Forecast. The cash flow of the City shall be updated daily with an analysis of cash receipts and expenditures. A close working relationship with City Departments having a significant impact on cash flow is maintained to maximize the efficiency of the City's cash management system.

2. Pooled Cash. Whenever practical, the City's cash should be consolidated into one bank account and invested on a pooled concept basis. Interest earnings are allocated according to specific general ledger cash balances. No City bank account may be opened without the knowledge and consent of the City Treasurer.

3. Authorized Institutions. A list of institutions, which meet the criteria of the Investment Policy and have been authorized by the City Treasurer to do business with the City, will be maintained and regularly updated. Investment transactions will be executed only with approved broker/dealers, banks, and savings and loans.

4. Preservation of Portfolio Value. Yield standards are in place in an effort to maintain earnings consistent with the market average rate of return.

5. Golden Rule of Portfolio Management. Investment instrument characteristics should be known and understood before a purchase of the investment instrument. And recognizing that there are no firm and steadfast rules (strategies) for portfolio management due to the fact that investor expectations change by the day, hour and minute, and because of this market instability, prudent principles of fiscal management must be applied.

C. STRATEGY: Strategy refers to the plan of action for managing financial resources in the most advantageous manner. The City Treasurer uses the following elements in developing strategy.

1. Economic Forecasts. Economic forecast information developed by economists and financial experts, obtained through bankers and brokers, is used to assist the City Treasurer with the formulation of an investment strategy for the City.

2. Investment Implementation. Investment transactions will be executed in conformance with anticipated cash flow requirements, economic conditions, and interest rate trends and must be consistent with the established Investment Policy.

3. Yield Enhancement. Investment techniques will be utilized which increase yield and maintain a fully invested position.

D. INVESTMENT PROCEDURES. The City Treasurer has developed internal investment procedures to

provide for effective cash management. Segregation of responsibilities is maintained to assure an adequate system of internal control over the investment function.

1. Diversification. The fund should consist of a mix of various types of securities, issuers, and maturities.
2. Competitive Bids. Purchase and sale of securities shall be made on the basis of competitive bids and offers with a minimum of two quotes being obtained, when practical.
3. Investment Transactions. Investment transactions will be authorized by the City Treasurer. In his/her absence, the Assistant City Treasurer will execute transactions as prescribed by the City Treasurer prior to his/her absence. In the event of unexpected absence and unavailability by the City Treasurer, the Assistant City Treasurer will transact within established guidelines.
4. Electronic Transactions. Whenever possible, the City will use preformatted wire transfers and ACH debits to restrict the transfer of funds to preauthorized accounts only. All electronic transactions require an initiator plus an approval by an authorized employee. Authenticity is verified on next business day for each electronic transaction.
5. Safekeeping. Securities purchased from broker/dealers (on which maturity is greater than 30 days) shall be held in third party safekeeping with the Trust Department of Union Bank of California acting as third party trustee. All such purchases will be on a delivery versus-payment basis. Evidence of account for certificates of deposit will be issued in the City's name and held in City Treasurer's vault.

E. INVESTMENT CRITERIA. All investments will be made in compliance with Federal, State, and Local laws governing the investment of City funds, and in accordance with the City Treasurer's Investment Policy.

1. Maturity of Investment. Investments longer than one year may be made if consistent with the City's cash flow needs, related intent to hold until maturity, unless market conditions demand otherwise. Securities may be sold prior to maturity for cash flow purposes or to otherwise enhance the portfolio. If the rating of any depository declines to an unacceptable level prior to the maturity of an investment of City funds, the investment will be matured at the earliest possible opportunity. If the rating drops below the allowable level of any one of the rating services, the investment will be sold if no significant loss of principal is involved.

Such sales will be determined by the City Treasurer.

2. Certificate of Deposit Evaluation.

- (a) Time Certificates of Deposit shall be evaluated in terms of FDIC coverage. For deposits in excess of the insured maximum of \$250,000, approved collateral shall be required at the percentage above market value as specified by California Government Code Section 53652 and/or 53651.
- (b) Negotiable Certificates of Deposit shall be evaluated in terms of the credit worthiness of the issuer as these deposits are uninsured and uncollateralized promissory notes.

F. PRIMARY GOALS. As set forth in the Investment Policy, the primary goals for the City of Oxnard are safety, liquidity, and yield, in that priority order.

1. Safety. The safety/risk associated with an investment refers to the potential loss of principal, accrued interest, or a combination of these. The City of Oxnard employs investment instruments considered to be safe. The primary duty of the City Treasurer is to protect the cash and investments placed in her trust on behalf of the citizens of the community.
2. Liquidity. Liquidity refers to the ability to convert investment holdings to cash immediately with no loss of principal or accrued interest. This quality of investment is important should an unexpected need for funds occur.

3. Yield. Yield is the dollar earnings the investment provides. Yield becomes important only after the fundamental requirements of safety and liquidity have been met.

G. INTERNAL CONTROL OF INVESTMENTS. Investment transactions are controlled through distribution of responsibilities within the Treasurer's Office by the following procedures:

1. The Treasurer initiates each investment transaction.
2. Details of the investment are recorded on a trade slip and given to the account clerk responsible for encoding the trade details into the electronic investment system. The same account clerk produces a verification letter mailed to the institution receiving the investment. A copy of the letter is forwarded to the transferring bank.
3. The transaction record is then delivered to a designee who enters the transaction on the cash balance spread sheet.
4. At month end the balances on the spreadsheet, maintained by a designee, must balance with the portfolio balance maintained independently by the electronic system clerk.
5. Each business day, the Treasurer's Office receives an electronic report from the City's bank. This report contains checking account balances, a listing of debits and credits, overnight investments and a record of wired funds. This information is incorporated into the monthly checking account statement which provides a cross reference.
6. The Treasurer's Office forwards copies of all investment and transfer letters to General Accounting daily. General Accounting also receives copies of all bank statements, daily print-outs, bank reconciliations, credit/debit memorandums, journal vouchers, and tapes coordinating Treasurer's Receipts with deposits.
7. The Treasurer's report of balances and summary of investments and earnings is compiled monthly and distributed to the City Council, City Manager, City Clerk and Chief Financial Officer. A report, including market values, will be provided on a quarterly basis within 30 days of the close of the last month of each quarter. A report of portfolio gains/losses will be provided to the Chief Financial Officer at fiscal year-end for inclusion in year-end balance sheet reporting.

These Guidelines are provided to all staff members of the City Treasurer's Office having involvement with the investment procedures in any way. It is intended that these guidelines define the details of current practice set forth by the Investment Policy.

City of Oxnard, California
2020-21 Investment Policy
Adopted July __, 2020

APPENDIX NO. 3: STATE OF CALIFORNIA GOVERNMENT CODE INVESTMENT PROVISIONS

53600.

As used in this article, "local agency" means county, City, City and county, including a chartered City or county, school district, community college district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

(Amended by Stats. 1987, Ch. 887, Sec. 2.)

53600.3.

Except as provided in subdivision (a) of Section 27000.3, all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

(Amended by Stats. 1996, Ch. 749, Sec. 4. Effective January 1, 1997.)

53600.5.

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the primary objective of a trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control.

(Amended by Stats. 1996, Ch. 749, Sec. 5. Effective January 1, 1997.)

53600.6.

The Legislature hereby finds that the solvency and creditworthiness of each individual local agency can impact the solvency and creditworthiness of the state and other local agencies within the state. Therefore, to protect the solvency and creditworthiness of the state and all of its political subdivisions, the Legislature hereby declares that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern.

(Added by Stats. 1995, Ch. 784, Sec. 13. Effective January 1, 1996.)

53601.

This section shall apply to a local agency that is a city, a district, or other local agency that does not pool money in deposits or investments with other local agencies, other than local agencies that have the same governing body. However, Section 53635 shall apply to all local agencies that pool money in

deposits or investments with other local agencies that have separate governing bodies. The legislative body of a local agency having moneys in a sinking fund or moneys in its treasury not required for the immediate needs of the local agency may invest any portion of the moneys that it deems wise or expedient in those investments set forth below. A local agency purchasing or obtaining any securities prescribed in this section, in a negotiable, bearer, registered, or nonregistered format, shall require delivery of the securities to the local agency, including those purchased for the agency by financial advisers, consultants, or managers using the agency's funds, by book entry, physical delivery, or by third-party custodial agreement. The transfer of securities to the counterparty bank's customer book entry account may be used for book entry delivery.

For purposes of this section, "counterparty" means the other party to the transaction. A counterparty bank's trust department or separate safekeeping department may be used for the physical delivery of the security if the security is held in the name of the local agency. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Where this section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment:

- (a) Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.
- (b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- (c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
- (d) Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.
- (e) Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- (f) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- (g) Bankers' acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers' acceptances shall not exceed 180 days' maturity or 40 percent of the agency's moneys that may be invested pursuant to this section. However, no more than 30 percent of the agency's moneys may be invested in the bankers' acceptances of any one commercial bank pursuant to this section.

This subdivision does not preclude a municipal utility district from investing moneys in its treasury in a manner authorized by the Municipal Utility District Act (Division 6 (commencing with Section 11501) of the Public Utilities Code).

- (h) Commercial paper of "prime" quality of the highest ranking or of the highest letter and number

rating as provided for by a nationally recognized statistical rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):

(1) The entity meets the following criteria:

(A) Is organized and operating in the United States as a general corporation.

(B) Has total assets in excess of five hundred million dollars (\$500,000,000).

(C) Has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by an NRSRO.

(2) The entity meets the following criteria:

(A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.

(B) Has programwide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.

(C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city and county, may invest no more than 25 percent of their moneys in eligible commercial paper. Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer. Counties or a city and county may invest in commercial paper pursuant to the concentration limits in subdivision (a) of Section 53635.

(i) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the moneys are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or a person with investment decision making authority in the administrative office manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

(j) (1) Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements of securities authorized by this section, as long as the agreements are subject to this subdivision, including the delivery requirements specified in this section.

(2) Investments in repurchase agreements may be made, on an investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlie a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

(3) Reverse repurchase agreements or securities lending agreements may be utilized only when all of the following conditions are met:

(A) The security to be sold using a reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the local agency for a minimum of 30 days prior to sale.

(B) The total of all reverse repurchase agreements and securities lending agreements on investments owned by the local agency does not exceed 20 percent of the base value of the portfolio.

(C) The agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(D) Funds obtained or funds within the pool of an equivalent amount to that obtained from selling a security to a counterparty using a reverse repurchase agreement or securities lending agreement shall not be used to purchase another security with a maturity longer than 92 days from the initial settlement date of the reverse repurchase agreement or securities lending agreement, unless the reverse repurchase agreement or securities lending agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(4) (A) Investments in reverse repurchase agreements, securities lending agreements, or similar investments in which the local agency sells securities prior to purchase with a simultaneous agreement to repurchase the security may be made only upon prior approval of the governing body of the local agency and shall be made only with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with a local agency.

(B) For purposes of this chapter, "significant banking relationship" means any of the following activities of a bank:

(i) Involvement in the creation, sale, purchase, or retirement of a local agency's bonds, warrants, notes, or other evidence of indebtedness.

(ii) Financing of a local agency's activities.

(iii) Acceptance of a local agency's securities or funds as deposits.

(5) (A) "Repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank's customer book-entry account may be used for book-entry delivery.

(B) "Securities," for purposes of repurchase under this subdivision, means securities of the same issuer, description, issue date, and maturity.

(C) "Reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase the securities on or before a specified date and includes other comparable agreements.

(D) "Securities lending agreement" means an agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

(E) For purposes of this section, the base value of the local agency's pool portfolio shall be that dollar amount obtained by totaling all cash balances placed in the pool by all pool participants, excluding any amounts obtained through selling securities by way of reverse repurchase agreements, securities lending agreements, or other similar borrowing methods.

(F) For purposes of this section, the spread is the difference between the cost of funds obtained using the reverse repurchase agreement and the earnings obtained on the reinvestment of the funds.

(k) Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in

a rating category of "A" or its equivalent or better by an NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

(l) (1) Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by subdivisions (a) to (k), inclusive, and subdivisions (m) to (q), inclusive, and that comply with the investment restrictions of this article and Article 2 (commencing with Section 53630). However, notwithstanding these restrictions, a counterparty to a reverse repurchase agreement or securities lending agreement is not required to be a primary dealer of the Federal Reserve Bank of New York if the company's board of directors finds that the counterparty presents a minimal risk of default, and the value of the securities underlying a repurchase agreement or securities lending agreement may be 100 percent of the sales price if the securities are marked to market daily.

(2) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.).

(3) If investment is in shares issued pursuant to paragraph (1), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by subdivisions (a) to (k), inclusive, and subdivisions (m) to (q), inclusive, and with assets under management in excess of five hundred million dollars (\$500,000,000).

(4) If investment is in shares issued pursuant to paragraph (2), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

(5) The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include commission that the companies may charge and shall not exceed 20 percent of the agency's moneys that may be invested pursuant to this section. However, no more than 10 percent of the agency's funds may be invested in shares of beneficial interest of any one mutual fund pursuant to paragraph (1).

(m) Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

(n) Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in

accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

(o) A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. Securities eligible for investment under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision shall not exceed 20 percent of the agency's surplus moneys that may be invested pursuant to this section.

(p) Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

(1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.

(2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.

(3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

(q) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

(r) Commercial paper, debt securities, or other obligations of a public bank, as defined in Section 57600. (Amended by Stats. 2019, Ch. 442, Sec. 11. (AB 857) Effective January 1, 2020.)

53601.1.

The authority of a local agency to invest funds pursuant to Section 53601 includes, in addition thereto, authority to invest in financial futures or financial option contracts in any of the investment categories enumerated in that section.

(Added by Stats. 1983, Ch. 534, Sec. 3.)

53601.2.

As used in this article, "corporation" includes a limited liability company.

(Added by Stats. 2004, Ch. 118, Sec. 18. Effective January 1, 2005.)

53601.5.

The purchase by a local agency of any investment authorized pursuant to Section 53601 or 53601.1, not purchased directly from the issuer, shall be purchased either from an institution licensed by the state as a broker-dealer, as defined in Section 25004 of the Corporations Code, or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from a savings association or federal association (as defined by Section 5102 of the Financial Code) or from a brokerage firm designated as a primary government dealer by the Federal Reserve bank.

(Amended by Stats. 2001, Ch. 57, Sec. 2. Effective January 1, 2002.)

53601.6.

(a) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.

(b) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security that could result in zero interest accrual if held to maturity.

However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to local agency investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) that are authorized for investment pursuant to subdivision (l) of Section 53601.

(Amended by Stats. 2009, Ch. 332, Sec. 68.1. Effective January 1, 2010.)

53601.8.

Notwithstanding any other provision of this code, a local agency that has the authority under law to invest funds, at its discretion, may invest a portion of its surplus funds in deposits at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of deposits. The following conditions shall apply:

(a) The local agency shall choose a nationally or state-chartered commercial bank, savings bank, savings and loan association, or credit union in this state to invest the funds, which shall be known as the "selected" depository institution.

(b) The selected depository institution may use a private sector entity to help place local agency deposits with one or more commercial banks, savings banks, savings and loan associations, or credit unions that are located in the United States and are within the network used by the private sector entity for this purpose.

(c) The selected depository institution shall request that the local agency inform it of depository institutions at which the local agency has other deposits, and the selected depository institution shall provide that information to the private sector entity.

(d) Any private sector entity used by a selected depository institution to help place its local agency deposits shall maintain policies and procedures requiring all of the following:

(1) The full amount of each deposit placed pursuant to subdivision (b) and the interest that may accrue on each such deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.

(2) Every depository institution where funds are placed shall be capitalized at a level that is sufficient, and be otherwise eligible, to receive such deposits pursuant to regulations of the Federal Deposit Insurance Corporation or the National Credit Union Administration, as applicable.

(3) At the time of the local agency's investment with a selected depository institution and no less than monthly thereafter, the private sector entity shall ensure that the local agency is provided with an inventory of all depository institutions in which deposits have been placed on the local agency's behalf, that are within the private sector entity's network.

(4) Within its network, the private sector entity shall ensure that it does not place additional deposits from a particular local agency with any depository institution identified pursuant to subdivision (c) as holding that local agency's deposits if those additional deposits would result in that local agency's total amount on deposit at that depository institution exceeding the Federal Deposit Insurance Corporation or the National Credit Union Administration insurance limit.

(e) If a selected depository uses two or more private sector entities to assist in the placement of a local agency's deposits, the selected depository shall ensure that it does not place additional deposits from a particular local agency with a depository institution if those additional deposits would result in that local agency's total amount on deposit at that depository institution exceeding the Federal Deposit Insurance Corporation or the National Credit Union Administration insurance limit.

- (f) The selected depository institution shall serve as a custodian for each such deposit.
- (g) On the same date that the local agency's funds are placed pursuant to subdivision (b) by the private sector entity, the selected depository institution shall receive an amount of insured deposits from other financial institutions that, in total, are equal to, or greater than, the full amount of the principal that the local agency initially deposited through the selected depository institution pursuant to subdivision (b).
- (h) Notwithstanding subdivisions (a) to (g), inclusive, a credit union shall not act as a selected depository institution under this section unless both of the following conditions are satisfied:
- (1) The credit union offers federal depository insurance through the National Credit Union Administration.
 - (2) The credit union is in possession of written guidance or other written communication from the National Credit Union Administration authorizing participation of federally insured credit unions in one or more deposit placement services and affirming that the moneys held by those credit unions while participating in a deposit placement service will at all times be insured by the federal government.
- (i) It is the intent of the Legislature that this section shall not restrict competition among private sector entities that provide placement services pursuant to this section.
- (j) The deposits placed pursuant to this section shall be subject to Section 53638 and shall not, in total, exceed 50 percent of the agency's funds that may be invested for this purpose.
- (k) This section shall remain in effect until January 1, 2026, and as of that date is repealed.
- (Amended (as amended by Stats. 2015, Ch. 181, Sec. 1) by Stats. 2019, Ch. 619, Sec. 1. (AB 945) Effective January 1, 2020. Repealed as of January 1, 2026, by its own provisions. See later operative version, as amended by Sec. 3 of Stats. 2019, Ch. 619.)

53602.

The legislative body shall invest only in notes, bonds, bills, certificates of indebtedness, warrants, or registered warrants which are legal investments for savings banks in the State, provided, that the board of supervisors of a county may, by a four-fifths vote thereof, invest in notes, warrants or other evidences of indebtedness of public districts wholly or partly within the county, whether or not such notes, warrants, or other evidences of indebtedness are legal investments for savings banks.

(Amended by Stats. 1954, 1st Ex. Sess., Ch. 10.)

53603.

The legislative body may make the investment by direct purchase of any issue of eligible securities at their original sale or after they have been issued.

(Amended by Stats. 1953, Ch. 537.)

53604.

The legislative body may sell, or exchange for other eligible securities, and reinvest the proceeds of, the securities purchased.

(Amended by Stats. 1953, Ch. 537.)

53605.

From time to time, the legislative body shall sell the securities so that the proceeds may be applied to the purposes for which the original purchase money was placed in the sinking fund or the treasury of the local agency.

(Amended by Stats. 1953, Ch. 537.)

53606.

The bonds purchased, which were issued by the purchaser, may be canceled either in satisfaction or sinking fund obligations or otherwise. When canceled, they are no longer outstanding, unless in its discretion, the legislative body holds them uncanceled. While held uncanceled, the bonds may be resold.

(Added by Stats. 1949, Ch. 81.)

53607.

The authority of the legislative body to invest or to reinvest funds of a local agency, or to sell or exchange securities so purchased, may be delegated for a one-year period by the legislative body to the treasurer of the local agency, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires, and shall make a monthly report of those transactions to the legislative body. Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year.

(Amended by Stats. 1996, Ch. 749, Sec. 6. Effective January 1, 1997.)

53608.

The legislative body of a local agency may deposit for safekeeping with a federal or state association (as defined by Section 5102 of the Financial Code), a trust company or a state or national bank located within this state or with the Federal Reserve Bank of San Francisco or any branch thereof within this state, or with any Federal Reserve bank or with any state or national bank located in any City designated as a reserve City by the Board of Governors of the Federal Reserve System, the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants, or other evidences of indebtedness in which the money of the local agency is invested pursuant to this article or pursuant to other legislative authority. The local agency shall take from such financial institution a receipt for securities so deposited. The authority of the legislative body to deposit for safekeeping may be delegated by the legislative body to the treasurer of the local agency; the treasurer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the treasurer.

(Amended by Stats. 1985, Ch. 983, Sec. 17. Effective September 26, 1985.)

53635.

(a) This section shall apply to a local agency that is a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. However, Section 53601 shall apply to all local agencies that pool money in deposits or investments exclusively with local agencies that have the same governing body.

This section shall be interpreted in a manner that recognizes the distinct characteristics of investment pools and the distinct administrative burdens on managing and investing funds on a pooled basis pursuant to Article 6 (commencing with Section 27130) of Chapter 5 of Division 2 of Title 3.

A local agency that is a county, a city and county, or other local agency that pools money in deposits or investments with other agencies may invest in commercial paper pursuant to subdivision (h) of Section 53601, except that the local agency shall be subject to the following concentration limits:

(1) No more than 40 percent of the local agency's money may be invested in eligible commercial paper.

(2) No more than 10 percent of the total assets of the investments held by a local agency may be invested in any one issuer's commercial paper.

(b) Notwithstanding Section 53601, the City of Los Angeles shall be subject to the concentration limits of this section for counties and for cities and counties with regard to the investment of money in eligible commercial paper.

(c) A local agency subject to this section may invest in commercial paper, debt securities, or other obligations of a public bank, as defined in Section 57600.

(Amended by Stats. 2019, Ch. 442, Sec. 12. (AB 857) Effective January 1, 2020.)

53636.

(a) At the time the treasurer enters into a contract with the depository pursuant to Section 53649, he or she shall authorize the agent of depository designated by the depository, but including the trust department of the depository only when acceptable to both the treasurer and the depository, to hold securities of the depository in accordance with this article to secure the deposit of the local agency.

(b) Only those trust companies and trust departments, or the Federal Home Loan Bank of San Francisco, which have been authorized by the administrator pursuant to Section 53657 shall be authorized by treasurers to act as agents of depository.

(c) The securities are subject to order of the depository in accordance with Section 53654 except when the provisions of subdivision (i) of Section 53661 and Section 53665 are in effect.

(d) An agent of depository shall not release any security held to secure a local agency deposit in a depository unless the administrator issues an order authorizing the release where either of the following occurs:

(1) A state or federal regulatory agency has taken possession of the depository.

(2) A conservator, receiver, or other legal custodian has been appointed for the depository.

(Amended by Stats. 1998, Ch. 1035, Sec. 10. Effective September 30, 1998.)

53637.

(a) No person shall act as an agent of depository unless that person is a trust company located in this state, the trust department of a bank located in this state, or the Federal Home Loan Bank of San Francisco, and is authorized by the administrator to act as an agent of depository.

(b) (1) An application for authorization shall be in such form, shall contain such information, shall be signed in such manner, and shall (if the administrator so requires) be verified in such manner, as the administrator may prescribe.

(2) The fee for filing an application for authorization with the administrator shall be five hundred dollars (\$500).

(3) If the administrator finds, with respect to an application for authorization, that the applicant is competent to act as an agent of depository and that it is reasonable to believe the applicant will comply with all applicable provisions of this article and of any regulation or order issued under this article, the administrator shall approve the application. If the administrator finds otherwise, the administrator shall deny the application.

(4) When an application for authorization has been approved, the applicant shall file with the administrator an agreement to comply with all applicable provisions of this article and of any regulation or order issued under this article. The agreement shall be in such form, shall contain such provisions, and shall be signed in such manner as the administrator may prescribe.

(5) When an application for authorization has been approved, the applicant has complied with paragraph (4), and all conditions precedent to authorizing the applicant to act as agent of depository

have been fulfilled, the administrator shall authorize the applicant to act as agent of depository.
(Amended by Stats. 1996, Ch. 1063, Sec. 82. Effective January 1, 1997.)

RESOLUTION NO. _____**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
DELEGATING INVESTMENT AUTHORITY TO THE CITY TREASURER AND
ADOPTING THE FY 2020-21 INVESTMENT POLICY**

WHEREAS, effective January 1, 1997, Government Code section 53607 was amended to provide the authority of the City Council to invest or to reinvest City funds, or to sell or exchange securities so purchased, may be delegated for a one-year period by the Council to the City Treasurer, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires;

WHEREAS, on September 15, 1992, the City Council adopted Resolution No. 10,455, delegating to the City Treasurer the authority to invest and reinvest the City funds; and

WHEREAS, it remains the intention of the City Council to delegate such authority to the City Treasurer, and

WHEREAS, Government Code Section 53646 provides that the City Treasurer may annually render to the City Council a statement of investment policy, which the City Council shall consider at a public meeting.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to delegate to the City Treasurer the authority to invest and to reinvest City funds, and to sell and exchange securities so purchased, thereby reaffirming such delegation of authority contained in Resolution No. 10,455, for a one-year period. The City Council further resolves to adopt the FY 2020-21 Investment Policy attached hereto as Exhibit A.

PASSED AND ADOPTED this _____ day of July, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Ascencion, City Clerk

Stephen M. Fischer, City Attorney



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.2

DATE: July 29, 2020

TO: City Council

FROM: Jeffrey Lambert, Community Development Director, (805) 385-7882, jeffrey.lambert@oxnard.org

SUBJECT: Fifth Amendment to Agreement No. 7748-17-FN with HdL Companies for Cannabis Management Services.

RECOMMENDATION

That the City Council:

1. Approve and authorize the Mayor to execute the Fifth Amendment to Agreement No. 7748-17-FN with Hinderliter, de Llamas and Associates (“HdL”) to extend the term and increase the amount of the Agreement from \$666,350 to \$791,593 which includes Sales Tax and Economic Analysis, Allocation Audit and Recovery, and Cannabis Fiscal Analysis and Taxation Strategies consulting services; and
2. Approve the budget appropriation of \$125,243 for the Fifth Amendment to Agreement No. 7748-17-FN with Hinderliter, de Llamas and Associates, which is recoverable through the Cannabis Business Permit Fee and does not impact fund balance.

(Housing and Economic Development Committee approved 2-0 with Councilmember Basua absent)

BACKGROUND

HdL was created in 1983 by a former finance director, to help cities get the details of their tax revenue, including assisting with the analysis of the tax reports. Currently HdL provides property tax, sales tax, Transient Occupancy Tax (TOT) audits, Business License audits and software systems, and Cannabis Management Programs. HdL's Cannabis Management Program includes former professional government cannabis policy experts with extensive knowledge related to cannabis. These experts assist local government agencies to implement and manage effective cannabis regulation and taxation options. HdL has been retained by over 400 cities, counties, and special agencies in the State to assist in the development of cannabis related approaches unique to the specific jurisdiction. For cannabis related work, HdL experts work closely with law enforcement, the California Department of Consumer Affairs, the state legislature and other state agencies along with the League of California Cities to resolve local government issues related to the Cannabis Industry. HdL knows the best practices and lessons learned from Colorado and various jurisdictions in California because their experts have helped develop these policies and continue to play a leadership role in the implementation of these programs. HdL has worked with a number of other cities in Ventura County.

Since 1999, HdL has been providing sales tax, property tax and business tax auditing, allocation audit recovery services, and economic analysis services to the city. On April 26, 2018 the City Council approved a Second Amendment to retain HdL to conduct cannabis fiscal analysis and taxation strategies. On January 4, 2019, the contract with HdL was amended by a Third Amendment to authorize allow the firm to view sales tax information from the State on behalf of the Finance Department. On July 2, 2019, City Council approved the Fourth Amendment to Agreement No. 7748-17-FN for Cannabis Management Services and the appropriation of \$115,100 to cover the cost of the amendment.

DISCUSSION

The Council's July 2019 amendment (Fourth Amendment), was for HdL's assistance with cannabis evaluation and permitting. Over the past year, HdL has assisted in the cannabis permitting process through:

- Application review and screening
- Preparation of competitive evaluations and ranking reports
- Staff assistance and subject matter expertise (SME)

The Fourth Amendment included an assumption that 30 applications would be reviewed through the above process; this assumption was inclusive of all types of cannabis operations. Through the City's cannabis manufacturing and distribution solicitation the City received 11 applications; no testing applications were received and the cultivation window has not yet opened. Through a competitive process, the City has selected five cannabis manufacturers and 3 distributors. Through the City's retail cannabis application window, the City received 50 retail cannabis applications; the window closed on May 22, 2020 for retail cannabis applications.

The July 2019 contact amendment amount is insufficient because it assumed the City would receive 30 cannabis applications and to date the City has received 61 applications. Due to the large number of retail applications (a total of 50), additional time has been spent on background checks, and is anticipated to occur in the future due to application review, merit-based ranking and interviews, and SME/staff support. In addition this contract amendment will include HdL providing site-plan review assistance, including site visits and post-inspection visits as deemed necessary. As part of the cannabis manufacturing and distribution site plan review, operators are required to comply with specific state separation and security standards. Through processing of Development Design Review (DDR) applications for manufacturing and distribution applicants, it has become apparent that assistance by HdL is necessary in evaluating DDR applications because staff is not familiar with the unique state requirements associated with cannabis operators.

STRATEGIC PRIORITIES

This agenda item supports the Economic Development strategy. The purpose of the Economic Development strategy is to develop and enhance Oxnard's business climate, promote the city's fiscal health, and support economic growth in a manner consistent with the city's unique character. This item supports the following goals and objectives:

Goal 1. Create vibrant and economically sustainable commercial, industrial and retail industries throughout the City.

Objective 1a. Focus available resources on a comprehensive effort to promote economic activity in Oxnard, including a marketing program that communicates the City's available resources and assets.

Goal 2. Enhance business development throughout the City.

Objective 2a. Develop a strong citywide economy which attracts investment, increases the tax base, creates employment opportunities, and generates public revenue.

Objective 3a. Maximize funding sources.

Objective 3b. Set rates and fees to fully recover cost.

FINANCIAL IMPACT

To date, \$183,945 has been collected in Cannabis permit revenue. HdL's costs to date, for services under the Second and Fourth Amendments, total \$88,863. The cost of the Fifth Amendment is \$125,243, bringing the total contract amount to \$791,593. The cost of the amendment is recoverable through the cannabis business selection and land use permitting process, which this amendment with HdL helps establish. A budget appropriation is being requested to appropriate funds to Project #20IN01, Account no. 101-4101-804-8209, to cover the cost of the amendment, and recognize and

appropriate Cannabis permit fee revenue, which fully offsets the amendment cost. It is anticipated that approximately \$183,243 in permit revenue will be collected in FY 2020-2021, which, when combined with the additional permit revenue collected to date, fully covers the cost of the Fifth Amendment. Appropriation of these funds will not impact fund balance

COMMITTEE OUTCOME

The Housing and Economic Development Committee approved 2-0 (Councilmember Basua was absent) on July 14, 2020 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Kathleen Mallory, Planning & Sustainability Manager

ATTACHMENTS

1. Fifth Amendment Agreement No. 7748-17-FN with HdL Companies
2. Budget Appropriation

Agreement No. 7748-17-FN**FIFTH AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES**

This Fifth Amendment (“Fifth Amendment”) to the Agreement for Consulting Services (“Agreement”) is made and entered into in the County of Ventura, State of California, this ____ day of _____, 2020, by and between the City of Oxnard, a municipal corporation (“City”), and Hinderliter, de Llamas and Associates (“Consultant”). This Fifth Amendment amends the Agreement entered into on January 30, 2017, by City and Consultant. The Agreement previously has been amended on April 27, 2017, by a First Amendment, on April 26, 2018, by a Second Amendment, on January 4, 2019, by a Third Amendment, and on July 2, 2019, by a Fourth Amendment.

City and Consultant agree as follows:

1. Section 1 of the Agreement, Scope of Services, is amended to include the services set forth in Exhibit A-3, attached hereto and incorporated in full herein by this reference.
2. In Section 12 of the agreement the date of “March 1, 2021” is deleted and replaced with “December 31, 2021”.
3. Subsection a of section 14 of the Agreement is amended as follows:
 - a. The figure “\$666,350” is replaced by the figure “\$791,593”.
 - b. Exhibit B-3 is attached hereto and incorporated herein by this reference into the Agreement.
4. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]

Agreement No. 7748-17-FN

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date first written above.

CITY OF OXNARD

CONSULTANT

Tim Flynn, Mayor Date

Andrew Nickerson, President Date

ATTEST:

Gary Lott, Chief Operations Date
Officer

Michelle Ascencion Date
City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer Date
City Attorney

¹ The City Council must authorize and the Mayor must sign the amendment if the original contract and all amendments collectively total over \$200,000 annually. The City Manager may authorize and sign the amendment if the original contract and all amendments collectively total over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign the amendment if the original contract and all amendments collectively total up to \$100,000 annually. A Buyer may authorize and sign the amendment if the original contract and all amendments collectively total up to \$25,000 annually.

¹ The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC (company directors, not lower-level managers); or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally-binding documentation stating who can sign and bind your company

FIFTH AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES

EXHIBIT A-3 SCOPE OF SERVICES

Objective 1: Initial Intake and Processing of Applications (Resubmittals)

Consultant's cost for reviewing applications includes intake processing and an initial screening for completeness. However, 14 of the City's 50 applications are resubmittals, meaning that Consultant has already incurred the time for intake and initial review, and will now have to do so a second time for these 14 applications. Consultant shall charge 1 hour of staff time to conduct this initial intake and processing of these resubmitted applications.

Objective 2: Application Reviews, Merit-Based Ranking and Interviews

Consultant staff will conduct an initial screening of all applications for completeness based upon an objective checklist of required documentation. This initial screening shall allow for some limited discretion in determining whether submitted documents are substantively complete but shall not otherwise consider the quality of the submissions. Applications deemed incomplete will be disqualified and those applicants will not be allowed to submit any supplemental information.

Applications which have been deemed complete will move forward for a full review, including scoring and merit-based ranking. Applicants must provide detailed information on how they plan to meet the required criteria. An applicant's point score shall be based on their demonstrated ability to meet or exceed minimum requirements in each category.

Reviews shall include narrative comments that identify both strengths and weaknesses of each application as well as any deficiencies or areas of concern. Reviews shall be adequately detailed to inform the subsequent interview process but shall not contain any recommendations for approval or denial, other than a numerical score.

Proposed actions described in the applications shall be considered binding conditions of any resulting permit. Failure to meet or comply with any such requirements after a permit has been granted may subject the applicant to penalties and/or revocation proceedings.

Consultant will design and conduct an interview panel for all applicants that receive passing scores. The interview panel shall consist of designated City staff, assisted by a subject-matter expert from HdL serving as facilitator. Interviews shall be one hour long, with a half hour between to allow for reaction, discussion and note taking by the panel. Interviews shall be scheduled for successive days, where possible, with 5 interviews per day.

Objective 3: Preparation of Final Report

Consultant shall compile all scores from both the application review process and the applicant interviews and shall prepare a final report for the City, which shall inform the final determination of which applicants shall be granted permits.

Objective 4: Background Checks

Consultant is qualified to provide supplemental background checks for principals and employees of cannabis businesses as part of the application process. Consultant's background checks supplement the State-required Live Scan fingerprint check to identify other factors that local governments may wish to consider before granting discretionary business licenses or permits. These considerations may include other felony offenses, misdemeanor convictions, arrest records, civil judgments, restraining orders, the terrorist screening database, the national sex offender registry, delinquent child support payments, bankruptcies, employment and credit records, and more.

Consultant's comprehensive background process checks the subject's name and social security number against over 200 million databases nationwide. Consultant's search includes up to 5 variations on the subject's name and will alert if additional aliases are found which might warrant further investigation.

Consultant offers separate rates for owners, principals or managers of cannabis businesses and for regular employees or line staff. Consultant also offers a lower rate for annual renewals after the initial background check has been completed. Consultant's rates include an HdL-designed employee identification badge with the city logo which meets all State regulatory requirements.

Background Checks	Owner, principal or manager	Employee or line staff
Initial background check	\$300	\$100
Annual renewal	\$100	\$75
Reissue lost or stolen badge	\$10	\$10

Prices valid as of June 17, 2020.

Prices subject to change without notice.

Consultant provides an online portal for applicants to enter their authorization and application for background checks and submit all necessary documentation. Applicants provide their payment directly to Consultant through the portal, so there is no cost to the City.

Objective 5: Site Plan Evaluations

Consultant shall conduct a pre-license site plan evaluation of each cannabis business prior to issuance of a certificate of occupancy. Evaluations shall include a site visit to verify all interior and exterior physical site security requirements have been addressed in accordance with the application and all State and local requirements. Site visits shall examine all entrances and exits, limited access areas, locks and alarm systems, access control procedures, surveillance camera locations, safes and cash management procedures, signage, operational protocols and administrative privileges associated with the license type(s) being sought, and

other requirements as necessary. The HdL inspector may be accompanied on the site inspection by representatives from the Police Department and Fire Department, if desired by the City.

The cost for this service includes an initial site-plan evaluation and report, coordination and arrangements with the business and other agencies, 2-hour site visit, post-inspection report, all travel costs and any follow up.

Objective 6: Subject Matter Expertise and Technical Assistance

Consultant shall provide up to 40 hours of general consulting in the form of technical assistance and subject matter expertise to be utilized on an as-needed basis at the City's request. Such assistance may include monitoring of changes to State laws and regulations, understanding of the industry, participation in conference calls, responding to staff inquiries via phone and email, reviewing staff reports to the City Council, assisting with responses to inquiries from the public, or other issues yet to be determined as requested by the City.

Additional Services

This proposal does not include any additional services that are not specifically enumerated herein. The proposal assumes Consultant will not be asked to review any supplemental information provided by applicants, and that Consultant will not be a part of any appeal process. Any such additional reports or documentation that may be requested by the City would be in addition to the costs shown in the table below and shall be billed at Consultant's hourly rate.

The costs and timeline assume that the City will utilize Consultant's standard review and interview process as proposed. Any modifications to this process requested or required by the City may affect the estimated timeline as presented and may be subject to additional charges or modified per-unit rates.

Conflicts of Interest and Non-Disclosure

HdL Companies works solely with public agencies and has no private-sector clients in the cannabis industry. All cannabis business applications will be kept confidential by HdL and will not be shared internally beyond those HdL employees who are required to have access for purposes of conducting reviews or interviews, or for administrative purposes as necessary.

EXHIBIT B-3 COMPENSATION

The estimate of total costs for the 50 applications totals \$202,730. The carryover amount of \$77,487.50, the remaining balance on the current contract, has been subtracted, to give a total for the Fifth Amendment of \$125,242.50. These costs would augment and be in addition to the carryover amount from the current contract.

The hours and costs in the table do not include any additional items that are not contemplated by this scope of services. Among these are review of any supplemental materials submitted by applicants, preparation of additional reports or documents, or assistance with appeals. Prices are valid for 90 days from June 17, 2020.

Scope of Service Objectives	Estimated Cost
Objective 1: Intake and initial processing of applications and review for completeness. ¹	\$195 per application
Objective 2: Application reviews, scoring, merit-based ranking, interviews and selection process. ¹	\$3,000 per application
Objective 3: Compile all scores and prepare final report to the City.	\$2,000
Objective 4: Conduct background checks as a part of the application review process. Cost paid directly by applicants.	No cost to City
Objective 5: Conduct pre-license site plan evaluations of each business prior to issuance of a certificate of occupancy.	\$1,600 per business
Objective 6: 40 hours of subject matter expertise and technical assistance to be used by the City on an as-needed basis.	\$10,000
Travel (if and as needed for interviews)	\$600 per day
Estimate of total costs	
Review for completeness (assumes 14 applications at \$195 each)	\$2,730
Reviews/interviews (assumes 50 applications at \$3,000 each)	\$150,000
Prepare final report (flat rate)	\$2,000
Background checks (cost paid directly by applicants)	No cost to City
Site plan evaluations (assumes 20 businesses)	\$32,000
Technical assistance (assumes 40 hours)	\$10,000
Travel (assumes 10 days on site @ 5 interviews per day)	\$6,000
Total	\$202,730.00
Remaining balance on current contract	(\$77,487.50)
FIFTH AMENDMENT TOTAL NOT TO EXCEED	\$125,242.50
¹ Costs may be directly recoverable from each applicant. All other costs would be apportioned among the number of applicants.	

Date: July 28, 2020

Phone: 385-8370**Reason for Appropriation:**

To appropriate funds for cannabis management services per the Fifth Amendment to Agreement #7748-17-FN with Hinderliter, de Llamas & Associates (HdL).

Accounts and Descriptions

AMOUNT

Fund: GENERAL FUND (101)

Revenues/Transfers In**HDL 4th & 5th Amendment-Cannabis (Project #20IN01)**

101-4101-555.73-49	CANNABIS PERMIT FEES	125,243
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Sub-total Revenues	125,243
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Expenditures/Transfers Out

HDL 4th & 5th Amendment-Cannabis (Project #20IN01)

101-4101-804.82-09	SVCS-OTHER/PROF CONTRACT	125,243
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Sub-total Expenditures	125,243
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Net Change to Fund Balance 0

Net Appropriation Change	125,243
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Approvals

Department Director _____

Chief Financial Officer _____

City Manager



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.3

DATE: July 29, 2020

TO: City Council

FROM: Jeffrey Lambert, Community Development Director, (805) 385-7882, jeffrey.lambert@oxnard.org

SUBJECT: Vacation of a City Access Easement for Slope Maintenance associated with the Final Map of Tract 6004 (PZ No. 17-300-08) for “The Landing” at RiverPark located on the Southside of Town Center Drive Between Oxnard Boulevard and North Ventura Road within the RiverPark Specific Plan Area. Filed by Ann Walsh of Shea Properties.

RECOMMENDATION

That the City Council:

1. Adopt a Resolution to vacate an existing City Access Easement for Slope Maintenance;
2. Authorize the Mayor to sign the Quitclaim Deed releasing City authority and/or rights to the Access Easement for Slope Maintenance back to Sunflower, LP for parcels 132-0-470-125 and 132-0-470-155; and
3. Authorize the Mayor to sign the Quitclaim Deed releasing City authority and/or rights to the Access Easement for Slope Maintenance back to Riverpark Landing, LLC for parcels 132-0-470-115 and 132-0-470-145.

BACKGROUND

In August of 2018, the City approved two multi-story Marriott hotels through Development Design Review (PZ No. 17-200-07 and 17-200-08) to be located within the RiverPark Specific Plan on property located on the south side of Town Center Drive between North Ventura Road and Oxnard Boulevard. Two months later in October 2018, the Planning Commission adopted Resolution No. 2018-29 recommending approval to City Council of Tentative Subdivision Map 6004 for RiverPark Specific Plan in a district known as “The Landing”. The subdivision involved six commercial lots along the south side frontage of Town Center Drive between Oxnard Boulevard and Ventura Road. The City Council adopted Resolution 15,181 approving the tentative map in November of 2018, and the Final Map was approved on November 19, 2019, by Resolution 15,280.

DISCUSSION

Presently, the City holds the rights to an Access Easement for Slope Maintenance (herein referred to as the “Access Easement”) that was recorded in December 13, 2007 for landscape and maintenance purposes of the slope that runs parallel to Oxnard Boulevard on commercial property known as “The Landing” within the RiverPark Specific Plan (RPSP). The existing Access Easement is located on the south side of Town Center Drive between Ventura Road and Oxnard Boulevard and is shown in green in Attachment 1. Since 2007, the developer of the RPSP has subdivided this commercial area, and various entitlements for commercial development have been issued by the City. The developer wishes to realign the Access Easement so as not to conflict with approved and planned development of the lots. The proposed Access Easement is shown in purple in Attachment 1 allowing the City future access to the slope.

Attachment 2 is the draft Resolution to vacate the existing City Access Easement. Attachments 3 and 4 are the quitclaim deeds that require the Mayor’s signature to vacate the Access Easement. Attachment 5 is the proposed Access Easement

with required exhibits. Per Resolution No. 14,968 of the Oxnard City Council, acceptance of the new easement falls under the purview of the Community Development Director and upon acceptance, the documents will be sent to the County Recorder's office by City staff.

As proposed, the proposed Access Easement complies with the RPSP and the 2030 General Plan.

ENVIRONMENTAL IMPACT

In accordance with the State of California Environmental Quality Act (CEQA) Guidelines, the request for the City to vacate the existing Access Easement and accept a replacement Access Easement is Categorically Exempt from environmental review per Section 15305, "Minor Alterations in Land Use Limitations" of CEQA Guidelines, because the request involves land with an average slope of less than 20% and does not result in changes to land use or density. No Exceptions to the Exemptions (Section 15300.2) apply to this project. Therefore, staff has determined that there is no substantial evidence that the project may have a significant effect on the environment.

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

There is no fiscal impact associated with this request.

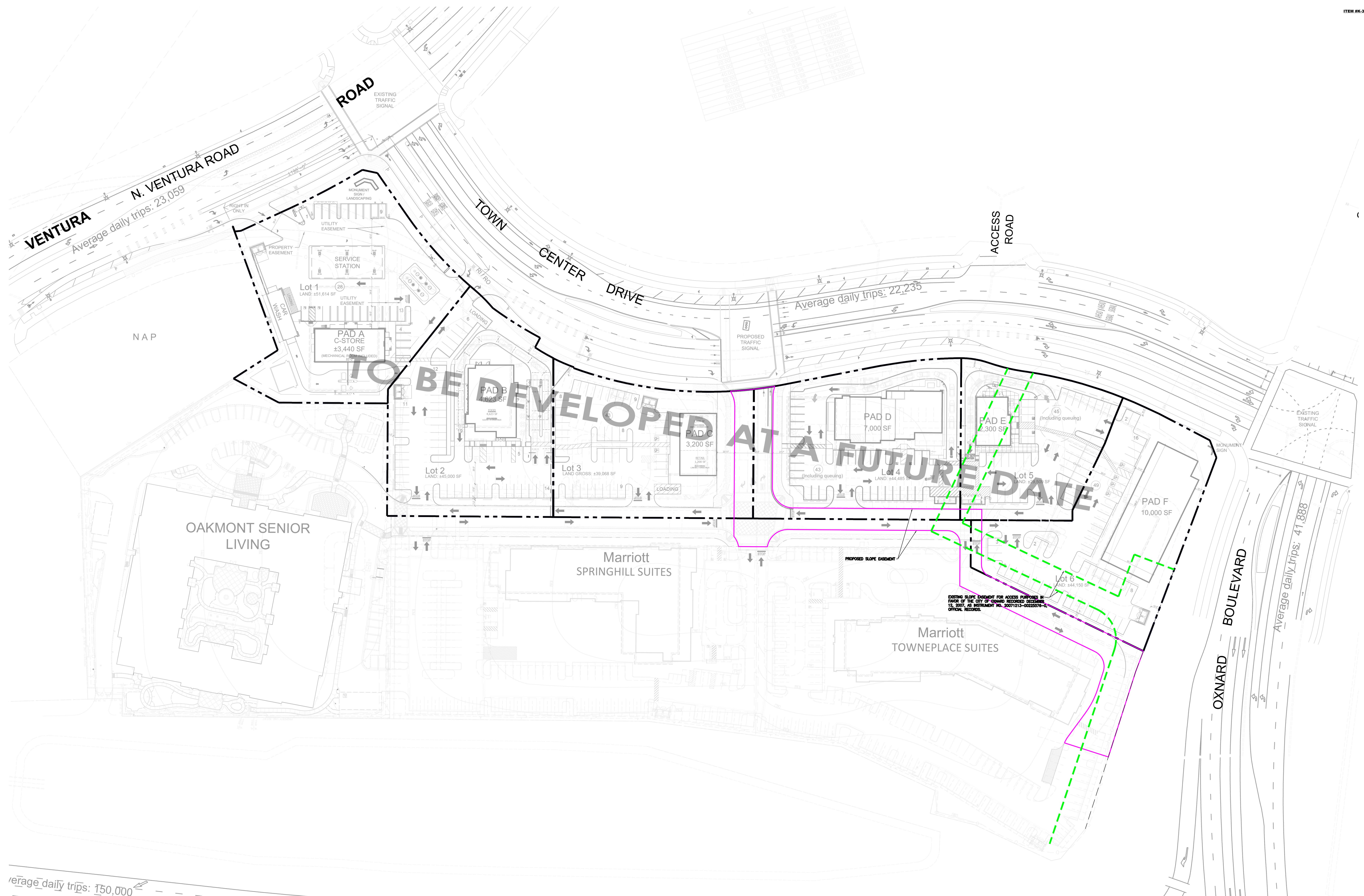
COMMITTEE OUTCOME

This item is a routine operational item and therefore, this item did not originate in Committee.

Prepared by: Joe E. Pearson II, Senior Planner

ATTACHMENTS

1. Existing and Proposed Access Easement
2. Attachment B - Resolution RP Slope Access Easement (1)
3. Quitclaim Deed (Riverpark LLC)
4. Quitclaim Deed (Sunflower)
5. Proposed RP Access Easement for Slope Maintenance



THE LANDING, OXNARD, CA

OVERALL SITE PLAN

05-05-2020

Shea | Properties

144 NORTH ORANGE ST., ORANGE, CA 92866
(714) 639-9860



CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING VACATION OF AN ACCESS EASEMENT FOR SLOPE AND LANDSCAPE MAINTENANCE PURPOSES RECORDED ON DECEMBER 13, 2007 ON PARCELS 132-0-470-115, 132-0-470-145, 132-0-470-125, AND 132-0-470-155 BY INSTRUMENT NO. 20071213-00225576-0 ON PROPERTY GENERALLY LOCATED ON THE SOUTH SIDE OF TOWN CENTER DRIVE BETWEEN NORTH VENTURA ROAD AND OXNARD BOULEVARD; AND AUTHORIZING THE MAYOR TO SIGN THE QUITCLAIM DEEDS ASSOCIATED WITH THE SUBJECT PARCELS. FILED BY ANN WALSH OF SHEA PROPERTIES, DESIGNATED AGENT FOR RIVERPARK LANDING LLC, 2751 PARK VIEW COURT, SUITE 261, OXNARD, CA 93036, OWNER.

WHEREAS, on July 1, 2019, Ann Walsh, (the “**Applicant**” and/or “**Developer**”), submitted a request to the City for vacation of City access easement for landscape and maintenance purposes recorded on December 13, 2007, on land generally located on the southside of Town Center Drive between North Ventura Road and Oxnard Boulevard, within District C of the RiverPark Specific Plan (the “Request”); and

WHEREAS, on July 29, 2020, the City Council considered the Request and determined that the Request is consistent with the RiverPark Specific Plan (RPSP) and the 2030 General Plan Chapter 15 “Subdivision Ordinance” of the Oxnard City Code, and the Subdivision Map Act; and

WHEREAS, the City Council determines that the Request is consistent with the certified RPSP EIR, and is exempt from further CEQA review per Section 15305.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OXNARD:

SECTION 1. The recitals of this Resolution are hereby adopted into the operative provisions of this Resolution by this reference.

SECTION 2. In accordance with the California Environmental Quality Act (CEQA), the City Council determines that the Request to vacate the rights to the existing Access Easement and accept a replacement Access Easement is consistent with the RiverPark Specific Plan, certified EIR, and is Categorically Exempt from environmental review per Section 15305, “Minor Alterations in Land Use Limitations” of CEQA Guidelines, because the Request involves land with an average slope of less than 20% and does not result in changes to land use or density. No Exceptions to the Exemptions (Section 15300.2) apply to this project. Therefore, the City Council has determined that there is no substantial evidence that the project may have a significant effect on the environment.

*Resolution No.
RiverPark The Landing Slope Access Easement
City Council Meeting, July 29, 2020*

SECTION 3. The City Council determines that the proposed vacation of the existing City Access Easement and acceptance of a replacement Access Easement is consistent with the 2030 General Plan in that the vacation allows for the orderly development of commercial uses previously approved and planned for the subject site that are consistent with the RiverPark Specific Plan.

SECTION 4. The Mayor is hereby authorized to sign the quitclaim deeds associated with this Request and any additional documentation necessary to facilitate the vacation of the Access Easements referenced in this Resolution.

SECTION 5. Based on the entire record before the City Council and all written and oral evidence presented, the City Council hereby approves the Request.

SECTION 6. The City Clerk shall certify the adoption of this Resolution.

PASSED AND ADOPTED THIS 29th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Ascencion, City Clerk

Stephen Fischer, City Attorney

WHEN RECORDED MAIL DOCUMENT AND TAX
STATEMENT TO:

NAME Shea Properties
STREET 2751 Park View Court Ste 261
ADDRESS
CITY, STATE & Oxnard, California 93036
ZIP CODE

TITLE ORDER NO. NHSC-4910773 (29)

ESCROW NO.

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

QUITCLAIM DEED

APN: 132-0-470-11 and 132-0-470-14

The undersigned grantor(s) declare(s) _____

DOCUMENTARY TRANSFER TAX \$

- ☐ computed on full value of property conveyed, or
☐ computed on full value less liens and encumbrances remaining at time of sale.
☐ Unincorporated Area X - City of Oxnard

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, City of Oxnard, a municipal Corporation of the State of California ("**Grantor**"), hereby **REMISES, RELEASES AND FOREVER QUITCLAIMS** to Riverpark Landing LLC, ("**Grantee**"), all of its right, title and interest in and to that certain **GRANT OF NON-EXCLUSIVE ACCESS EASEMENT FOR LANDSCAPE AND MAINTENANCE PURPOSES** recorded in the Official Records of Ventura County, California on **DECEMBER 13, 2007** as Instrument No. **20071213-00225576-0** lying within Lots 4, 5 and 6 of Tract Number 6004, in the City of Oxnard, County of Ventura, State of California, as shown on the map recorded in book 168, pages 43 to 51, inclusive, of Miscellaneous Records (Maps) in the office of the County Recorder of said County (the "**Easement**").

Dated: _____, 2020

GRANTOR:

APPROVED AS TO FORM:

City of Oxnard, a municipal
Corporation of the State of California

By: _____
Stephen Fischer, City Attorney

By: _____
Tim Flynn
Mayor

A notary public or other officer completing this Certificate verifies only the identity of the Individual who signed the document to which this Certificate is attached, and not the truthfulness, accuracy, or validity of that document

STATE OF _____

COUNTY OF _____

On _____ before me, _____,
(Date) (Name and title of the officer)

personally appeared _____, who proved to me on the basis of
(Name of person signing)

satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of officer

(Seal)

MAIL TAX STATEMENT AS DIRECTED ABOVE

* There are various types of deed forms depending on each person's legal status. Before you use this form you may want to consult an attorney if you have questions concerning which document form is appropriate for your transaction.

WHEN RECORDED MAIL DOCUMENT AND TAX
STATEMENT TO:

NAME Shea Properties
STREET 2751 Park View Court Ste 261
ADDRESS
CITY, STATE & Oxnard, California 93036
ZIP CODE

TITLE ORDER NO. NHSC-4910773 (29)

ESCROW NO.

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

QUITCLAIM DEED

APN: 132-0-470-12 and 132-0-470-15

The undersigned grantor(s) declare(s) _____

DOCUMENTARY TRANSFER TAX \$

- ☐ computed on full value of property conveyed, or
☐ computed on full value less liens and encumbrances remaining at time of sale.
☐ Unincorporated Area X - City of Oxnard

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, City of Oxnard, a municipal Corporation of the State of California ("**Grantor**"), hereby **REMISES, RELEASES AND FOREVER QUITCLAIMS** to Sunflower LP, ("**Grantee**"), all of its right, title and interest in and to that certain **GRANT OF NON-EXCLUSIVE ACCESS EASEMENT FOR LANDSCAPE AND MAINTENANCE PURPOSES** recorded in the Official Records of Ventura County, California on **DECEMBER 13, 2007** as Instrument No. **20071213-00225576-0** lying within Lot 1 of Lot Line Adjustment LLA 17-310-05, in the City of Oxnard, County of Ventura, State of California, recorded May 26, 2017 as Instrument No. 20170526-00068773-0 of Official Records in the office of the County Recorder of said County (the "**Easement**").

Dated: _____, 2020

GRANTOR:

APPROVED AS TO FORM:

City of Oxnard, a municipal
Corporation of the State of California

By: _____
Stephen Fischer, City Attorney

By: _____
Tim Flynn
Mayor

A notary public or other officer completing this Certificate verifies only the identity of the Individual who signed the document to which this Certificate is attached, and not the truthfulness, accuracy, or validity of that document

STATE OF _____

COUNTY OF _____

On _____ before me, _____,
(Date) (Name and title of the officer)

personally appeared _____, who proved to me on the basis of
(Name of person signing)

satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of officer

(Seal)

MAIL TAX STATEMENT AS DIRECTED ABOVE

* There are various types of deed forms depending on each person's legal status. Before you use this form you may want to consult an attorney if you have questions concerning which document form is appropriate for your transaction.

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Oxnard Clerk's Office
300 West Third Street, 4th Floor
Oxnard, California 93030

*Request recording without fee. Record for
the benefit of City of Oxnard pursuant to
Sections 6103 and 27383 of Government code.
No documentary transfer tax pursuant to
R&T Code Section 11922.*

APNs: 132-0-470-085, 132-0-470-095, 132-0-470-105, 132-0-470-115, 132-0-470-125, and 132-0-470-155

ACCESS EASEMENT FOR SLOPE MAINTENANCE

THIS ACCESS EASEMENT FOR SLOPE MAINTENANCE (the "Easement") dated June 25, 2020, is executed by RIVERPARK LANDING, LLC a Delaware limited liability company ("Grantor 1"), and SUNFLOWER LP, a California limited partnership ("Grantor 2") with reference to the following facts:

- A. Riverpark Landing owns Lot 3 shown on the lot line adjustment recorded in the records of Ventura County, California described in **Exhibit A** (the "Lot Line Adjustment"), and Sunflower owns Lots 1 and 2 also described in **Exhibit B** (collectively the "Lots", said Lots 1, 2 and 3 of Lot Line Adjustment LLA 17-310-05)
- B. For valuable consideration, the receipt of which is hereby acknowledge, Grantor 1 and Grantor 2 hereby grants the City of Oxnard, a political subdivision of the State of California ("Grantee"), an irrevocable non-exclusive easement in gross over those portions of Grantor's respective properties identified on Exhibits A, B, A1, and B1 attached hereto (the "Easement Area") for the sole purpose of access to the adjacent slope and performance of landscape maintenance over and across the Easement Area. The Easement is granted subject to existing covenants, conditions, reservations, restrictions, right of way and easements of record, if any; provided, however that notwithstanding the foregoing, the Easement contained herein shall be deemed to modify and supersede the portion of that certain Grant of Non-Exclusive Access Easement For Landscape Maintenance Purposes recorded December 13, 2007 in the Official Records of the Ventura County Recorder's Office, County of Ventura, State of California as Document No. 20071213-00225576-0 that lies within lots 1 and 3 of Lot Line Adjustment LLA 17-310-05, in the City of Oxnard, County of Ventura, State of California, recorded on May 26, 2017 as Instrument No. 20170526-00068773 of Official Records, in the Office of the County Recorder of said County.

In exercising its rights under the Easement, Grantee shall cooperate with Grantor 1 and Grantor 2, along with their respective successors and assigns to minimize disturbance of operation and activities carried on or permitted by Grantor 1 and Grantor 2, along with their respective successors and assigns on the Lots.

RIVERPARK LANDING, LLC,
a Delaware limited liability company

By: Shea Properties Management Company, Inc.,
a Delaware corporation
Its Manager

By: [Signature]

Name: Greg Anderson
Assistant Secretary

Title: _____

By: [Signature]

Name: Julia Guizan

Title: Vice President

SUNFLOWER, LP,
a California limited partnership

By: Kuan Danya

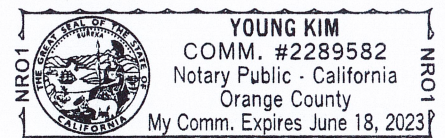
Name: KIRAN DANYA

Title: Manager

By: _____

Name: _____

Title: _____



SEE NOTARY ATTACHMENT

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

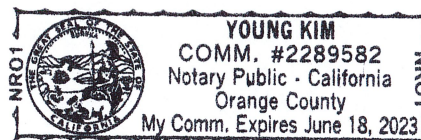
County of Orange

On May 13th 2020 before me, Young Kim, Notary Public
(insert name and title of the officer)

personally appeared Kiran Dahya,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in
his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Young Kim (Seal)

Date of Document 05/13/2020
Type or Title of Document Access Easement for slope
Number of Pages in Document 4 page Maintenance
Document in a Foreign Language N/A

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On June 25, 2020 before me, Angela Santana, Notary Public
(insert name and title of the officer)

personally appeared Greg Anderson and Julia Guizan,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Angela Sant (Seal)



HUITT-ZOLLARS

HUITT-ZOLLARS, INC. • 2603 Main Street • Suite 400 • Irvine, CA 92614-4250 • 949.988.5815 phone • 949.988.5820 fax • huitt-zollars.com

SHEET 1 OF 2

R300668.01

09-04-19

Revised

12-12-19

EXHIBIT "A"
LEGAL DESCRIPTION
ACCESS EASEMENT FOR SLOPE MAINTENANCE
RIVERPARK LANDING LLC

That portion of Lot 3 of Lot Line Adjustment LLA 17-310-05, in the City of Oxnard, County of Ventura, State of California, recorded on May 26, 2017 as Instrument No. 20170526-00068773-0 of Official Records, in the office of the County Recorder of said County, which is described as follows:

Beginning at the Southwesterly terminus of that certain course on the Southwesterly line of said Lot 3 shown as having a bearing and distance of "N 17°08'39" E 56.94' " on said Lot Line Adjustment; thence along said Southwesterly line the following two (2) courses: North 17°08'39" East 56.94 feet and North 72°51'21" West 285.54 feet; thence leaving said Southwesterly line North 17°08'39" East 134.52 feet to the beginning of a curve concave Westerly having a radius of 35.00 feet; thence Northerly 19.69 feet along said curve through a central angle of 32°13'39" to a point on the Northeasterly line of said Lot 3, said point also being on a non-tangent curve concave Northeasterly having a radius of 474.65 feet, a radial line of said curve to said point bears North 13°33'10" East; thence Southeasterly 53.89 feet along said curve and said Northeasterly line through a central angle of 06°30'17" to the beginning of a non-tangent curve concave Southeasterly having a radius of 35.00 feet, a radial line of said curve to said point bears North 52°59'37" West; thence leaving said Northeasterly line Southwesterly 12.13 feet along said curve through a central angle of 19°51'44" to a line parallel with and 46.00 feet Southeasterly of the previously described course of "North 17°08'39" East 134.52 feet"; thence South 17°08'39" West 109.72 feet along said parallel line to the beginning of a curve concave Northeasterly having a radius of 25.00 feet; thence Southwesterly, Southerly, and Southeasterly 39.27 feet along said curve through a central angle of 90°00'00" to a line parallel with and 13.00 feet Northeasterly of said Southwesterly line of said Lot 3; thence South 72°51'21" East 227.55 feet along said parallel line to a line parallel with and 13.00 feet Easterly of said Southwesterly line of said Lot 3; thence along said parallel line South 17°08'39" West 66.68 feet to a curve concave Easterly having a radius of 15.00 feet; thence Southerly and Southeasterly 16.89 feet along said curve through a central angle of 64°30'05" to a point of cusp with said Southwesterly line of said Lot 3; thence along said Southwesterly line North 47°21'26" West 23.87 feet to the point of beginning.

Containing an area of 11,431 square feet (0.262 acres), more or less.

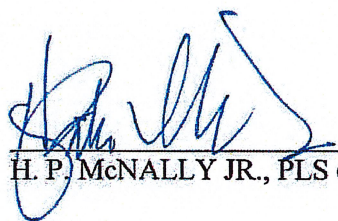
EXHIBIT A
LEGAL DESCRIPTION-CONTINUED
THE LANDING ACCESS EASEMENT FOR SLOPE MAINTENANCE
PAGE 2 OF 2

R300668.01
09-04-19
Revised
12-12-19

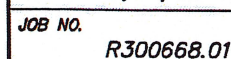
Subject to covenants, conditions, reservations, restrictions, rights-of-way and easements,
if any, of record.

All as shown on Exhibit "A1" attached hereto and by this reference made a part hereof.

Revised


H. P. McNALLY JR., PLS 6969





61



HUITT-ZOLLARS, INC. • 2603 Main Street • Suite 400 • Irvine, CA 92614-4250 • 949.988.5815 phone • 949.988.5820 fax • huitt-zollars.com

SHEET 1 OF 2

R300668.01

09-04-19

Revised

12-16-19

EXHIBIT "B"
LEGAL DESCRIPTION
ACCESS EASEMENT FOR SLOPE MAINTENANCE
SUNFLOWER LP

Those portions of Lots 1 and 2 of Lot Line Adjustment LLA 17-310-05, in the City of Oxnard, County of Ventura, State of California, recorded on May 26, 2017 as Instrument No. 20170526-00068773-0 of Official Records, in the office of the County Recorder of said County, which is described as follows:

Beginning at the Southwesterly terminus of that certain course on the Northeasterly line of said Lot 1 shown as having a bearing and distance of "N 17°08'39" E 56.94' " on said Lot Line Adjustment; thence along said Northeasterly line and the Northerly line of said Lot 1 the following two (2) courses: North 17°08'39" East 56.94 feet and North 72°51'21" West 285.54 feet; thence leaving said Northeasterly line South 17°08'39" West 21.76 feet to the beginning of a non-tangent curve concave Southwesterly having a radius of 25.00 feet, a radial line of said curve to said point bears North 66°37'13" East; thence Southeasterly 13.67 feet along said curve through a central angle of 31°19'23" to a line parallel with and 34.00 feet Southwesterly of said Northeasterly line of said Lots 1 and 2; thence non-tangent South 72°51'21" East 34.65 feet along said parallel line to the beginning of a non-tangent curve concave Southeasterly having a radius of 25.00 feet, a radial line of said curve to said point bears North 63°39'16" West; thence Northeasterly 35.26 feet along said curve through a central angle of 80°47'56" to a line parallel with and 13.00 feet Southwesterly of said Northeasterly line of said Lot 1; thence South 72°51'21" East 192.55 feet along said parallel line to the beginning of a curve concave Southwesterly having a radius of 15.00 feet; thence Southeasterly, Southerly, and Southwesterly 23.56 feet along said curve through a central angle of to 90°00'00" to a line parallel with and 13.00 feet Westerly of the Northeasterly line of said Lot 1; thence South 17°08'39" West 51.55 feet along said parallel line to a line parallel with and 26.00 feet Southwesterly of said Northeasterly line of said Lot 1; thence along said parallel line South 47°21'26" East 180.86 feet to the beginning of a curve concave Westerly and having a radius of 20.00 feet; thence Southeasterly, Southerly, and Southwesterly 28.56 feet along said curve through a central angle of 81°49'51"; thence South 34°28'26" West 22.05 feet to the beginning of a curve concave Northwesterly having a radius of 100.00 feet; thence Southwesterly 32.40 feet along said curve through a central angle of 18°33'41"; thence South 53°02'07" West 36.22 feet to the beginning of a curve concave Southeasterly having a radius of 34.00 feet; thence Southwesterly 8.23 feet along said curve through a central angle of 13°52'34"; thence non-tangent South 55°31'33" East 55.56 feet to the Southeasterly line of said Lot 1; thence along said Southeasterly line the following two (2) courses: North 34°28'27" East 107.93 feet and North 37°25'57" East 26.43 feet to said

EXHIBIT B
LEGAL DESCRIPTION-CONTINUED
SUNFLOWER ACCESS EASEMENT FOR SLOPE MAINTENANCE
PAGE 2 OF 2

R300668.01
09-04-19
Revised
12-16-19

Northeasterly line of said Lot 1; thence leaving said Southeasterly line and along said Northeasterly line North 47°21'26" West 231.39 feet to the point of beginning.

Containing an area of 16,240 square feet (0.373 acres), more or less.

Subject to covenants, conditions, reservations, restrictions, rights-of-way and easements, if any, of record.

All as shown on Exhibit "B1" attached hereto and by this reference made a part hereof.



H. P. McNALLY JR., PLS 6969



Q TOWN CENTER DRIVE

INST. NO.
20170526-00068773-0,
O.R.

16,240 SQ. FT.

LOT 3

-P.O.B.

LOT 1

SEE SHEET 3



REVISED 12/16/2019

HUITT ~ ZOLLARS

Huitt-Zollars, Inc. Irvine
2603 Main Street, Suite 400, Irvine, CA 92614
Phone (949) 988-5815 Fax (949) 988-5820

APPROVED BY

12/16/2019

SKETCH TO ACCOMPANY
A LEGAL DESCRIPTION

EXHIBIT 'B1'

ACCESS EASEMENT FOR SLOPE MAINTENANCE

SCALE $1"=80'$

DRAWN BY ZB

CHECKED BY *PMc*

DATE 9/17/2019

JOB NO. R300668.01

Q: \R300668.01\CADD\MAPPING\DWG\EX\30066801JEX26.DWG

SHEET 2 OF 3

EXHIBIT B1

LLA 17-310-05

INST. NO.
20170526-00068773-0,
O.R.

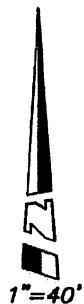
LOT 3

N'LY LINE LOT 1
LLA 17-310-05

16,240 SQ. FT.

LOT 1

SEE
SHEET 3



(XXX) INDICATES RECORD DATA PER LOT LINE ADJUSTMENT LLA
17-310-05, INST. NO. 20170526-00068773-0, O.R.

Q: \R300668.01\CADD\MAPPING\DWG\EX\30066801JEX26.DWG

SHEET 3 OF 3

EXHIBIT B1

SEE SHEET 2

LOT 3

LLA 17-310-05

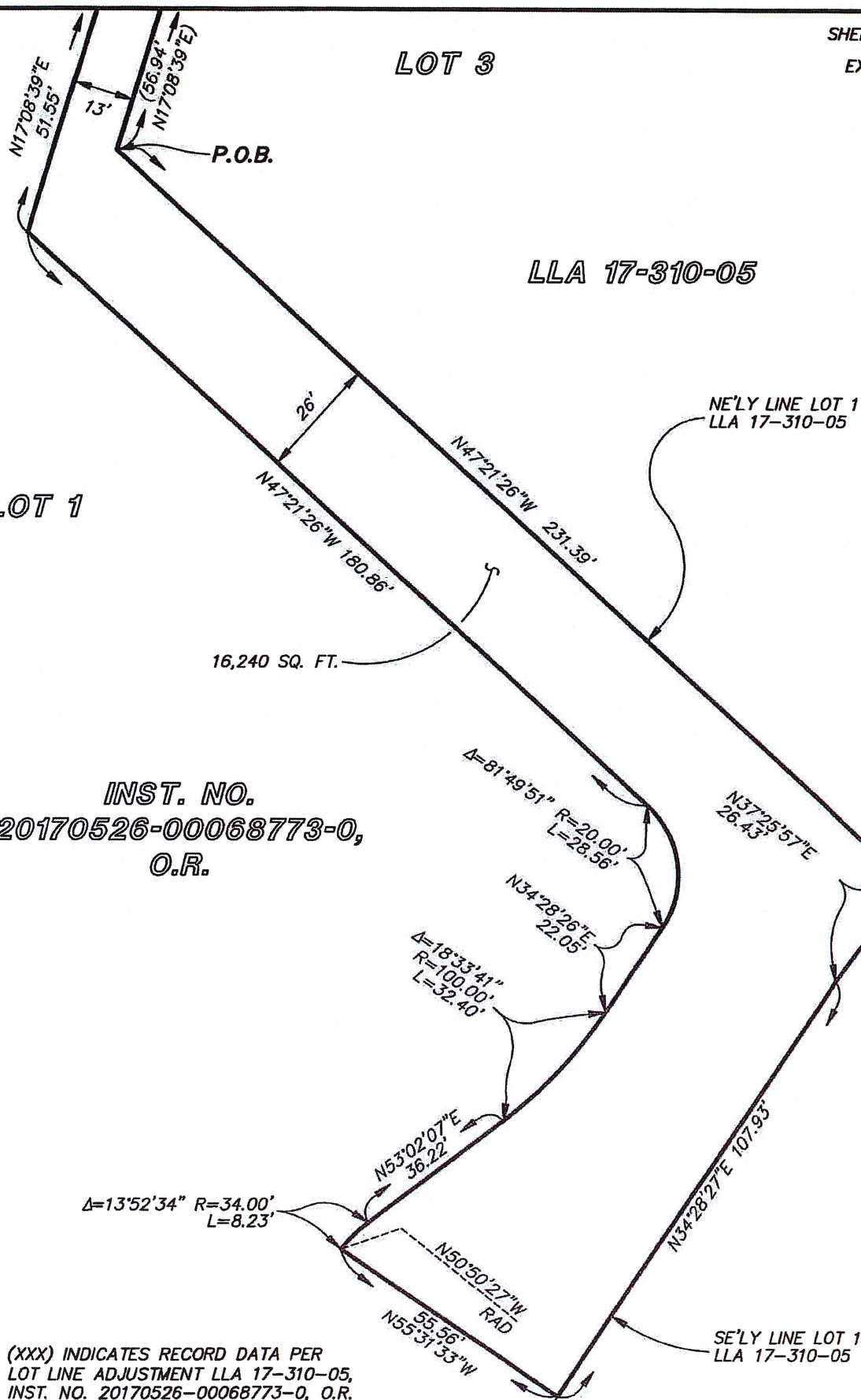
LOT 1

16,240 SQ. FT.

INST. NO.
20170526-00068773-0,
O.R.



(XXX) INDICATES RECORD DATA PER
LOT LINE ADJUSTMENT LLA 17-310-05,
INST. NO. 20170526-00068773-0, O.R.



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CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.4

DATE: July 29, 2020

TO: City Council

FROM: Jeffrey Lambert, Community Development Director, (805) 385-7882, jeffrey.lambert@oxnard.org

SUBJECT: Planning and Zoning Permit No. 20-300-03 (Final Subdivision Map for Tract 5745-2) Associated with Planning & Zoning Permit No. 11-300-07 for Wagon Wheel “The Village” Specific Plan. Filed by Corey Harpole for CRFL Partners, LLC, 64 Maxwell, Irvine, CA. 92618, the owner.

RECOMMENDATION

That the City Council:

1. Accept Final Map 5745-2 associated with PZ No. 11-300-07 Tentative Subdivision Map 5745 for The Village Specific Plan;
2. Adopt a Resolution to authorize the Mayor to sign the owner statement on the title page of Final Map 5747-2 related to infrastructure easements;
3. Authorize the City Clerk to sign the “Abandonment Certificate” for the vacation of certain infrastructure easements; and
4. Receive and file a “Notice of Pending Approval” for Final Map of Tract 5745-2 by the Community Development Director including signature of “City Council’s Certificate” on the title sheet.

BACKGROUND

On July 28, 2015, the City Council approved a Tentative Subdivision Map for Tract 5745 for The Village Specific Plan (VSP), also known as Wagon Wheel. Tract 5745 subdivided the 62-acre site into 17 numbered lots and 19 lettered lots for the development of VSP. The Final Map for the first phase, Tract 5745-1, was accepted by the City Council on July 19, 2016, and the Final Map was subsequently recorded on October 20, 2016. Tract 5745-1 established numbered lots 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and lettered lots B, C, D, J, K, L, M, N, O, P, Q, and R. The numbered and lettered lots were established for development, including public infrastructure, and open space. Additionally, certain public rights of way were vacated and dedications to support development were accepted.

Certain portions of 5745-1 have been developed and others are under construction. Future development of vacant lots will be reviewed via a Development Design Review permit, which is under the purview of the Community Development Director.

DISCUSSION

The Final Map for the second phase, Tract 5745-2, creates lot 4, lot 1, the extension of Wagon Wheel Road to meet Ventura Road, extension of Winchester Drive, and the creation of Saddle Street (see Attachment A). As proposed the Final Map for the second phase complies with the Village Specific Plan and the 2030 General Plan, and Council’s July 28, 2015 Tentative Subdivision Map for Tract 5745 approval.

The Final Map for the second phase also involves the vacation of certain infrastructure easements for storm drainage,

sewer, and water pipeline purposes dedicated to and accepted by the City on Parcel Map No. 80-7, 31 P.M. 67 to 68. The infrastructure is located within the exterior boundary of this subdivision; therefore, they are not shown on the map.

Pursuant to City Ordinance 2910, the Director intends to approve the map on August 8, 2020. Ten days after City Council receipt of “Notice of Pending Approval” the City Clerk will attest in signature to the Director’s approval at that time (see Attachment B).

The City Engineer/Surveyor has reviewed the Phase 2 final map and issued their approval by providing the Verification of Status form indicating that the Phase 2 Final Map as well as the Abandonment Certificate, as currently prepared, will be in compliance with the State Subdivision Map Act and Oxnard City Code requirements, and will conform to the previously approved tentative subdivision map (PZ 11-300-07) (see Attachment C). The Phase 2 Final Map is also consistent with mitigation measures of the EIR as well as the 2030 General Plan.

A draft Resolution to vacate certain infrastructure easements has also been prepared (Attachment D).

ENVIRONMENTAL IMPACT

In accordance with the State of California Environmental Quality Act (CEQA) Guidelines, the four recommendation actions are consistent with the Village Specific Plan, EIR No. 2006-03 certified in 2008 and Supplemental Environmental Impact Report No. 2014-01 that was certified in 2015 in association with Tentative Subdivision Map 5745, and is therefore exempt from further CEQA review in accordance with CEQA Guidelines Section 15162.

STRATEGIC PRIORITIES

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

FINANCIAL IMPACT

The map provides the opportunity for future development that will result in increased property tax revenue to the City.

COMMITTEE OUTCOME

This Map originated from a City Council public hearing approving Tract 5745 and the recommended actions are consistent with that action; therefore, this item did not originate in Committee.

Prepared by: Paul McClaren, Associate Planner

ATTACHMENTS

1. Attachment A - Final Map 5745-2
2. Attachment B - Notice of Pending Approval - Final Map 5745-2 Notice of Pending Approval
3. Attachment C - Verification of Status
4. Attachment D - CC Resolution FM Tract 5745-2_July292020 (1)
5. Reso ExhibitA

SHEET 1 OF 6 SHEETS

TRACT NO. 5745-2

AREA: 6.485 ACRES (GROSS)
NUMBERED LOTS: 2
(PORTION OF AMENDED TENTATIVE
TRACT NO. 5745)
DATE OF SURVEY: AUGUST, 2014

IN THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA
BEING A SUBDIVISION OF A PORTION OF PARCEL 1, AS PER MAP FILED IN BOOK 31, PAGE 67 OF
PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY TOGETHER WITH THAT
CERTAIN PARCEL OF LAND DESIGNATED AS "REMAINDER PARCEL" ON THE MAP OF TRACT MAP NO.
5745-1, AS FILED IN BOOK 164, PAGES 36 THROUGH 51, INCLUSIVE OF MISCELLANEOUS RECORDS,
IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

HUITT-ZOLIARS

DAVID W. MACKEY, P.L.S. 8912

OWNERSHIP CERTIFICATE:

THE UNDERSIGNED HEREBY STATES THAT THEY ARE THE OWNERS OF, OR INTERESTED IN,
THE REAL PROPERTY INCLUDED WITHIN THIS SUBDIVISION ENTITLED TRACT NO 5745-2,
SHOWN ON THIS MAP; THAT THEY ARE THE ONLY PERSONS WHOSE CONSENT IS
NECESSARY TO PASS TITLE TO SAID REAL PROPERTY; THAT THEY CONSENT TO THE
MAKING AND RECORDATION OF SAID MAP AND SUBDIVISION AS SHOWN WITHIN THE
EXTERIOR BOUNDARY LINE. THE OWNER DOES HEREBY OFFER TO DEDICATE TO THE CITY
OF OXNARD FOR PUBLIC USE AND RIGHT OF WAY: WAGON WHEEL ROAD, SADDLE STREET,
AND WINCHESTER DRIVE. THE OWNER ALSO HEREBY DEDICATES TO THE CITY OF OXNARD
ALL WATER RIGHTS AND THE RIGHT TO DEVELOP ALL WATER FOUND UNDER SAID LAND
WITHOUT, HOWEVER THE RIGHT OF SURFACE ENTRY.

OXNARD CRFL PARTNERS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

NAME: DATE NAME: DATE
TITLE: TITLE:

WESTERN ALLIANCE BANK, AN ARIZONA CORPORATION, BENEFICIARY
UNDER CONSTRUCTION DEED OF TRUST RECORDED MARCH 29, 2017 AS INSTRUMENT
NO. 20170329-00042225-0, OF OFFICIAL RECORDS.

NAME: DATE NAME: DATE
TITLE: TITLE:

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED ON A FIELD
SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND
LOCAL ORDINANCES AT THE REQUEST OF OXNARD CRFL PARTNERS IN JANUARY OF 2018.
I HEREBY STATE THAT THE SURVEY IS TRUE AND COMPLETE AS SHOWN, THAT ALL
MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR WILL
BE SET, AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE
RETRACED. I HEREBY STATE THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE
APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP. CORNER RECORDS FOR ALL
CENTERLINE MONUMENTS SHOWN HEREON AS SET BY ME WILL BE ON FILE IN THE OFFICE
OF THE COUNTY SURVEYOR PRIOR TO ACCEPTANCE OF THE IMPROVEMENTS INTO THE
CITY ROAD SYSTEM.

DATED: 2020

DAVID W. MACKEY, P.L.S. 8912
MY REGISTRATION EXPIRES: 9/30/2020



CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP ENTITLED TRACT NO. 5745-2
AND I AM SATISFIED THAT THE MAP IS TECHNICALLY CORRECT.

JAMES P. FALLON, P.L.S. 7807 DATE
CITY SURVEYOR



CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP ENTITLED TRACT NO. 5745-2
AND THAT THE SUBDIVISION SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT
APPEARS ON THE TENTATIVE MAP AND ANY APPROVED ALTERATIONS THEREOF,
THAT ALL OF THE PROVISIONS OF THE SUBDIVISION MAP ACT AND CITY OF OXNARD
SUBDIVISION ORDINANCES APPLICABLE AT THE TIME OF THE APPROVAL OF THE
TENTATIVE MAP HAVE BEEN COMPLIED WITH.

PAUL WENDT DATE
CITY ENGINEER
R.C.E. 46333

COUNTY TAX COLLECTOR'S CERTIFICATE

I HEREBY CERTIFY THAT ALL CERTIFICATES AND SECURITY REQUIRED UNDER THE
PROVISIONS OF SECTIONS 66492 AND 66493 OF THE SUBDIVISION MAP ACT HAVE
BEEN FILED AND DEPOSITED WITH ME.

DATE: 20

STEVEN HINTZ
COUNTY TAX COLLECTOR
COUNTY OF VENTURA

BY: DEPUTY COUNTY TAX COLLECTOR

ABANDONMENT CERTIFICATE

THIS IS TO CERTIFY THAT PURSUANT TO SECTION 66434(g) OF THE SUBDIVISION MAP
ACT, THE FILING OF THIS TRACT MAP CONSTITUTES ABANDONMENT OF THOSE CERTAIN
EASEMENTS FOR STORM DRAINAGE, SANITARY SEWER, AND WATER PIPELINE PURPOSES
DEDICATED TO AND ACCEPTED BY THE CITY OF OXNARD ON PARCEL MAP NO. 80-7, 31
P.M. 67 TO 68; LYING WITHIN THE EXTERIOR BOUNDARY OF THIS SUBDIVISION NOT SHOWN
ON THIS MAP.

DATE: 2020
MICHELLE ASCENCION,
CITY CLERK, CITY OF OXNARD

CITY TREASURER'S CERTIFICATE

I, PHILLIP S. MOLINA, CITY TREASURER OF THE CITY OF OXNARD, COUNTY OF
VENTURA, STATE OF CALIFORNIA, DO HEREBY CERTIFY THAT ACCORDING TO THE
RECORDS OF MY OFFICE, THERE ARE NO LIENS AGAINST TRACT NO. 5745-2 OR
ANY PART THEREOF FOR UNPAID MUNICIPAL TAXES, OR SPECIAL ASSESSMENTS
COLLECTED AS MUNICIPAL TAXES, EXCEPT TAXES OR SPECIAL ASSESSMENTS NOT
YET PAYABLE. WITNESS MY HAND AND THE OFFICIAL SEAL OF THE CITY OF
OXNARD THIS DAY OF 20

CITY TREASURER OF THE CITY OF OXNARD

COUNTY RECORDER'S CERTIFICATE

FILED THIS DAY OF 20, AT IN BOOK
OF MISCELLANEOUS RECORD (MAPS), AT PAGES - , AT THE
REQUEST OF OXNARD CRFL PARTNERS, LLC,

MARK A. LUNN
COUNTY RECORDER
COUNTY OF VENTURA

BY: DEPUTY COUNTY RECORDER

CITY COUNCIL'S CERTIFICATE

THIS MAP ENTITLED TRACT NO 5745-2, CONSISTING OF 6 SHEETS HAS BEEN
PRESENTED TO THE CITY COUNCIL OF THE CITY OF OXNARD OF VENTURA COUNTY,
CALIFORNIA FOR APPROVAL, PURSUANT TO THE CITY COUNCIL'S DELEGATION OF
AUTHORITY ADOPTED ON NOVEMBER 15, 2016 PURSUANT TO ORDINANCE NO. 2910,
THE COMMUNITY DEVELOPMENT DIRECTOR HEREBY APPROVES THIS MAP ON THE
DAY OF 20 AND HEREBY ACCEPT FOR PUBLIC USE THE
FOLLOWING SHOWN ON THIS MAP:

ALL WATER RIGHTS AS OFFERED HEREON;

WAGON WHEEL ROAD, SADDLE STREET, AND WINCHESTER DRIVE, SUBJECT TO
IMPROVEMENT;

IN WITNESS WHEREOF AND PERSUANT TO THE CITY COUNCIL'S DELEGATION
AUTHORITY DESCRIBED ABOVE, THE COMMUNITY DEVELOPMENT DIRECTOR HEREBY
SIGNS THIS CERTIFICATE, WHICH IS ATTESTED TO BY THE CITY CLERK OF SAID CITY
AND THE CORPORATE SEAL OF SAID CITY OF OXNARD IS AFFIXED HERETO THIS
DAY OF 20

ATTEST:

MICHELLE ASCENCION
CITY CLERK OF THE CITY OF OXNARD

JEFFREY LAMBERT
COMMUNITY DEVELOPMENT DIRECTOR
CITY OF OXNARD

NOTE:

SEE SHEET 2 FOR NOTARY ACKNOWLEDGEMENTS AND SIGNATURE OMISSIONS

SHEET 2 OF 6 SHEETS

AREA: 6.485 ACRES (GROSS)
NUMBERED LOTS: 2
(PORTION OF AMENDED TENTATIVE
TRACT NO. 5745)
DATE OF SURVEY: AUGUST, 2014

TRACT NO. 5745-2
IN THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA
HUITT-ZOLLARS
DAVID W. MACKEY, P.L.S. 8912

NOTARY ACKNOWLEDGEMENTS

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

OXNARD CRFL PARTNERS, LLC

STATE OF _____

COUNTY OF _____

ON _____ BEFORE ME, _____,

A NOTARY PUBLIC, PERSONALLY APPEARED _____

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

SIGNATURE _____ MY PRINCIPAL PLACE OF BUSINESS IS IN _____ COUNTY

MY COMMISSION NO. _____

PRINT NAME _____ MY COMMISSION EXPIRES _____

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

WESTERN ALLIANCE BANK

STATE OF _____

COUNTY OF _____

ON _____ BEFORE ME, _____,

A NOTARY PUBLIC, PERSONALLY APPEARED _____

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

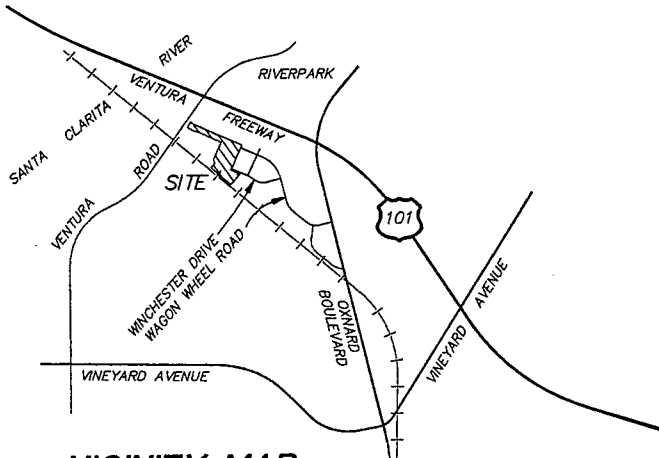
I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

SIGNATURE _____ MY PRINCIPAL PLACE OF BUSINESS IS IN _____ COUNTY

MY COMMISSION NO. _____

PRINT NAME _____ MY COMMISSION EXPIRES _____



VICINITY MAP
NOT TO SCALE

NOTE:

SEE SHEETS 4-6 FOR EASEMENT LOCATIONS.

EASEMENTS ABANDONED (SEE ABANDONMENT CERTIFICATE ON SHEET 1):

1. THAT CERTAIN EASEMENT FOR STORM DRAINAGE, SANITARY SEWER, AND WATER PIPELINE PURPOSES DEDICATED TO AND ACCEPTED BY THE CITY OF OXNARD ON PARCEL MAP NO. 80-7, 31 P.M. 67-68;

LYING WITHIN THE EXTERIOR BOUNDARIES OF THIS SUBDIVISION, NOT SHOWN ON THIS MAP.

SIGNATURE OMISSIONS

THE SIGNATURE(S) OF THE PARTY(IES) NAMED HEREINAFTER AS OWNER(S) OF THE INTEREST SET FORTH, MAY BE OMITTED UNDER PROVISIONS OF SECTION 66436(A)(3)(A)(I-VIII) OF THE SUBDIVISION MAP ACT, AS THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE AND SAID SIGNATURE(S) IS (ARE) NOT REQUIRED BY THE LOCAL AGENCY.

1. SOUTHERN CALIFORNIA EDISON COMPANY, HOLDER OF EASEMENTS FOR PUBLIC UTILITIES, INGRESS AND EGRESS PURPOSES PER DOCUMENTS RECORDED MAY 11, 1947, IN BOOK 871, PAGE 565, OFFICIAL RECORDS (EASEMENT NOT LOCATABLE FROM RECORD); RECORDED JANUARY 18, 1952, IN BOOK 1044, PAGE 306, OFFICIAL RECORDS (EASEMENT NOT LOCATABLE FROM RECORD); RECORDED JULY 3, 2017, AS INSTRUMENT NO. 20170703-00086282-0, OFFICIAL RECORDS (SHOWN HEREON).
2. AT&T. CORP., HOLDER OF EASEMENTS FOR TELECOMMUNICATION CABLE SYSTEM PURPOSES RECORDED JANUARY 18, 2009, AS INSTRUMENT NO. 20091210-00199195-0 AND DECEMBER 10, 2009, AS 20091210-00199196-0, BOTH OF OFFICIAL RECORDS (EASEMENTS ARE NOT LOCATABLE FROM RECORD).
3. SPRINT COMMUNICATIONS COMPANY, L.P., QWEST COMMUNICATIONS COMPANY, LLC, LEVEL 3 COMMUNICATIONS, LLC AND WILTEL COMMUNICATIONS, INC. HOLDER OF EASEMENTS FOR TELECOMMUNICATIONS CABLE SYSTEM PURPOSES RECORDED JANUARY 30, 2014, AS INSTRUMENT NO. 20140130-00011258-0, OFFICIAL RECORDS (EASEMENT IS NOT LOCATABLE FROM RECORD).
4. THE CITY OF OXNARD, HOLDER OF EASEMENTS FOR TEMPORARY WATERLINE AND ACCESS PURPOSES DEDICATED TO AND ACCEPTED ON TRACT NO. 5745-1, 164 M.R. 36-52; TEMPORARY ACCESS AND WATERLINE PURPOSES, RECORDED AUGUST 23, 2017, AS INSTRUMENT 20170823-00109141-0; PUBLIC UTILITY PIPELINE AND CONDUIT PURPOSES, RECORDED AUGUST 23, 2017, AS INSTRUMENT NO. 20170823-00109143-0; PUBLIC UTILITY PIPELINE AND CONDUIT PURPOSES, RECORDED SEPTEMBER 25, 2018, AS INSTRUMENT NO. 20180925-00109003-0; AND STORM DRAIN PURPOSES FEBRUARY 6, 2019, AS INSTRUMENT NO. 20190206-00011531-0, ALL OF OFFICIAL RECORDS.
5. VENTURA COUNTY FLOOD CONTROL DISTRICT, HOLDER OF AN EASEMENT FOR FLOOD CONTROL PURPOSES RECORDED AUGUST 11, 1980, IN BOOK 5707, PAGE 58, OFFICIAL RECORDS.
6. VENTURA COUNTY, HOLDER OF AN EASEMENT FOR DRAINAGE STRUCTURES, EXCAVATION AND EMBANKMENT SLOPES RECORDED JUNE 6, 1974, IN BOOK 4271, PAGE 564, OFFICIAL RECORDS.

THE SIGNATURE(S) OF THE PARTY(IES) NAMED HEREINAFTER AS OWNER(S) OF THE INTEREST SET FORTH, MAY BE OMITTED UNDER PROVISIONS OF SECTION 66436(A)(3)(C) OF THE SUBDIVISION MAP ACT, THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE AS SAID SIGNATURE(S) IS (ARE) NOT REQUIRED BY THE LOCAL AGENCY.

1. DORA SANDERSON, HOLDER OF MINERAL RIGHTS PER DOCUMENT RECORDED JULY 27, 1945 AS INSTRUMENT NO. 9151 IN BOOK 726, PAGE 63, OFFICIAL RECORDS.
2. CLARENCE A. MARKEL AND LUCILLE B. MARKEL, HOLDERS OF MINERAL RIGHTS PER DOCUMENT RECORDED FEBRUARY 11, 1954 AS INSTRUMENT NO. 4118 IN BOOK 1183, PAGE 46, OFFICIAL RECORDS.
3. LESTER R. HOWARD AND JOANNA HOWARD, HOLDERS OF MINERAL RIGHTS PER DOCUMENT RECORDED SEPTEMBER 29, 1961 AS INSTRUMENT NO. 42785 IN BOOK 2053, PAGE 556, OFFICIAL RECORDS.
4. ERWIN P. MARON AND DORTHY S. MARON, CO-TRUSTEES OF THE ERWIN PAUL MARON AND DORTHY S. MARON TRUST, HOLDERS OF MINERAL RIGHTS PER DOCUMENT RECORDED JULY 31, 1981 AS INSTRUMENT NO. 81-72514, OFFICIAL RECORDS.

EXISTING EASEMENTS

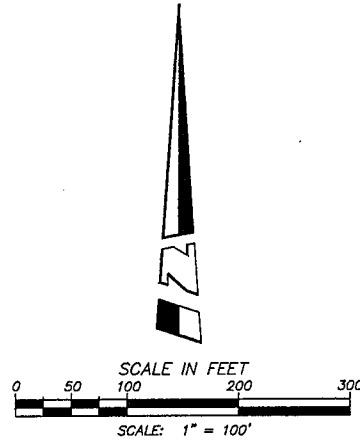
- 1 AN EASEMENT FOR PUBLIC UTILITY PURPOSES IN FAVOR OF SOUTHERN CALIFORNIA EDISON COMPANY, PER DOCUMENTS RECORDED JULY 3, 2017, AS INSTRUMENT NO. 20170703-00086282-0, OFFICIAL RECORDS.
- 2 AN EASEMENT FOR TEMPORARY WATERLINE AND STORM DRAIN PURPOSES DEDICATED TO AND ACCEPTED BY THE CITY OF OXNARD ON TRACT NO. 5745-1, 164 M.R. 36-52.
- 3 AN EASEMENT FOR WATERLINE AND ACCESS PURPOSES IN FAVOR OF THE CITY OF OXNARD RECORDED AUGUST 23, 2017, AS INSTRUMENT NO. 20170823-00109141-0, OFFICIAL RECORDS.
- 4 AN EASEMENT FOR PUBLIC UTILITY PIPELINE PURPOSES IN FAVOR OF THE CITY OF OXNARD, RECORDED AUGUST 23, 2017, AS INSTRUMENT NO. 20170823-00109143-0, OFFICIAL RECORDS.
- 5 AN EASEMENT FOR PUBLIC UTILITY PIPELINE PURPOSES IN FAVOR OF THE CITY OF OXNARD, RECORDED SEPTEMBER 25, 2018, AS INSTRUMENT NO. 20180925-00109003-0, OFFICIAL RECORDS
- 6 AN EASEMENT FOR STORM DRAIN PURPOSES IN FAVOR OF THE CITY OF OXNARD RECORDED FEBRUARY 6, 2019, AS INSTRUMENT NO. 20190206-00011531-0, OFFICIAL RECORDS.
- 7 AN EASEMENT FOR FLOOD CONTROL PURPOSES IN FAVOR OF VENTURA COUNTY FLOOD CONTROL DISTRICT RECORDED AUGUST 11, 1980, AS IN BOOK 5707, PAGE 58, OFFICIAL RECORDS.
- 8 AN EASEMENT FOR SLOPE AND DRAINAGE STRUCTURE PURPOSES IN FAVOR OF VENTURA COUNTY RECORDED JUNE 6, 1974, AS IN BOOK 4271, PAGE 564, OFFICIAL RECORDS.

SHEET 3 OF 6 SHEETS

AREA: 6.485 ACRES (GROSS)
NUMBERED LOTS: 2
(PORTION OF AMENDED TENTATIVE TRACT
NO. 5745)

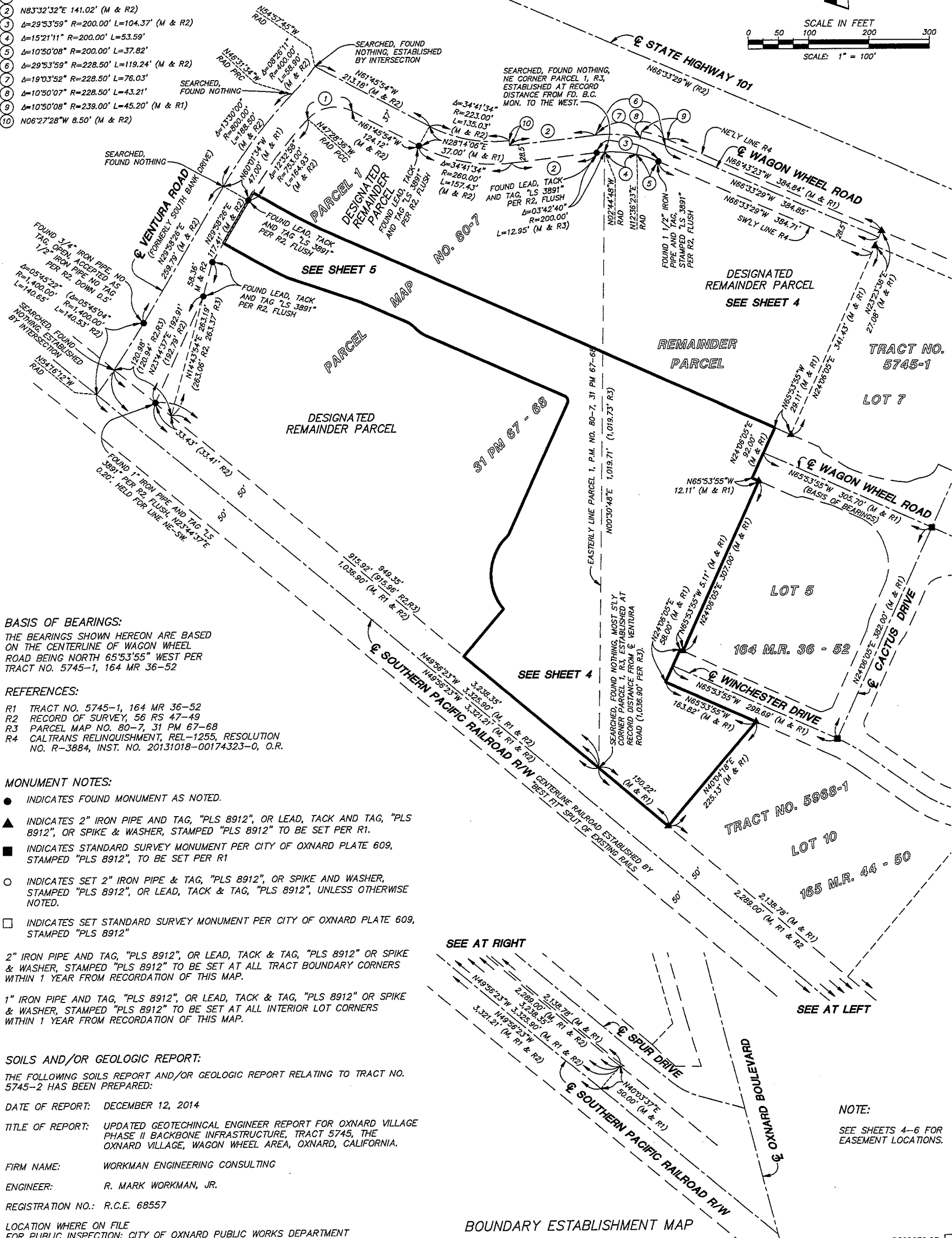
DATE OF SURVEY: AUGUST, 2014

TRACT NO. 5745-2
IN THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA
HUITT-ZOLIARS DAVID W. MACKEY, P.L.S. 8912



CURVE & COURSE DATA:
(THIS SHEET ONLY)

- 1 $\Delta=75^{\circ}42'42''$ R=60.00' L=79.29' (M & R2)
- 2 N83°32'32"E 141.02' (M & R2)
- 3 $\Delta=29^{\circ}53'59''$ R=200.00' L=104.37' (M & R2)
- 4 $\Delta=15^{\circ}21'11''$ R=200.00' L=53.59'
- 5 $\Delta=10^{\circ}50'08''$ R=200.00' L=37.82'
- 6 $\Delta=29^{\circ}53'59''$ R=228.50' L=119.24' (M & R2)
- 7 $\Delta=19^{\circ}03'52''$ R=228.50' L=76.03'
- 8 $\Delta=10^{\circ}50'07''$ R=228.50' L=43.21'
- 9 $\Delta=10^{\circ}50'08''$ R=239.00' L=45.20' (M & R1)
- 10 N06°27'28"W 8.50' (M & R2)



BASIS OF BEARINGS:
THE BEARINGS SHOWN HEREON ARE BASED
ON THE CENTERLINE OF WAGON WHEEL
ROAD BEING NORTH 65°53'55" WEST PER
TRACT NO. 5745-1, 164 MR 36-52

- REFERENCES:**
- R1 TRACT NO. 5745-1, 164 MR 36-52
 - R2 RECORD OF SURVEY, 56 RS 47-49
 - R3 PARCEL MAP NO. 80-7, 31 PM 67-68
 - R4 CALTRANS RELINQUISHMENT, REL-1255, RESOLUTION
NO. R-3884, INST. NO. 20131018-00174323-0, O.R.

MONUMENT NOTES:

- INDICATES FOUND MONUMENT AS NOTED.
- ▲ INDICATES 2" IRON PIPE AND TAG, "PLS 8912", OR LEAD, TACK AND TAG, "PLS 8912", OR SPIKE & WASHER, STAMPED "PLS 8912" TO BE SET PER R1.
- INDICATES STANDARD SURVEY MONUMENT PER CITY OF OXNARD PLATE 609, STAMPED "PLS 8912", TO BE SET PER R1
- INDICATES SET 2" IRON PIPE & TAG, "PLS 8912", OR SPIKE AND WASHER, STAMPED "PLS 8912", OR LEAD, TACK & TAG, "PLS 8912", UNLESS OTHERWISE NOTED.
- INDICATES SET STANDARD SURVEY MONUMENT PER CITY OF OXNARD PLATE 609, STAMPED "PLS 8912"

2" IRON PIPE AND TAG, "PLS 8912", OR LEAD, TACK & TAG, "PLS 8912" OR SPIKE & WASHER, STAMPED "PLS 8912" TO BE SET AT ALL TRACT BOUNDARY CORNERS WITHIN 1 YEAR FROM RECORDATION OF THIS MAP.

1" IRON PIPE AND TAG, "PLS 8912", OR LEAD, TACK & TAG, "PLS 8912" OR SPIKE & WASHER, STAMPED "PLS 8912" TO BE SET AT ALL INTERIOR LOT CORNERS WITHIN 1 YEAR FROM RECORDATION OF THIS MAP.

SOILS AND/OR GEOLOGIC REPORT:

THE FOLLOWING SOILS REPORT AND/OR GEOLOGIC REPORT RELATING TO TRACT NO. 5745-2 HAS BEEN PREPARED:

DATE OF REPORT: DECEMBER 12, 2014

TITLE OF REPORT: UPDATED GEOTECHINCAL ENGINEER REPORT FOR OXNARD VILLAGE PHASE II BACKBONE INFRASTRUCTURE, TRACT 5745, THE OXNARD VILLAGE, WAGON WHEEL AREA, OXNARD, CALIFORNIA.

FIRM NAME: WORKMAN ENGINEERING CONSULTING

ENGINEER: R. MARK WORKMAN, JR.

REGISTRATION NO.: R.C.E. 68557

LOCATION WHERE ON FILE
FOR PUBLIC INSPECTION: CITY OF OXNARD PUBLIC WORKS DEPARTMENT

BOUNDARY ESTABLISHMENT MAP

NOTE:
SEE SHEETS 4-6 FOR
EASEMENT LOCATIONS.

SHEET 4 OF 6 SHEETS

AREA: 6.485 ACRES (GROSS)

NUMBERED LOTS: 2
(PORTION OF AMENDED TENTATIVE
TRACT NO. 5745)

DATE OF SURVEY: AUGUST, 2014

TRACT NO. 5745-2

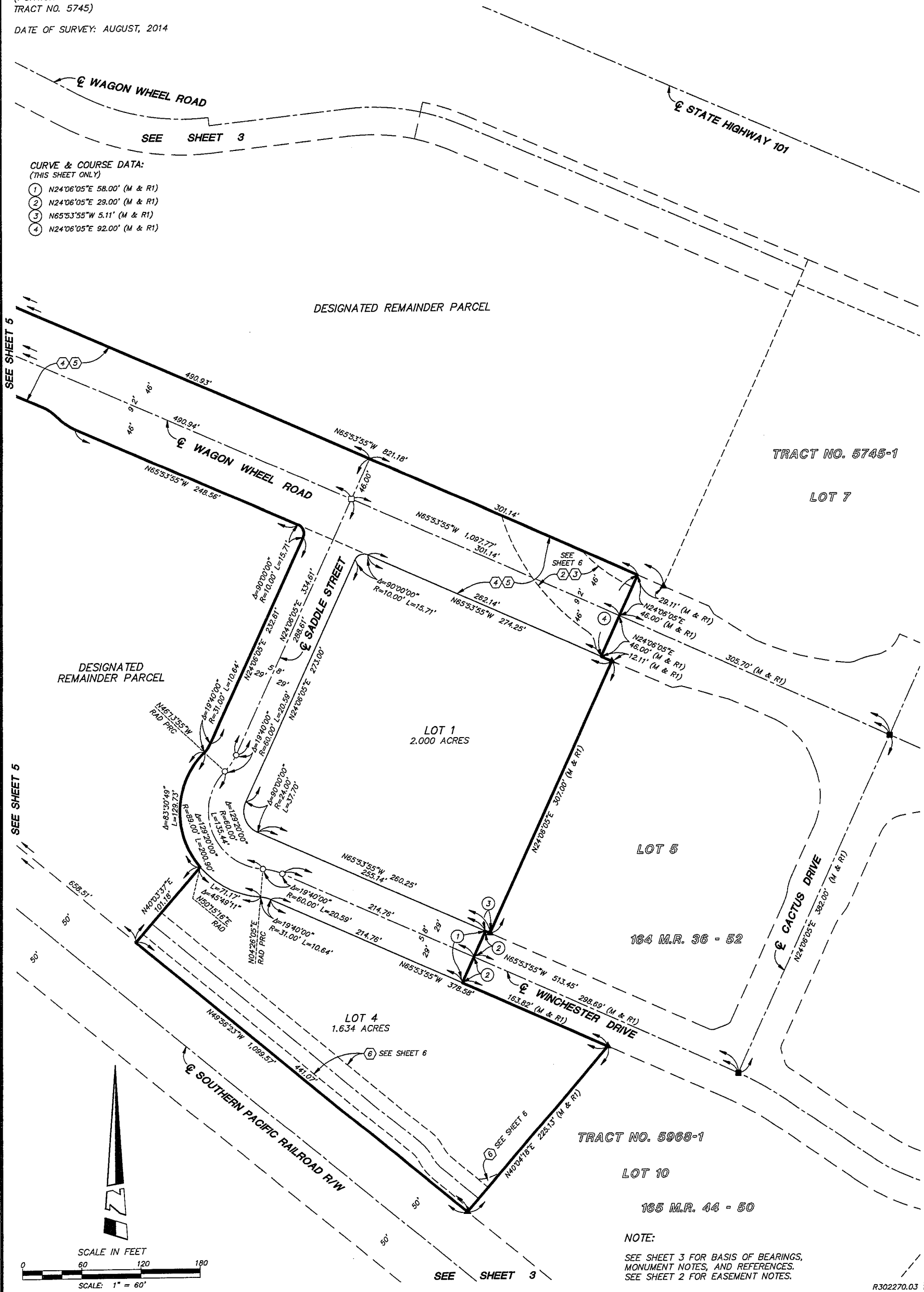
IN THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA

HUITT-ZOLLARS

DAVID W. MACKEY, P.L.S. 8912

CURVE & COURSE DATA:
(THIS SHEET ONLY)

- 1 N24°06'05"E 58.00' (M & R1)
- 2 N24°06'05"E 29.00' (M & R1)
- 3 N65°53'55"W 5.11' (M & R1)
- 4 N24°06'05"E 92.00' (M & R1)



SHEET 5 OF 6 SHEETS

AREA: 6.485 ACRES (GROSS)

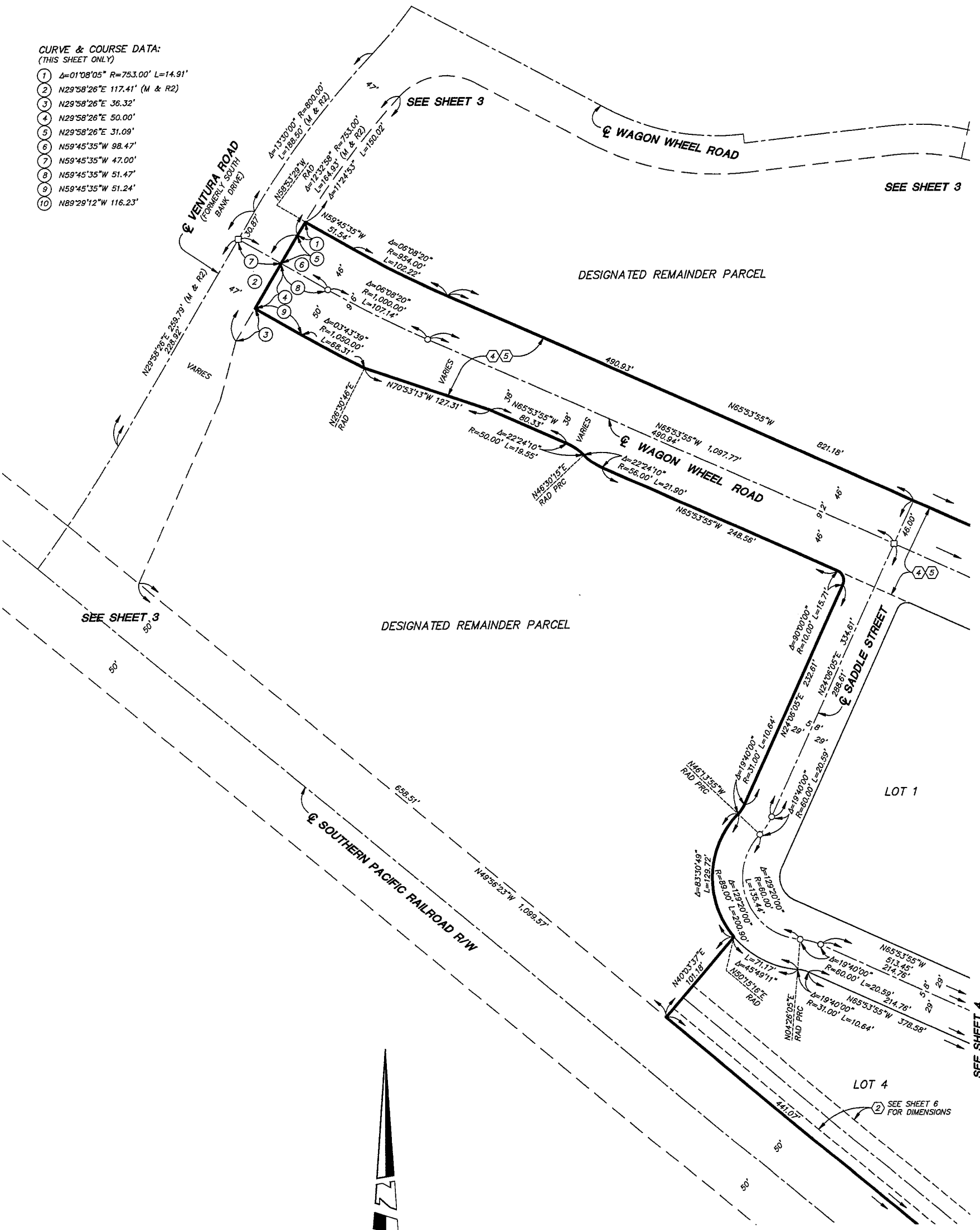
NUMBERED LOTS: 2
(PORTION OF AMENDED TENTATIVE
TRACT NO. 5745)

DATE OF SURVEY: AUGUST, 2014

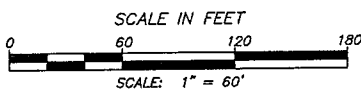
TRACT NO. 5745-2
IN THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA
HUITT-ZOLLARS DAVID W. MACKEY, P.L.S. 8912

CURVE & COURSE DATA:
(THIS SHEET ONLY)

- 1 $\Delta=01^{\circ}08'05''$ $R=753.00'$ $L=14.91'$
- 2 $N29^{\circ}58'26''E$ 117.41' (M & R2)
- 3 $N29^{\circ}58'26''E$ 36.32'
- 4 $N29^{\circ}58'26''E$ 50.00'
- 5 $N29^{\circ}58'26''E$ 31.09'
- 6 $N59^{\circ}45'35''W$ 98.47'
- 7 $N59^{\circ}45'35''W$ 47.00'
- 8 $N59^{\circ}45'35''W$ 51.47'
- 9 $N59^{\circ}45'35''W$ 51.24'
- 10 $N89^{\circ}29'12''W$ 116.23'



NOTE:
SEE SHEET 3 FOR BASIS OF BEARINGS,
MONUMENT NOTES, AND REFERENCES.
SEE SHEET 2 FOR EASEMENT NOTES.



SEE SHEET 3

R302270.03 5

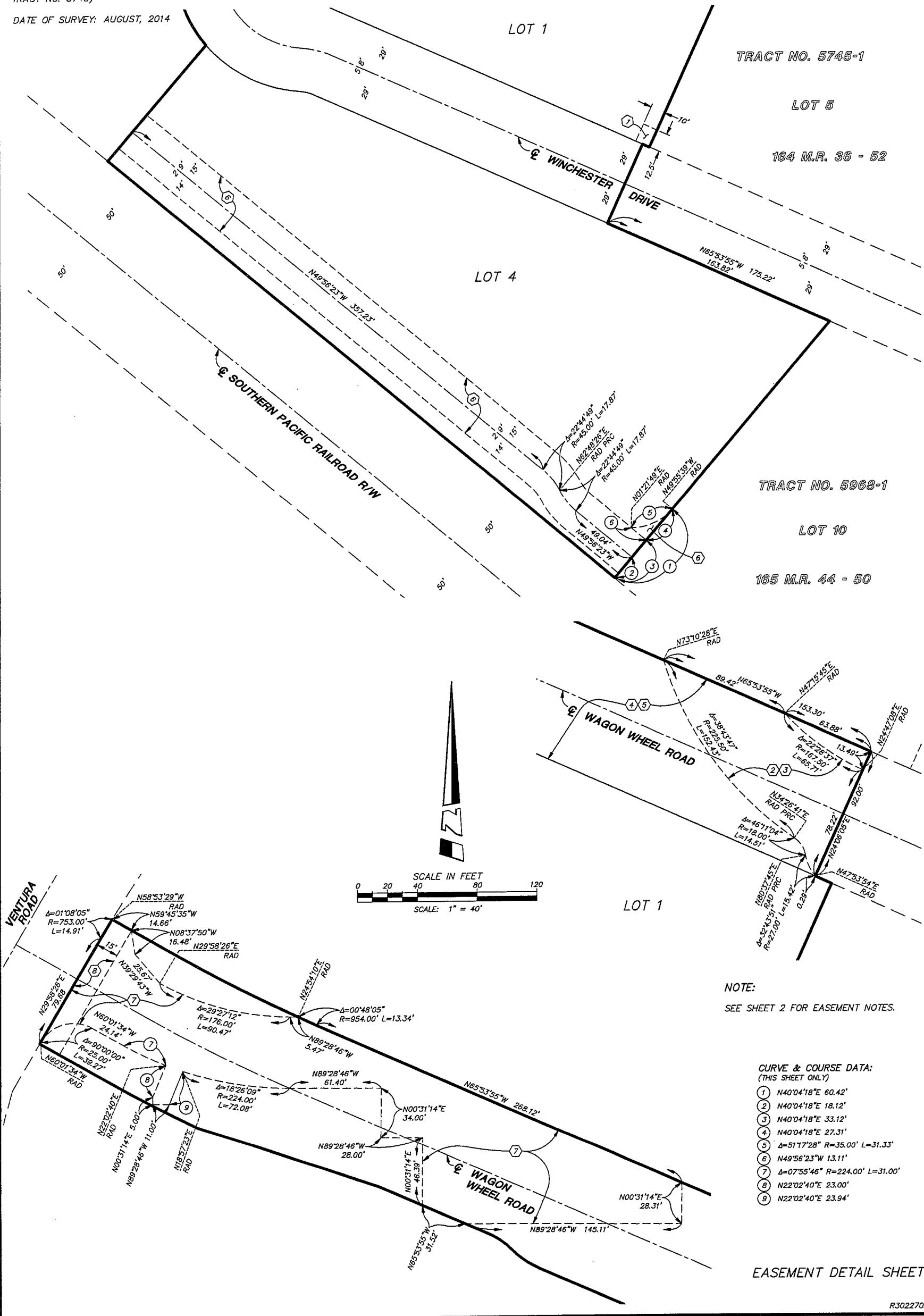
SHEET 6 OF 6 SHEETS

AREA: 6.485 ACRES (GROSS)

NUMBERED LOTS: 2
(PORTION OF AMENDED TENTATIVE
TRACT NO. 5745)

DATE OF SURVEY: AUGUST, 2014

TRACT NO. 5745-2
IN THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA
HUITT-ZOLIARS DAVID W. MACKEY, P.L.S. 8912



MEMORANDUM



July 29, 2020

TO: City Council

FROM: Jeffery Lambert, Community Development Director

SUBJECT: Notice of Pending Approval - Tract 5745-2 associated with Planning and Zoning Permit No. 11-300-07 approving Tract 5745. Filed by Corey Harpole for CRFL Partners, LLC, 64 Maxwell, Irvine, CA. 92618

In accordance with Ordinance 2910, the City Council will receive notification at its regular scheduled meeting of July 29, 2020 that the Community Development Director intends to approve PZ 20-300-03, the Final Map for Tract 5745-2 associated with Planning and Zoning Permit 11-300-07 which approved Tentative Subdivision Map 5745 for the Village Specific Plan as described in the subject heading on August 8, 2020, ten days following the City Council meeting.

On July 28, 2015, the City Council approved Tentative Subdivision Map for Tract 5745. The first phase, Final Map Tract 5745-1, was accepted by the City Council on July 19, 2016 and recorded on October 20, 2016. Tract 5745-1 created lots for development and infrastructure, including vacation of certain public rights of way and certain dedications were accepted. The Final Map 5745-2 creates lot 4, lot 1, and extensions of Wagon Wheel Road and Winchester Drive. This map also creates Saddle Street.

The subject final map was reviewed for conformance with the City's conditions of approval and the state Subdivision Map Act (SMA). The City's engineer has certified that the subject map complies with the Planning Commission and City Council resolutions which approved the tentative map for this subdivision and complies with the provisions of the SMA.

The Community Development Director's action may be appealed to the City Council pursuant to the appeal procedures set forth in Section 15-25 of the Oxnard City Code. Questions concerning this pending action can be directed to Paul McClaren, Associate Planner, by calling 805-385-3945 or via email at paul.mcclaren@oxnard.org.



**VERIFICATION OF STATUS:
FINAL MAPS AND IMPROVEMENT PLANS**

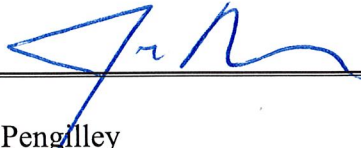
Tract/Parcel Map

Project Location:

TRACT 5745-2

- ☒ Map requires subdivision improvement agreement.
- ☐ The Development Services Program does not require improvement plans for this development.
- ☒ This Program has reviewed the improvement plans and found them acceptable. Based on our review, we believe these plans comply with the resolution of the Planning Commission and the City Council approving the tentative map for this development.
- ☒ This Program has reviewed the Final Map and Title Sheet and found them acceptable. Based on our review, we believe the map complies with the resolution of the Planning Commission and the City Council approving the tentative map for this development and also with the Subdivision Map Act of the State of California.
- ☒ The Final Map has been signed.

DATE: 6/9/20



Jeff Pengilley
Community Development

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING ABANDONMENT OF CERTAIN INFRASTRUCTURE EASEMENTS FOR STORM DRAINAGE, SEWER, AND WATER PIPELINE PURPOSES ON PARCEL 1, PARCEL MAP 80-7 AS RECORDED IN PARCEL MAP BOOK 31 PAGES 67 AND 68, ASSOCIATED WITH PLANNING AND ZONING PERMIT NO. 20-300-03 (FINAL SUBDIVISION MAP FOR TRACT NO. 5745-2) FOR PROPERTY KNOWN AS THE VILLAGE SPECIFIC PLAN. FILED BY COREY HARPOLE FOR CRFL PARTNERS, LLC, 64 MAXWELL, IRVINE, CA. 92618.

WHEREAS, the Tentative Subdivision Map for Tract No. 5745 (Planning and Zoning Permit No. 11-300-07) for property known as the Village Specific Plan and located south of the Ventura Freeway (Highway 101), west of Oxnard Boulevard, north of the Union Pacific Railroad (UPRR) and El Rio Drain, and east of the North Ventura Road and the Santa Clara River, filed by Oxnard CRFL Partners, was recommended for approval by the Planning Commission Resolution No. 2015-17 (April 2, 2015) and approved by City Council Resolution No. 14,857 (July 28, 2015), subject to certain conditions; and

WHEREAS, the Final Subdivision Map for Tract No. 5745-1, was accepted by the City Council on July 19, 2016, and the Final Subdivision Map was subsequently recorded on October 20, 2016.

WHEREAS, on May 4, 2020, Corey Harpole (the “**Applicant**”), submitted the Final Subdivision Map for Tract No. 5745-2, together with the Subdivision Improvement Agreement proposed to be entered into in connection with the subdivision and a request to abandon infrastructure easements for storm drainage, sewer and water pipeline purposes on parcel 1, parcel map 80-7 as recorded in parcel map book 31 pages 67 and 68; and

WHEREAS, the City of Oxnard is the owner of various utility easement that are no longer needed for current or future operations of the site; and

WHEREAS, on July 29, 2020, the City Council considered the request and determined that the request is consistent with the Village Specific Plan (VSP), also known as Wagon Wheel, and the 2030 General Plan Chapter 15 “Subdivision Ordinance” of the Oxnard City Code, and the Subdivision Map Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OXNARD:

SECTION 1. The recitals of this Resolution are hereby adopted into the operative provisions of this Resolution by this reference.

Resolution No.
PZ 20-300-03 (Final Map No. 5745-2)
City Council Meeting, July 29, 2020
Page 2

SECTION 2. The City Council, in accordance with the California Environmental Quality Act (CEQA), determines that approval of Planning and Zoning Permit No. 20-300-03 (Final Subdivision Map for Tract No. 5745-2) is a ministerial act pursuant to City Council Resolution No. 10,851 and is therefore exempt from the requirements of CEQA in accordance with CEQA Guidelines Section 15162.

SECTION 3. The City Council hereby authorizes the Mayor to sign the Final Map as property owner in consent to the making and recordation of the Final Map.

SECTION 4. Based on review of the City Council Staff Report, all exhibits attached thereto and all written and oral testimony, the City Council hereby finds that: (i) the Final Subdivision Map for Tract No. 5745-2 conforms to the requirements of the Subdivision Map Act, Oxnard 2030 General Plan as adopted, Chapter 15 of the Oxnard City Code, the Village Specific Plan and every condition of approval previously imposed upon the Tentative Subdivision Map for Tract No. 5745; and (ii) the Final Subdivision Map for Tract No. 5745-2 is in substantial compliance with the previously approved Tentative Subdivision Map for Tract No. 5745.

SECTION 5. Based on the entire record before the City Council and all written and oral evidence presented, the City Council hereby approves the vacation of infrastructure easements for storm drainage, sewer and water pipeline purposes on parcel 1, parcel map 80-7 as recorded in parcel map book 31 pages 67 and 68.

SECTION 6. The City Council directs the City Clerk to sign the abandonment certificate on the Final Map.

SECTION 7. Planning and Zoning Permit No. 20-300-03 (Final Subdivision Map for Tract No. 5745-2) is hereby subject to those findings and conditions set forth in City Council Resolution No. 14,857 for the Tentative Subdivision Map, which are incorporated herein by this reference.

SECTION 8. The City Council hereby approves the Subdivision Improvement Agreement attached hereto as **Exhibit A** and authorizes the Mayor to execute such Agreement.

Resolution No.
PZ 20-300-03 (Final Map No. 5745-2)
City Council Meeting, July 29, 2020
Page 3

SECTION 9. The City Clerk shall certify the adoption of this Resolution.

PASSED AND ADOPTED this 29th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Ascencion, City Clerk

Stephen Fischer, City Attorney

EXHIBIT A**Agreement No. 8764-19-CD****CITY OF OXNARD****SUBDIVISION IMPROVEMENT AGREEMENT**

Date of Agreement: August 13, 2019
 Tract No.: 5745-2
 Name of Subdivider: Oxnard CRFL Partners, LLC
 Address: 64 Maxwell
 Irvine, CA 92618

This Subdivision Improvement Agreement ("Agreement") is entered into in the County of Ventura, State of California, between the City of Oxnard ("City") and the above-named Subdivider ("Subdivider") pursuant to Government Code section 66462 et seq., of the Subdivision Map Act and the City's subdivision ordinance. City and Subdivider agree as follows:

1. Agreement to Perform. Subdivider agrees to satisfactorily perform all acts required by City in connection with the subdivision of the above tract.

2. Construction of Improvements.

A. At Subdivider's sole expense, Subdivider agrees to construct and complete in accordance with City standards all street, drainage, water, sewer, lighting, and other public improvements required for approval of the subdivision of the above tract. Such public improvements are set forth in Section 1 of Exhibit A, attached hereto and incorporated herein by this reference. The estimated cost of such public improvements is listed in Section 2 of Exhibit A.

B. Subdivider agrees to construct and complete City's portion, if any, of the public improvements as set forth in Section 1 of Exhibit A. Subdivider shall be reimbursed by City for the cost of such construction and completion in accordance with Resolution No. 10,272.

C. The public improvements are public work, as defined in Chapter 1 of Part 7 of Division 2 of the Labor Code, to which Labor Code section 1771 applies. Subdivider shall comply with all requirements of law applicable to such construction.

3. Repairs or Reconstruction. Subdivider shall promptly repair or reconstruct any portion of the public improvements that the Development Services Director ("Director") determines, in his or her sole discretion, to be unsatisfactory. If Subdivider does not act promptly after reasonable notice from Director, and if City promptly repairs or reconstructs the improvements in order to protect such improvements or the public safety, Subdivider shall pay to City the actual cost of repairs or reconstruction plus 15 percent thereof.

4. Fees and Charges. Subdivider agrees to pay all fees and charges imposed on the development pursuant to federal and state law and regulations and City ordinances, resolutions and policies.

5. Faithful Performance/Labor and Materials Security. Prior to execution of this Agreement by City, Subdivider shall furnish the City with security in a form approved by the City Attorney. Security shall be as follows:

A. 100% of the estimated costs of the public improvements as listed in Section 2 of Exhibit A to secure satisfactory construction and completion of those public improvements.

B. 50% of the estimated costs of the public improvements as listed in Section 2 of Exhibit A to secure prompt payment to any contractor, subcontractor, and/or to persons furnishing labor, materials, or equipment for the construction and completion of the public improvements.

C. No changes or alterations may be made in the construction of the public improvements without the prior approval of Director. Unless otherwise approved, in writing, by Director, Subdivider shall obtain security for 100% of the estimated cost of the public improvements as changed or altered.

6. Release of Security. City agrees that the security furnished by the Subdivider shall be released in the following manner:

A. Security provided for satisfactory construction and completion of the public improvements shall be released upon final completion and acceptance of such construction by Director, subject to the security retained to guarantee that the public improvements are not defective and to pay the costs of enforcement. On written application of Subdivider after partial completion of the construction and acceptance thereof, Director may release a portion of the security. Any partial release shall not be less than 25% or more than 75% of the total security until final completion and acceptance of the public improvements by Director.

B. Security for payment to any contractor, subcontractor, and/or persons furnishing labor, materials, or equipment shall be released 65 days after the recording of a Notice of Completion, or if a Notice of Completion is not recorded, 95 days after the completion of the public improvements. The amount of security released shall be the total security less the amount of all claims of lien that have been recorded and notice given in writing to City. If no such claims of lien have been recorded and no notice given in writing to City, City shall release the security in full.

7. Guarantee of No Defects. Subdivider guarantees that the public improvements shall not be defective in any manner for a period of one year following completion and acceptance thereof by City, and Subdivider agrees to pay City's costs of enforcing such guarantee. Subdivider's guarantee shall be secured by a security in a form approved by the City Attorney equal to 25% of the estimated costs of the public improvements as listed in Section 2 of Exhibit A.

8. Time for Completion.

A. Subdivider shall diligently commence and proceed with the construction so that the public improvements shall be completed and accepted within 12 months after execution of this Agreement by City.

B. If Subdivider is delayed at any time in the progress of the construction by any changes ordered by Director in the scope of Subdivider's construction or by labor disputes, fire, unavoidable casualties or other circumstances beyond Subdivider's control, Director, on written application of Subdivider, may extend the time for completion for a reasonable period. Any extension granted by Director shall be in writing and shall specify the new time for performance.

C. For other good cause shown by Subdivider, Director may extend the time for completion. Any extension granted by Director shall be in writing and shall specify the new time for performance.

D. If the estimated costs of construction of the public improvements have increased, Director may, as a condition of extending the time for completion, require Subdivider to increase the amount of security.

9. Breach of Agreement. Director may declare Subdivider in breach of this Agreement for any of the following reasons:

A. Subdivider does not diligently pursue completion of the public improvements, or any part thereof, or fails to complete the construction of the public improvements within the specified time;

B. Subdivider is adjudged bankrupt, or Subdivider makes a general assignment for the benefit of Subdivider's creditors, or a receiver is appointed in the event of Subdivider's insolvency;

C. Subdivider or any of Subdivider's contractors, subcontractors, agents or employees violate any of the provisions of this Agreement.

10. Use of Security Upon Breach. After notifying Subdivider of Subdivider's breach of this Agreement, Director shall have the following rights with regard to Subdivider's security:

A. To demand that the surety immediately take over and complete the public improvements. The surety shall be obligated to comply with such demand within five days of receipt thereof.

B. To take over and complete the public improvements and use the security to provide for the entire costs thereof.

C. To take other appropriate action to cause the public improvements to be constructed at the expense of Subdivider or Subdivider's surety.

11. Indemnity. Subdivider agrees to indemnify, hold harmless and defend City, its City Council, and each member thereof, and every officer, employee, representative or agent of City, from any and all liability, claims, demands, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from any acts or omissions related to this Agreement performed by Subdivider or its agents, employees, subconsultants, subcontractors, consultants and other persons acting on Subdivider's behalf. This agreement to indemnify, hold harmless and defend shall apply whether such acts or omissions are the product of active negligence, passive negligence, or acts for which Subdivider or its agents, employees, subconsultants, subcontractors, consultants and other persons acting on Subdivider's behalf would be held strictly liable.

12. Insurance.

A. Prior to execution of this Agreement by City, Subdivider shall obtain and maintain during the performance of this Agreement the insurance coverages as specified in Exhibit INS-Q, attached hereto and incorporated herein by this reference, issued by a company satisfactory to the Risk Manager, unless the Risk Manager waives, in writing, the requirement that Subdivider obtain and maintain such insurance coverages.

B. Prior to commencement of any construction under this Agreement, Subdivider shall file with the Risk Manager evidence of insurance coverage as specified in Exhibit INS-Q. Evidence of insurance coverage shall be forwarded to the Risk Manager, addressed as specified in Exhibit INS-Q.

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

13. Severability. City and Subdivider agree that the invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

14. Waiver of Any Challenge. Subdivider's execution of this Agreement represents full acceptance of the benefits and the burdens associated with the approval of the subdivision of the above tract and Subdivider hereby fully and completely waives all claims, protests, or challenges concerning any fee, condition or obligation imposed by City in its approval of the subdivision.

15. Costs of Enforcement. Subdivider and City agree that the prevailing party's reasonable costs, attorneys' fees (including the reasonable value of the services rendered by the City Attorney Department) and expenses, including investigation fees and expert witness fees, shall be paid by the non-prevailing party in any dispute involving the terms and conditions of this Agreement.

16. Arbitration. Subdivider and City agree that in the event of any dispute with regard to the provisions of this Agreement or the construction of the public improvements, the dispute may be submitted to arbitration upon the mutual agreement of Subdivider and City, under such

procedures as Subdivider and City may agree upon, or, if Subdivider and City cannot agree, then under the Rules of the American Arbitration Association.

17. Waiver of Statute of Limitations. For a period of ten years from the date of this Agreement, Subdivider agrees not to plead the statute of limitations as a defense to the obligations imposed by this Agreement.

18. Notices. All notices provided for herein shall be in writing and shall be effective when delivered in person or sent by registered or certified mail to Subdivider at the address given above or to City, c/o Development Services Director, 214 South "C" Street, Oxnard, California 93030-5738.

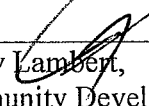
19. Amendments. City and Subdivider agree that the terms and conditions of the Agreement may be reviewed and/or modified at any time. Any modifications to this Agreement, however, shall be effective only when agreed to in writing by both Director and Subdivider.

20. Binding on Successors. Subdivider and City agree that this Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Subdivider and City.

21. Entire Agreement. City and Subdivider agree that this Agreement constitutes the entire agreement of the parties regarding the subject matter described herein and supersedes all prior communications, agreements, and promises, either oral or written.

22. Counterparts. 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. A signed copy of this Agreement transmitted by email or by 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.

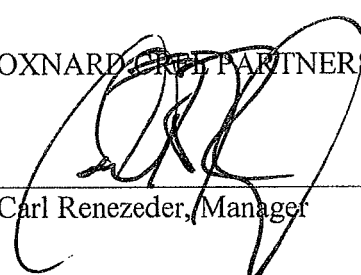
CITY OF OXNARD


Jeffrey Lambert,
Community Development Director

APPROVED AS TO FORM:


Stephen M. Fischer, City Attorney

OXNARD CREP PARTNERS, LLC


Carl Renezeder, Manager

APPROVED AS TO CONTENT:

 2-15-20
Jeff Pengilly
Assistant Director

APPROVED AS TO INSURANCE:


Risk Manager

EXHIBIT A
TO
SUBDIVISION IMPROVEMENT AGREEMENT
TRACT NO. 5745-2

SECTION 1. IMPROVEMENT AND RESOLUTIONS.

Detailed Improvement Plan No. 18-14A
Planning Commission Resolution No. 2015-17
City Council Resolution No. 14,857
and any resolution approving the final map.

SECTION 2. ESTIMATED COSTS OF IMPROVEMENTS.

Streets	\$1,500,000.00
Removals	\$225,000.00
Wastewater facilities	\$40,000.00
Water facilities	\$125,000.00
Storm Drain facilities	\$625,000.00
Monuments and related facilities	\$15,000.00
Grading	\$500,000.00
Underground existing utilities	-0-
Recycled Water	\$75,000.00

ch
2/14/2020
(C)

TOTAL **\$3,105,000.00**

Exhibit INS-Q

INSURANCE REQUIREMENTS FOR SUBDIVISION AGREEMENTS

1. Developer shall obtain and maintain during the performance of any activities 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 development of the subdivision by developer, 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. Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City.

2. Developer shall, prior to approval of the Subdivision Agreement, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-Q. 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 sent via email (or fax if necessary) to the Risk Manager, addressed as follows (do not send hard copies):

City of Oxnard
Insurance Compliance
Reference No. 8764-19-CD
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007

3. Developer 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. Developer 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 developer; products and completed operations of developer; premises owned, occupied or used by developer; or automobiles owned, leased, hired or borrowed by developer. 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-Q 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 developer 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-Q.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 ☒ COMMERCIAL GENERAL LIABILITY ☒ CLAIMS MADE ☒ OCCUR. ☒ 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 ☒ 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: Insurance Compliance

Reference No. 8764-19-CD

P.O. Box 100085 - OX

Duluth, GA 30096

Via Email: cityofoxnard@ebix.com

Via Fax: 678-259-1007

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

INS-O.doc

INS-O.doc



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.5

DATE: July 29, 2020

TO: City Council

FROM: Darwin Base, Fire Chief, (805) 385-7700, darwin.base@oxnard.org

SUBJECT: Coronavirus Relief Funds.

RECOMMENDATION

That City Council adopt a resolution ratifying the signature and submission by the City Manager of a certification titled "Certification for Receipt of Funds Pursuant to Paragraphs (2) or (3) of Subdivision of Control Section 11.90 of the Budget Act of 2020," signed and submitted by the City Manager on July 2, 2020.

BACKGROUND

Based on the state's population, California received a total of \$15.3 billion Coronavirus Relief Funds (CRF) provided in the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, with \$9.5 billion paid to the state and \$5.8 billion paid to cities and counties with populations over 500,000. The Budget authorizes the Department of Finance to allocate \$1.8 billion of the state's share of CRF to counties and cities. The City of Oxnard has been allocated \$2,547,855.

The CARES Act provides that payments from the Fund may only be used to cover costs that –

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State of government; and
3. were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

The requirement that expenditures be incurred "due to" the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the local government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be "necessary." The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

The Department of Treasury is publishing supplemental clarification to the CRF Guidance on a bi-weekly basis. City staff will

determine eligible expenditures once all guidelines and regulations have been provided by the Treasury.

Execution of the attached resolution will ratify the request for payment of CARES Act CRF Funds allocated to the City of Oxnard, which the City Manager was required to sign and submit by the July 10 deadline established by the State.

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

Department of Treasury CARES Act CRF do not require a local match. Funds will be used to offset the cost of necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) between March 1, 2020 and December 31, 2020.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Amy Van Atta, Management Analyst II

ATTACHMENTS

1. CARES ACT RESOLUTION
2. City of Oxnard Certification_ Exhibit A

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD RATIFYING THE CERTIFICATION FOR RECEIPT OF CORONAVIRUS RELIEF FUNDS PURSUANT TO THE BUDGET ACT OF 2020 SIGNED AND SUBMITTED BY THE CITY MANAGER ON JULY 2, 2020

WHEREAS, based on the state’s population, California received a total of \$15.3 billion Coronavirus Relief Funds (CRF) provided in the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act; and

WHEREAS, the budget authorizes the Department of Finance to allocate \$1.8 billion of California’s share of CRF to counties and cities; and

WHEREAS, the City of Oxnard (“City”) has been allocated \$2,547,855 (the “Funds”); and

WHEREAS, to be eligible to receive the Funds, the City Manager had to sign and submit a certification titled *Certification for Receipt of Funds Pursuant to Paragraphs (2) or (3) of Subdivision of Control Section 11.90 of the Budget Act of 2020* (the “Certification”) no later than July 10, 2020; and

WHEREAS, the City Manager signed and submitted the Certification on July 2, 2020.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to ratify the Certification attached as Exhibit A to this resolution and incorporated by this reference.

PASSED AND ADOPTED this 29th day of July, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Timothy Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Ascencion, City Clerk

Stephen M. Fischer, City Attorney

EXHIBIT A

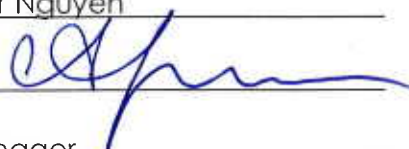
CERTIFICATION FOR RECEIPT OF FUNDS PURSUANT TO PARAGRAPHS (2) OR (3) OF
SUBDIVISION (d) OF CONTROL SECTION 11.90 OF THE BUDGET ACT OF 2020

I, Alexander Nguyen, am the chief executive or authorized designee of the City of Oxnard and I certify that:

1. I have the authority on behalf of the City of Oxnard to request payment from the State of California ('State') pursuant to the applicable provisions of subdivision (d) of Control Section 11.90 of the Budget Act of 2020.
2. I understand the State will rely on this certification as a material representation in making a direct payment to the City of Oxnard.
3. The City of Oxnard's proposed uses of the funds provided as direct payment under the applicable provisions of subdivision (d) of Control Section 11.90 of the Budget Act of 2020 will be used only for costs that:
 - a. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19)
 - b. Were not accounted for in the budget most recently approved as of March 27, 2020, for the City of Oxnard.
 - c. Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.
4. The City of Oxnard agrees to do all of the following as a condition of receipt of funds:
 - a. Adhere to federal guidance and the state's stay-at-home requirements and other health requirements as directed in gubernatorial Executive Order N-33-20, any subsequent Executive Orders or statutes, and all California Department of Public Health orders, directives, and guidance in response to COVID-19 emergency.
 - b. Use the funds in accordance with all applicable provisions of subdivision (d) of Control Section 11.90 of the Budget Act of 2020.
 - c. Report on expenditures and summarize regional collaboration and non-duplication of efforts within the region by September 1, 2020, and return any funds that are unspent by October 30, 2020 (unless extended by the Department of Finance based on reported expenditures to date), and repay the state for any cost disallowed after federal review.
 - d. Retain records to support reported COVID-19 eligible expenditures and participate in audits as outlined by the federal government and State.

CERTIFICATION FOR RECEIPT OF FUNDS PURSUANT TO PARAGRAPHS (2) OR (3) OF
SUBDIVISION (d) OF CONTROL SECTION 11.90 OF THE BUDGET ACT OF 2020

By: Alexander Nguyen

Signature: 

Title: City Manager

Date: July 2, 2020

The completed certification must be submitted by email to:

CRFApplications@dof.ca.gov

Certifications must be received by no later than 11:59 p.m. Pacific Daylight Time on July 10, 2020. Certifications received after that time may be disallowed. The subject line of the email shall only contain the name of the local government entity (i.e. City of xxx or County of xxx).



**CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.6**

DATE: July 29, 2020

TO: City Council

FROM: Darwin Base, Fire Chief, (805) 385-7700, darwin.base@oxnard.org

SUBJECT: FEMA Grant Application for Prevention Training.

RECOMMENDATION

That City Council adopt a resolution authorizing:

1. The City Manager to submit a grant application to the Federal Emergency Management Agency (FEMA) Fire Prevention and Safety (FP&S) program in the amount of \$142,513;
2. The City Manager or designee to execute the grant agreement if funds are awarded to the City;
3. The Chief Financial Officer or designee to submit financial reports and grant claims, approve budget appropriations during FY2020-21 for the use of grant funds and perform all other required financial actions; and
4. The Fire Chief or designee to submit non-financial reports.

BACKGROUND

The City of Oxnard is eligible to submit a grant application to FEMA for consideration of federal funds totaling \$135,726.67. The application total of \$142,513 includes a required 5% local match of \$6,786.33. Fire Departments are eligible to apply to the FEMA Fire Prevention & Safety (FP&S) program to enhance the safety of the public and firefighters from fire and related hazards. The primary goal is to reduce injury and prevent death among high risk populations.

The Fire Department Prevention Division is composed of a Fire Marshal, Deputy Fire Marshal, four sworn Fire Inspectors and two non-sworn Fire Inspectors. A 2019 evaluation of the Fire Department found serious shortcomings in Fire Prevention and Safety training, since that time a new Fire Marshal and two sworn Fire Inspectors have joined the team. If awarded, this grant will allow all Prevention staff to obtain State Fire Marshal certifications. The FY 2020-21 Prevention Division training budget of only \$6,674 makes the certification financially impossible.

The goal of this project is to create a State and nationally certified and qualified Fire Prevention Division. Personnel will be trained and educated to reduce fire hazards, protect property, promote life safety, and reduce environmental impact, through planning, education, investigation and enforcement in the City of Oxnard. All requested funding is for course tuition and learning materials only. All classes will be taken during normal work hours. Classes include, but are not limited to Fire Inspector 1 and 2, Fire Investigator 1 and Plans Examiner.

FP&S grants are traditionally funded in August of the year of application.

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

Upon award, federal funds in the amount of \$135,726.67 will be recognized and appropriated. The 5% local match requirement of \$6,786.33 will be funded with a combination of Fire Prevention and Suppression general fund budget for FY21, account numbers 101-2201-802.83-43 and 101-2202-802.83-43.

COMMITTEE OUTCOME

This item did not originate in committee.

Prepared by: Amy Van Atta, Management Analyst II

ATTACHMENTS

1. Resolution FP&S Training.rev

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING
SUBMITTAL OF FEDERAL EMERGENCY MANAGEMENT AGENCY GRANT
APPLICATION FOR TRAINING FUNDS

WHEREAS, City Council Resolution No.12,053 sets out the procedure by which City staff may submit grant applications, following approval by resolution of the City Council; and

WHEREAS, the Fire Department has requested that City Council approve the submittal of an application to the Federal Emergency Management Agency (FEMA) Fire Prevention and Safety program in amount of \$142,513 for the purpose of Prevention staff training and certifications.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to approve the submittal of a grant application by the City Manager for Fire Department enhancement. The City Council further resolves that the City Manager or designee is authorized to execute grant agreements; the Chief Financial Officer or designee is authorized to submit financial reports and grant claims, and perform all other required financial actions; and the Fire Chief or designee is authorized to submit non-financial reports.

PASSED AND ADOPTED this 29th day of July, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Timothy Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Ascencion, City Clerk

Stephen M. Fischer, City Attorney



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.7

DATE: July 29, 2020

TO: City Council

FROM: Keith Brooks, Chief Information Officer, (805) 385-7597, keith.brooks@oxnard.org

SUBJECT: Response to Grand Jury Report titled "Cybersecurity Strategies for Cities in Ventura County."

RECOMMENDATION

That the City Council authorizes the Mayor, the City Manager, and the Chief Information Officer to respond on behalf of the City Council, to the Grand Jury Report titled "Cybersecurity Strategies for Cities in Ventura County" dated May 21, 2020, in the form included as the attachment titled "Response To Grand Jury Report Form." (Finance and Governance Committee approved 3-0)

BACKGROUND

On May 21, 2020, the Ventura County Civil Grand Jury ("Grand Jury") delivered a Report on Cybersecurity Strategies for Cities in Ventura County ("County"). The City of Oxnard ("City") is required to respond to the Grand Jury's conclusions and recommendations. Those conclusions and recommendations are listed in the tables below, along with the City's responses:

Number	Conclusions	Agree	Disagree	N/A
C-01	While the Grand Jury recognizes each City is taking steps to implement cybersecurity and to defend against cyberattacks, it concludes there is no perfect solution to cybersecurity or defense against cyberattacks.	X		
C-02	The Grand Jury concluded eight Cities are currently using suboptimal web addresses for their websites.	X		
C-03	The Grand Jury concluded generally Cities are not utilizing free federal and discounted federally aligned resources available to Cities to bolster their cybersecurity defenses.	X		
C-04	The Grand Jury concluded cybersecurity staffing could be improved with more effective recruiting and staff retention practices.	X		
C-05	The Grand Jury concluded Cities should manage cyber risks associated	X		

	with vendors by requiring they provide annual documentation regarding cybersecurity insurance and cybersecurity practices.			
C-06	The Grand Jury concluded some Cities do not clearly identify expenditures regarding information technology or cybersecurity in their budgets.	X		
C-07	The Grand Jury concluded all Cities would benefit from comprehensive cyber incident response, recovery, and business continuity plans.	X		

Recommendations:

Number	Recommendations	Agree	Disagree	N/A
R-01	The Grand Jury recommends Cities establish secure web addresses through the use of HTTPS or other such protocols. (C-02)	X		
R-02	The Grand Jury recommends Cities establish trustworthy web addresses by following the California Department of Technology domain name taxonomy guidance. (C-02)	X		
R-03	The Grand Jury recommends Cities utilize free federal and federally aligned cybersecurity services as set forth in Appendix 02 to supplement internal staff and/or replace vendor services whenever possible. (C-03)	X		
R-04	The Grand Jury recommends Cities' IT staff subscribe to CISA updates online. (C-03)	X		
R-05	The Grand Jury recommends Cities take advantage of discounted services and cooperative purchasing programs whenever possible. (C-03)	X		
R-06	The Grand Jury recommends Cities develop personnel cost-saving opportunities and create a cybersecurity talent pool by recruiting interns or graduating students using: (C-04) - The Scholarships for Service program described in Appendix 02 - Local education institutions (high school, community college, private college and state university)	X		
R-07	The Grand Jury recommends Cities maintain good vendor management by: (C-03, C-05) Obtaining CISA assistance to conduct risk management assessments on all third-party vendors that have access to any confidential data or that interact with City networks and systems	X		

	- Requiring all vendors to provide cybersecurity documentation. As part of their ongoing third-party due diligence, Cities should evaluate vendors for compliance and risk on an annual basis - Requiring IT vendors to obtain cybersecurity insurance.			
R-08	The Grand Jury recommends Cities clearly identify expenses for their Information Services (Technology) Departments in their approved budgets. (C-06)	X		
R-09	The Grand Jury recommends Cities develop and test cyber incident response, recovery, and business continuity plans. (C-07)	X		
R-10	The Grand Jury recommends Cities implement the best practices for teleworking as published by the California CyberSecurity Integration Center. (C-08)	X		

Recommendations R-01, R-03, R-04, R-05, R-06, R-07 and R-08 above have already been implemented. Recommendation R-09 will be implemented this fall. Recommendation R-11 will be implemented this winter. Regarding the City's website, the City agrees generally with C-02 and R-02, but this will require further analysis in the coming year. Regarding teleworking, the City currently has no such policy; staff agrees that best practices are appropriate as stated in recommendation R-10, and should the City implement such a policy, then we would follow those practices.

The entire Grand Jury report is presented as the attachment titled "Grand Jury Report - Cybersecurity Strategies For Cities in Ventura County" and the City's response is presented as the attachment titled "Response To Grand Jury Report Form."

With regard to FA-20 in the Report, the City's contract with Google, Inc. for the G Suite Enterprise communication and collaboration platform for cloud based email, calendar, contacts, document collaboration and unlimited storage, adheres to the exacting federal security standards for cloud computing security to achieve FedRAMP (Federal Risk and Authorization Management Program) certification.

With regard to FA-25 in the Report, the City does require cyber liability insurance for our technology vendors. The City is mindful of the need not to disclose vulnerabilities of, or otherwise increase the potential for an attack on, an information technology system. Therefore, this report does not detail any specific cybersecurity vulnerabilities that may have been discovered during the Grand Jury's investigation or the specifics of cyber liability coverage.

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

This is an informational report and has no financial impact.

COMMITTEE OUTCOME

The Finance and Governance Committee approved 3-0 on July 14, 2020 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Keith Brooks, Chief Information Officer, Ken Austin, Systems Administrator

ATTACHMENTS

1. Response to Grand Jury Report Form
2. Grand Jury Report - Cybersecurity Strategies For Cities in Ventura County



Grand Jury
 800 South Victoria Avenue
 Ventura, CA 93009
 (805) 477-1600
 Fax: (805) 658-4523

grandjury.countyofventura.org

Response to Grand Jury Report Form

Report Title: Cybersecurity Strategies for Cities in Ventura County

Report Date: June 25, 2020

Response by: Keith Brooks

Title: Chief Information Officer

FINDINGS / CONCLUSIONS

I (we) agree with the findings/conclusions numbered: C-01 - C-08 and R-01 - R-11

I (we) disagree wholly or partially with the Findings / Conclusions numbered: N/A
 (Attach a statement specifying any portions of the Findings/Conclusions that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

- Recommendations numbered R-01, R-03, R-04, R-05, R-06, R-07 and R-08 have been implemented.
 (Attach a summary describing the implemented actions and date completed.)
- Recommendations number R-02, R-09 and R-11 have not yet been implemented but will be implemented in the future. The City agrees generally with C-02 and R-02, but this will require further analysis in the coming year.
 (R-09 will be implemented by 9/1/20. R-11 will be implemented by 12/31/20)
- Recommendation numbered R-10 requires further analysis.
 (We agree that best practices are appropriate as stated in recommendation R-10, and should the City implement such a policy, then we would follow those practices.)

Date: 6/25/2020

Signed: 

Number of pages attached: 6



Grand Jury
 800 South Victoria Avenue
 Ventura, CA 93009
 (805) 477-1600
 Fax: (805) 658-4523

grandjury.countyofventura.org

Attachments/Responses:

- R-01 **Attachment** - Example of Secure Web-Site Protocols (HTTPS). Two examples provided.
- R-02 Response - The City agrees generally with C-02 and R-02, but this will require further analysis in the coming year.
- R-03 **Attachment** - Email verifying Federal Cybersecurity program signup and a screenshot of the program.
- R-04 **Attachment** - Email verifying subscription to Cybersecurity Infrastructure Security Agency.
- R-05 Response - The City leverages discounted services and cooperative purchasing programs whenever possible.
- R-06 **Attachment** - Signed MOU with VCCCD for internships.
- R-07 **Attachment and Response** - NIST (National Institute of Standards and Technology) compliant Cybersecurity Framework for CentralSquare Enterprise Resource Planning system (Attachment). CISA (Cybersecurity and Infrastructure Security Agency) assistance in progress. The City does require cyber liability insurance for our technology vendors. The City is mindful of the need not to disclose vulnerabilities of, or otherwise increase the potential for an attack on, an information technology system. Therefore, this report does not detail any specific cybersecurity vulnerabilities that may have been discovered during the Grand Jury's investigation or the specifics of cyber liability coverage.
- R-08 Response - [IT expenses are clearly defined in the City Budget \(beginning on Page 135\)](https://www.oxnard.org/wp-content/uploads/2020/06/FINANCE_proposed_budget_book_20_21.pdf) (https://www.oxnard.org/wp-content/uploads/2020/06/FINANCE_proposed_budget_book_20_21.pdf)
- R-09 Response - The Cyber Incident, Response, Recovery, Business Continuity plans will be implemented this fall.
- R-10 Response - We agree that best practices are appropriate as stated in recommendation R-10.
- R-11 Response - Recommendation R-11 will be implemented this winter.

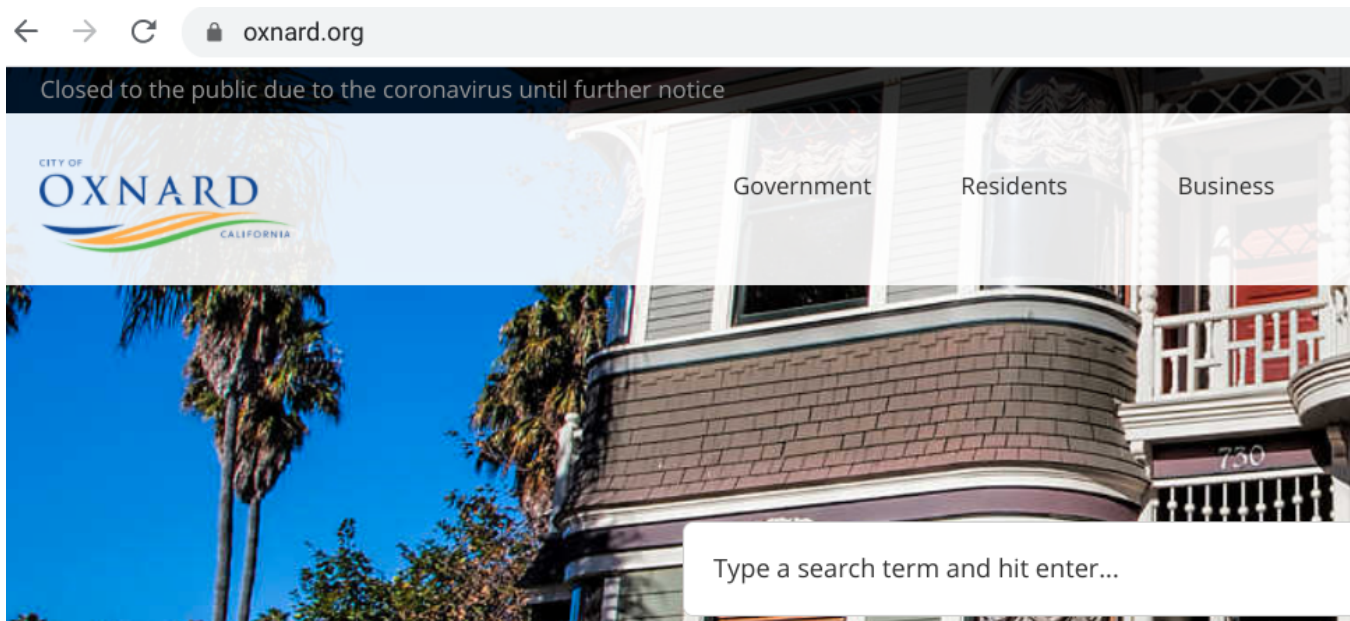
county of ventura

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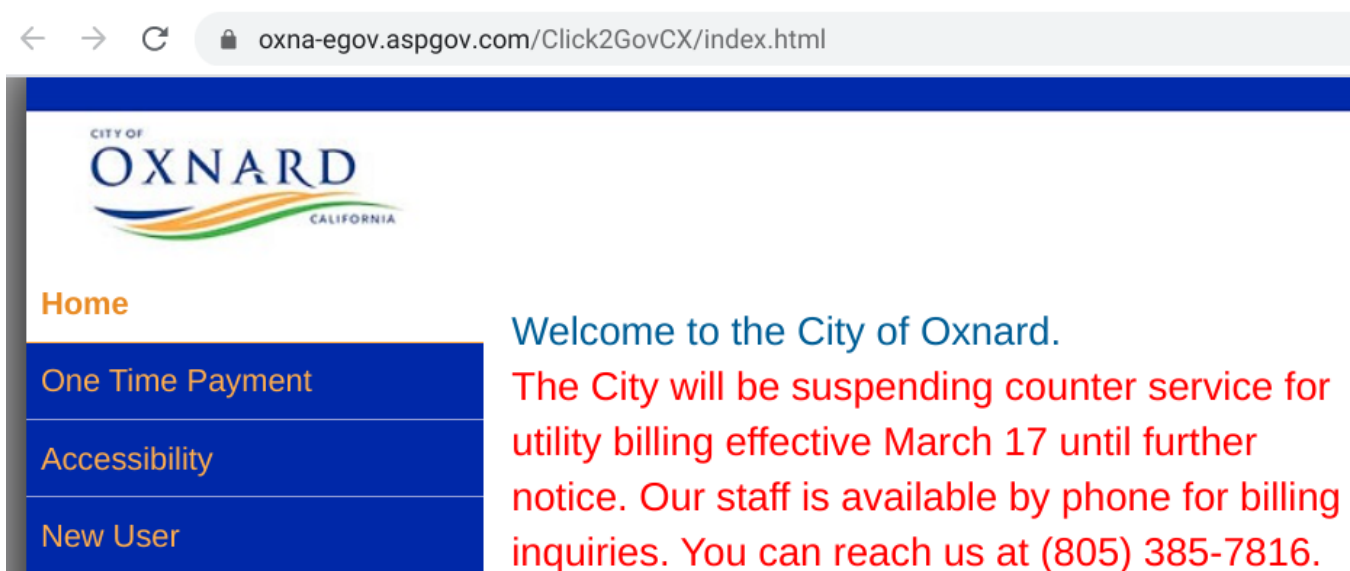
grandjury.countyofventura.org

R-01 **Attachment** - Examples of Secure Web-Site Protocols (HTTPS) in use on the City of Oxnard website and online payment system.

SECURE HTTPS



SECURE HTTPS





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R-03 **Attachment** - Email verifying Federal Cybersecurity program signup and a screenshot of the program.

6/16/2020

City of Oxnard Mail - Welcome New User (Confirmation Required)



Austin, Ken <ken.austin@oxnard.org>

Welcome New User (Confirmation Required)

1 message

U.S. Department of Homeland Security

<departmentofhomelandsecurity@messages.dhs.gov>

To: ken.austin@oxnard.org

Tue, Jun 16, 2020 at 2:57 PM

Important:

You have subscribed to updates from U.S. Department of Homeland Security. For security reasons it is required that you confirm your request now by following this link:

[Confirm Sign-up to U.S. Department of Homeland Security Updates Now.](#)

If this account was created without your knowledge or you otherwise do not wish to keep it, no action is required. Unconfirmed accounts will be removed automatically.

If you are concerned about preventing unauthorized use of your account, please add a password to your U.S. Department of Homeland Security [subscription preferences](#).

Update your subscriptions, modify your password or e-mail address, or stop subscriptions at any time on your [Subscriber Preferences Page](#). You will need to use your e-mail address to log in. If you have questions or problems with the subscription service, please contact [subscriberhelp.govdelivery.com](#).

This service is provided to you at no charge by the [U.S. Department of Homeland Security](#).



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grandjury.countyofventura.org

R-04 **Attachment** - Email verifying subscription to Cybersecurity Infrastructure Security Agency.



Austin, Ken <ken.austin@oxnard.org>

NCCIC RFI number INC000010293069

1 message

soc@us-cert.gov <soc@us-cert.gov>
 To: ken.austin@oxnard.org
 Cc: soc@us-cert.gov

Mon, Jun 8, 2020 at 4:28 AM

Sir / Maam,

The CISA Service Desk would like to follow up with you to ensure that you received all the requested NCATS services information forms. If you have received all the requested forms then please disregard this message. Please feel free to contact ncats_info@hq.dhs.gov for a status update on your submitted application or any questions regarding NCATS services.

Respectfully,

CISA Service Desk
 Cybersecurity and Infrastructure Security Agency (CISA)
 CISA Integrated Operations Coordination Center (CIOCC)
 Unclassified Phone: 888.282.0870
 Unclassified Email: cisaservicedesk@cisa.dhs.gov / soc@us-cert.gov
 JWICS/C-LAN: ciocccustomerservice@dhs.ic.gov

RFI contents follows:

INC000010293069 submitted by ken.austin@oxnard.org on 5/28/2020 1:22:41 PM

Status: Resolved



Grand Jury
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 Ventura, CA 93009
 (805) 477-1600
 Fax: (805) 658-4523

grandjury.countyofventura.org

R-06 **Attachment** - Screenshot of signed MOU with VCCCD for internships.

Agreement No. 7722-16-IT

MEMORANDUM OF UNDERSTANDING BETWEEN
Ventura County Community College District – Oxnard College

AND

City of Oxnard – Information Technology Department

This Memorandum of Understanding, referred to as the "Agreement," is entered into between Ventura County Community College District - Oxnard College referred to as the "District", and City of Oxnard – IT Dept. referred to as the "Facility."

This agreement pertains to an Internship Program at the Facility, wherein students in Computer Networking/IT will obtain IT work experience under the supervision of City of Oxnard IT personnel, as part of their cooperative work experience training. Students in this internship Program may be referred to as "Interns" or "Trainees", as suits their level of training and experience.

WHEREAS, the Facility has work experience training opportunities available in Information Technology; and

WHEREAS, work experience is an elective of the Institution's Computer Networking/IT curriculum; and

WHEREAS, the District desires the cooperation of the Facility in the implementation of the cooperative work experience phase of its Computer Networking/IT curriculum; and



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R-07 Attachment and Response - Screenshot of National Institute of Standards and Technology (NIST) compliant Cybersecurity Framework document implemented by our Enterprise Resource Planning vendor, CentralSquare.

Notes: CISA (Cybersecurity and Infrastructure Security Agency) assistance in process as recommended. Cyber Liability insurance is secured with all tech related contracts.



Cybersecurity Program Overview

The CentralSquare Cybersecurity Program implements a series of comprehensive physical and logical controls that align with the NIST Cyber Security Framework and standards to provide a secure, layered defense for all hosted information. CentralSquare maintains annual Payment Card Industry (PCI) and Statement on Standards for Attestation Engagements (SSAE18) compliance through a series of ongoing assessments and security testing performed by a PCI Qualified Security Assessor and AICPA auditor. Adherence to these standards ensures all controls are met specific to access, transmission, processing, and storage of data.

Grand Jury

800 South Victoria Avenue

Ventura, CA 93009

(805) 477-1600

Fax: (805) 658-4523

grandjury.countyofventura.org

county of ventura

May 21, 2020

Confidential

Tim Flynn, Mayor
City Council, City of Oxnard
300 West 3rd Street
Oxnard, CA 93030

Received
Office of the City Manager
2020 MAY 21 AM 11:44

Dear Mayor Flynn:

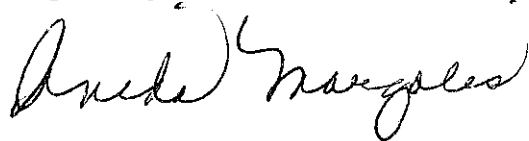
The Ventura County Grand Jury has completed the attached report titled *Cybersecurity Strategies for Cities in Ventura County*. This copy of the report is being provided to you two days in advance of its public release, as required by California Penal Code §933.05 (f), which states:

A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

Please check the last page of text of the report for the timing of your response, if any, as required by the Penal Code. Section 933.05 of the Penal Code is attached for your reference. Also attached is a form for your responses to Grand Jury findings, conclusions and recommendations.

Please keep in mind that this report must be kept confidential until its public release by the Grand Jury.

Respectfully,



Anida Margolis, Foreperson
2019-2020 Ventura County Grand Jury

2019 - 2020 Ventura County Grand Jury



Final Report Cybersecurity Strategies for Cities in Ventura County

April 17, 2020

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Cybersecurity Strategies for Cities in Ventura County

Summary

During 2019 targeted cyberattacks on local governments increased across the nation. Half resulted in ransomware demands. As the reports of these attacks on cities unfolded, it became clear that better preparation could have assisted those cities to avoid major and costly data breaches.

Due to the challenges of limited budgets, increasing cybersecurity attacks, the digital revolution and a competitive recruiting environment, cities would benefit from free or low-cost federal government backed assistance to defend against these challenges.

Within Ventura County (County) there are 10 incorporated cities (Cities). The 2019-2020 Ventura County Grand Jury (Grand Jury) investigated cybersecurity strategies of the Cities to assess the degree each City was prepared to defend against data breaches and ransomware and identify opportunities to implement improvements. The Grand Jury is mindful of the need not to disclose vulnerabilities of, or otherwise increase the potential for an attack on, an information technology system of a City. Therefore, this report does not detail any specific cybersecurity vulnerabilities that may have been discovered during the Grand Jury's investigation.

Since each City has varying circumstances, resources and readiness, the Grand Jury recognizes there is no perfect solution to cybersecurity or defense against cyberattacks. The Grand Jury recommends the following measures be adopted to bolster the Cities' cybersecurity and potentially decrease cybersecurity expenditures:

- Implement trustworthy website addresses
- Use free federal services for cyber risk assessments, cybersecurity evaluations, incident assistance coordination and cyber exercises/training
- Use cooperative group purchase programs
- Partner with local educational institutions and federal programs to recruit cybersecurity interns or graduating students
- Require cyber liability insurance of the Cities' IT vendors
- Develop and test cyber incident response, disaster recovery and business continuity plans
- Implement federal cybersecurity best practices
- Implement the California Cyber Security Integration Guidance for Teleworkers

While the Grand Jury investigation focused on the Cities, it suggests that similar strategies be considered by the County government and its agencies as well as independent districts. These include libraries, community colleges, county hospitals, schools and harbor, airport and water districts.

Background

Recent national and local news reporting alerted the Grand Jury to cities across the United States falling victim to hacking attacks with increasing frequency. Often attackers used malware to block access to a city's computer systems and demanded payment to unblock them. (Ref-01)

Cyberattacks

Attackers often target small organizations that have few resources to defend themselves. This can apply to cities, school districts, libraries, water districts, harbors and airports. (Ref-02, Ref-03) In 2019 at least 140 local government agencies nationwide were hit by ransomware. (Ref-04)

One published study reported more than 50 ransomware attacks against cities between January and June of 2019. Half of the victims were cities with fewer than 50,000 residents. (Ref-01) Cyberattacks against cities increased during the latter half of the year. In December alone malware attacks resulted in disruption of essential services in the cities of Pensacola, Florida; New Orleans, Louisiana; Galt, California; and St. Lucie, Florida. (Ref-05)

Nationally, 44% of local governments reported that they experienced cyberattacks on an hourly or daily basis. However, 28% of local governments did not know how often they were attacked, 41% did not know how often they were breached and 54% did not catalog or count attacks. (Ref-02)

Cities and attackers are in a never-ending game of cat and mouse as malware techniques constantly change to evade defenses.

- As local governments increasingly back-up electronic files to defend against ransomware, more attacks involve Trojan horse malware. Trojan horse malware lies dormant on networks and sets itself up to cause as much damage as possible when the attack is triggered. The latent attack often destroys the back-ups along with the targeted data, requiring IT personnel to rebuild their systems.
- For some attackers, the Trojan horse attack is used as a diversionary tactic. The malware enters a victim's network, remaining undetected for weeks, while secretly stealing data and information. Then, the malware launches a ransomware attack to distract incident response teams regarding the attackers other activities. (Ref-06)

Attackers are expanding their targets to include the managed service providers that many smaller communities use to supply their technology needs. (Ref-07)

In 2017 and 2018, an online bill payment services vendor for two Cities was compromised by an outside attacker using malware. As a result, credit card information was stolen and used for fraudulent charges. (Ref-08)

Some attackers target electronic devices directly, infecting USB drives during production. When users buy the infected products and plug them into their computers, malware is automatically installed.

If a person can physically access a computer, they may use their own USB drive to steal information directly from that computer. Another security risk related to the use of USB drives is they are easily lost or stolen. If the information on the drive was not encrypted, anyone in possession of the USB drive would have access to the data on it. (Ref-09)

Costs of Cyberattacks

Costs of cyberattacks to victimized cities arise in numerous ways: operational downtime to government services (e.g. police, emergency response, fire and tax collection), citizen frustration with lack of services and financial impact. (Ref-10)

With no options left for recovery, some victimized public entities resorted to paying the attackers. The largest known single payout in a ransomware attack in 2019 was by the city of Riviera Beach, Florida. Officials approved a \$600,000 payment in Bitcoins to an attacker who seized control of its computers. (Ref-04)

In addition to ransom, there can be significant recovery costs. In just one example, Pensacola, Florida was hit with a ransomware attack in early December 2019. Although most of the data was quickly recovered, fearing a Trojan horse malware, city officials paid a professional services firm \$140,000 to assess how the attack occurred, whether malware remained in the city's network and if data was compromised during the incident. (Ref-11)

As insurance companies for local governments pay ransom demands, attacker ransomware demand amounts are increasing. Higher insurance premiums are expected to follow. (Ref-12)

Local taxpayers are concerned. An IBM Security Study in 2019 found that a majority of polled taxpayers throughout the United States see ransomware as a threat to their personal data and their city's data. At the same time, nearly 60% of U.S. citizens surveyed are against their local governments using tax dollars to pay ransoms. (Ref-13)

Cyber Defenses

Appendix-04 to this report itemizes federal government recommendations for preventative measures to protect local government computer networks from falling victim to a malware infection. The Federal Government also recommends taking preventative measures for handling USB drives. (Ref-09)

Cyber Risk Management

Many local government agencies operate in a server environment. As they seek to improve government functions by using state-of-the-art platforms and tools such as cloud computing, mobile devices and big data initiatives, there can be increased exposure to attacks and additional public privacy risks. Local government leaders will need to balance the risks and rewards of adopting cloud, mobile and big data technologies. They also will need adequate cybersecurity defenses if they are attacked, keeping public services running and avoiding paying hefty ransom demands. (App-05)

With these issues in mind, the Grand Jury elected to focus on examining the cybersecurity readiness of the Cities as they increasingly digitize government services and functions. The circumstances and challenges for each City are unique, so the solutions will vary.

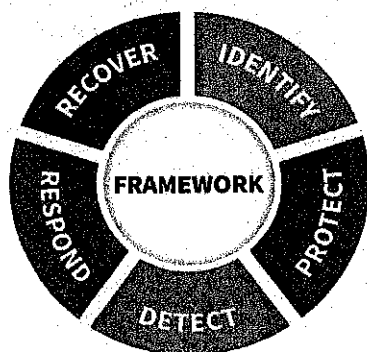
Methodology

The Grand Jury obtained information from the following sources:

- Internet research to gather relevant information from a variety of authoritative sources
- Interviews with local IT subject matter experts from September through November 2019
- Interviews with City officials and IT personnel within the County from October through November 2019
- Related documents provided by City officials

The Grand Jury's interview questions and document requests focused on the "Five Functions of the Cybersecurity Framework" (Cybersecurity Framework). This framework represents five key pillars of a successful and holistic cybersecurity program as developed by the U.S. Department of Commerce and used throughout the Federal government.

The Five Functions of the Cybersecurity Framework



NIST
National Institute of
Standards and Technology
U.S. Department of Commerce

(Ref-14)

The California Public Records Act Government Code Section 6254.19 protects from public disclosure a record that would reveal vulnerabilities to, or otherwise increase the potential for an attack on, an information technology system of a public agency. Therefore, the Grand Jury's report does not detail any specific cybersecurity vulnerabilities that may have been discovered during the Grand Jury's investigation. (Ref-15)

The Grand Jury appreciates the cooperation of local subject matter experts and City staff interviewed in the course of the investigation.

Facts

City Cybersecurity Awareness & Preparation in the County

- FA-01.** Attackers often target small organizations and cities that have few resources to defend themselves. (Ref-02, Ref-03)
- FA-02.** Cities are aware of the threat of cyberattacks and, to a varying degree, take active measures to reduce the risk in accordance with the Cybersecurity Framework. (Ref-14)
- FA-03.** On March 13, 2020, the California Cyber Security Integration Center issued a cybersecurity advisory titled Teleworking Quick Reference Guide. The guide highlights some security concerns and best practices end-users and network administrators should consider when implementing a teleworking program. (App-01)
- FA-04.** Not all Cities are implementing the teleworking best practices recommended by the California Cyber Security Integration Center. (Ref-16) (App-01)
- FA-05.** City managers and IT personnel provide ongoing cyber safety training and encourage personnel to take advantage of that training.

Collaboration within the County

- FA-06.** The Ventura County Executive Office created an informal network of City IT managers, thereby collectively elevating the level of the Cities' IT performance.
- FA-07.** City managers and IT personnel meet with their counterparts from other Cities on a regular basis to collaborate regarding cyberattacks.

City Web Addresses (URLs)

- FA-08.** The California Department of Technology and the National League of Cities recommend using .gov domain names and secure internet protocols. (App-01)
- FA-09.** Nine out of ten Cities use HTTPS (Hypertext Transfer Protocol Secure). Two out of ten Cities have .gov domain names. (App-03)

Cybersecurity Resources

- FA-10.** Cybersecurity and Infrastructure Agency
- The Department of Homeland Security (DHS) designated the Cybersecurity and Infrastructure Agency (CISA) to be the lead federal department to provide cybersecurity assistance to State, Local, Tribal and Territorial (SLTTs) government organizations. (App-02)
 - CISA provides SLTTs with a "one-stop shop" of free services for cyber risk assessments, cybersecurity evaluations, incident assistance coordination, cyber exercises/training and recommended best practices. (App-02)
- FA-11.** Only one City uses any of the free CISA resources. That City uses only one of the available resources.
- FA-12.** Among its many services, CISA operates the Protective Security Advisor (PSA) Program. PSAs are DHS-trained critical infrastructure protection and vulnerability mitigation subject matter experts. Upon request, these experts provide free cybersecurity advice and assistance to SLTTs. (App-02)
- FA-13.** Nine of the 10 Cities maintain their cyber infrastructure through the use of internal staff and/or hiring vendors, in each case without taking advantage of CISA assistance.
- FA-14.** By using just one free CISA service, the remaining City saved at least \$1,000 per month over five years. That City was not aware of the other available free CISA services.

- FA-15.** The DHS designated the nonprofit member driven Multi-State Information Sharing & Analysis Center (MS-ISAC) as its partner for sharing cybersecurity information with the SLTT governments. (App-02)
- FA-16.** MISAC also provides some fee-based cybersecurity services. (App-02)
- FA-17.** While all IT managers for the Cities are members of MISAC, less than half are members of MS-ISAC. Furthermore, only three Cities' IT personnel attended the MISAC 2019 Annual Conference. (Ref-17)
- FA-18.** Representatives from MS-ISAC provided information on available Federal cybersecurity resources at the 2019 MISAC conference. (Ref-18)
- FA-19.** More than 90 California cities hold memberships in MS-ISAC; two Cities in the County are members. (Ref-19)
- FA-20.** Of those Cities that use servers, hybrid cloud and cloud platforms, few take advantage of the cost-saving FedRAMP Moderate program to contract with cloud providers. (App-02)

Partnerships with Local Educational Institutions

- FA-21.** Some Cities partner with local educational institutions to develop internship opportunities and create a talent pool for cybersecurity or information technology. Those that do employ cybersecurity interns reported positive experiences and personnel cost savings.
- FA-22.** Three County higher educational institutions offer cybersecurity and internship programs:
- California Lutheran University (Ref-20)
 - California State University Channel Islands (Ref-21, Ref-22)
 - Moorpark College (Ref-23)

Information Technology Department Staffing

- FA-23.** Some Cities have difficulty recruiting and retaining IT staff. Salaries and benefits for City IT staff are not competitive with the private sector.

Cybersecurity Liability Insurance

- FA-24.** All Cities have cybersecurity liability insurance through the California Joint Powers Insurance Authority or other insurers.
- FA-25.** In addition to recommending cyber liability insurance for cities, the MISAC Security committee encourages MISAC members require their IT vendors have cyber liability insurance. (Ref-24)

City Budgets for Information Technology Services

- FA-26.** In reviews of budget documents, the Grand Jury found that five Cities have Information Services/Technology Departments line items in their adopted budgets. No City has a publicly viewable budget line item specifically for cybersecurity. (App-03)
- FA-27.** Two of the Cities anticipate spending over \$5 million on information services in the upcoming budget year. (App-03)

Cyber Incident Response and Disaster Recovery Plans

- FA-28.** In 2018, a major provider of cybersecurity policies conducted a survey of public and private-sector respondents. In that survey 91% of respondents were confident their companies had implemented best practices to avoid a cyber event. Yet, 55% admitted not completing a cyber-risk assessment, 62% had not developed a business continuity plan and 63% had not completed a cyber-risk assessment on vendors who have access to their data. (Ref-25)
- FA-29.** Not all Cities have comprehensive cyber incident response, recovery and business continuity plans.

Vendor Management

- FA-30.** Business and Intellectual Property Attorney Lisa M. Thompson advised in August 2019 that cities should defend against cybersecurity threats by conducting risk management assessments on all third-party vendors that have access to confidential data and interact with municipal networks and systems. In addition, she stated that cities should require all vendors provide security documentation. (Ref-26)
- FA-31.** Most Cities do not manage the cyber risk of third-party vendors.

Conclusions

- C-01.** While the Grand Jury recognizes each City is taking steps to implement cybersecurity and to defend against cyberattacks, it concludes there is no perfect solution to cybersecurity or defense against cyberattacks. (FA-01, FA-02, FA-03, FA-04, FA-05, FA-06, FA-07)
- C-02.** The Grand Jury concluded eight Cities are currently using suboptimal web addresses for their websites. (FA-08, FA-09)
- C-03.** The Grand Jury concluded generally Cities are not utilizing free federal and discounted federally aligned resources available to Cities to bolster their cybersecurity defenses. (FA-10, FA-11, FA-12, FA-13, FA-14, FA-15, FA-16, FA-17, FA-18, FA-19, FA-20)

- C-04.** The Grand Jury concluded cybersecurity staffing could be improved with more effective recruiting and staff retention practices. (FA-21, FA-22, FA-23)
- C-05.** The Grand Jury concluded Cities should manage cyber risks associated with vendors by requiring they provide annual documentation regarding cybersecurity insurance and cybersecurity practices. (FA-24, FA-25, FA-30, FA-31)
- C-06.** The Grand Jury concluded some Cities do not clearly identify expenditures regarding information technology or cybersecurity in their budgets. (FA-26, FA-27)
- C-07.** The Grand Jury concluded all Cities would benefit from comprehensive cyber incident response, recovery and business continuity plans. (FA-28, FA-29)
- C-08.** The Grand Jury concluded some Cities are not following the recommended best practices for teleworking published by California Cyber Security Integration Center (FA-03, FA-04)

Recommendations

- R-01.** The Grand Jury recommends Cities establish secure web addresses through the use of HTTPS or other such protocols. (C-02)
- R-02.** The Grand Jury recommends Cities establish trustworthy web addresses by following the California Department of Technology domain name taxonomy guidance. (C-02)
- R-03.** The Grand Jury recommends Cities utilize free federal and federally aligned cybersecurity services as set forth in Appendix 02 to supplement internal staff and/or replace vendor services whenever possible. (C-03)
- R-04.** The Grand Jury recommends Cities' IT staff subscribe to CISA updates online. (C-03)
- R-05.** The Grand Jury recommends Cities take advantage of discounted services and cooperative purchasing programs whenever possible. (C-03)
- R-06.** The Grand Jury recommends Cities develop personnel cost-saving opportunities and create a cybersecurity talent pool by recruiting interns or graduating students using: (C-04)
- The Scholarships for Service program described in Appendix 02
 - Local education institutions (high school, community college, private college and state university)

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- R-07.** The Grand Jury recommends Cities maintain good vendor management by: (C-03, C-05)
- Obtaining CISA assistance to conduct risk management assessments on all third-party vendors that have access to any confidential data or that interact with City networks and systems
 - Requiring all vendors provide cybersecurity documentation. As part of their ongoing third-party due diligence, Cities should evaluate vendors for compliance and risk on an annual basis
 - Requiring IT vendors obtain cybersecurity insurance.
- R-08.** The Grand Jury recommends Cities clearly identify expenses for their Information Services (Technology) Departments in their approved budgets. (C-06)
- R-09.** The Grand Jury recommends Cities develop and test cyber incident response, recovery and business continuity plans. (C-07)
- R-10.** The Grand Jury recommends Cities implement the best practices for teleworking as published by the California Cyber Security Integration Center. (C-08)
- R-11.** The Grand Jury recommends Cities develop a written plan for implementation of R-01 through R-10 prior to December 31, 2020.

Responses**Responses Required From:**

City Council, City of Camarillo (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08)
(R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

City Council, City of Fillmore (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08)
(R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

City Council, City of Moorpark (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08)
(R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

City Council, City of Ojai (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08)
(R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

City Council, City of Oxnard (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08)
(R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

City Council, City of Port Hueneme (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08)
(R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

City Council, City of Santa Paula (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08)
(R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

City Council, City of Simi Valley (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08) (R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

City Council, City of Thousand Oaks (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08) (R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

City Council, City of Ventura (C-01, C-02, C-03, C-04, C-05, C-06, C-07, C-08) (R-01, R-02, R-03, R-04, R-05, R-06, R-07, R-08, R-09, R-10, R-11)

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Glossary

TERM	DEFINITION
Attacker	Any individual or organization who attempts to destroy, expose, alter, disable, steal or gain unauthorized access to or make unauthorized use of an asset.
Big Data	A field that treats ways to analyze, systematically extract information from or otherwise deal with data sets that are too large or complex to be dealt with by traditional data-processing application software.
Bitcoin(s)	A decentralized digital currency without a central bank or single administrator that can be sent from user to user on the peer-to-peer bitcoin network without the need for intermediaries.
CIS	Center for Internet Security
CISA	Cybersecurity and Infrastructure Security Agency
Cities	The 10 incorporated cities in the County
County	Ventura County
Cyberattack	Any type of offensive maneuver that targets computer information systems, infrastructures, computer networks, or personal computer devices.
Cybersecurity	The protection of computer systems and networks from the theft of or damage to their hardware, software, or electronic data, as well as from the disruption or misdirection of the services they provide.
DHS	Department of Homeland Security
Encrypt	The process of encoding a message or information in such a way that only authorized parties can access it and those who are not authorized cannot.
FedRAMP	The Federal Risk and Authorization Management Program. A U.S. government-wide program that provides a standardized approach to security assessment, authorization and continuous monitoring for cloud products and services.
FedRAMP Moderate	The California administered FedRAMP

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Grand Jury	2019-2020 Ventura County Grand Jury
HTTPS	Hypertext Transfer Protocol Secure
IT (Information Technology)	The use of computers to store, retrieve, transmit and manipulate data information. Typically used within the context of business operations as opposed to personal or entertainment technologies. All hardware, software and peripheral equipment operated by a limited group of users, as in "IT Department."
Malware	Any software intentionally designed to cause damage to a computer, server, client, or computer network. By contrast, software that causes unintentional harm due to some deficiency is typically described as a software bug. A wide variety of malware exists, including computer viruses, worms, Trojan horses, ransomware, spyware, adware, and scareware.
MISAC	The Municipal Information Systems Association of California
MS-ISAC	Multi State Information Sharing and Analysis Center
NIST	National Institute for Standards and Technology (U.S. Department of Commerce)
NSF	National Science Foundation (administers SFS)
Server	A computer that provides data to other computers.
SFS	CyberCorps Scholarships for Service
SLTT	State, Local, Tribal and Territorial Governments; includes special districts (e.g. Libraries, airports, water districts, harbors, etc.)
USB Drive	A data storage device that includes flash memory with an integrated USB interface. It is typically removable and rewritable.
URL	Colloquially termed a "web address," is a reference to a web resource that specifies its location on a computer network and a mechanism for retrieving it. A URL (Uniform Resource Locator) is a specific type of Uniform Resource Identifier (URI), although many people use the two terms interchangeably.

Appendices

- App-01. A Compilation of Best Practices from Authoritative Sources
- App-02. Cybersecurity Resources
- App-03. City Budgets
- App-04. Federal Government Cybersecurity Recommendations for SLTTs
- App-05. State of the Art Platforms and Tools

Appendix 01

A Compilation of Best Practices from Authoritative Sources

A Compilation of Best Practices from Authoritative Sources	
Source	Recommendation
<u>California Department of Technology</u> Internet Domain Name Taxonomy Preparation Instructions in the Statewide Information Management Manual – Section 40A https://cdt.ca.gov/wp-content/uploads/2017/05/SIMM-40A-Internet-Domain-Instructions.pdf	Each city government domain name should be "cityof" followed by the name of the city OR the name of the city followed by "city.ca.gov" OR in the case that there is no county with the same name, just the name of the city followed by ".ca.gov". Each county government domain name should be "countyof" followed by the name of the county OR the name of the county followed by "county.ca.gov" OR in the case that there is no city with the same name, the name of the county followed by ".ca.gov"
<u>National League of Cities</u> Protecting Our Data: WHAT CITIES SHOULD KNOW ABOUT CYBERSECURITY https://www.nlc.org/sites/default/files/2019-10/CS%20Cybersecurity%20Report%20Final.pdf	Convert to .gov domains in order to prevent impersonators of municipal services from targeting residents.
<u>United States Senate</u> <u>DOTGOV Online Trust in Government Act of 2019 (S.2749)</u> https://www.hsgac.senate.gov/media/minority-media/peters-johnson-klobuchar-and-lankford-introduce-bipartisan-bill-to-strengthen-cybersecurity-for-local-governments	The bill sponsors note that it can be difficult to identify a legitimate website when a government uses a .com, .org, or .us domain name. The sponsors note that when local governments don't use the .gov domain, it allows cybercriminals to more easily impersonate government officials in order to defraud the public and get people to share sensitive information. The bill helps the transition to a .gov domain name to be more affordable for local governments by making the change an allowable expense under DHS's Homeland Security Grant Program.
<u>DHS – CISA</u> https://www.cisa.gov/insights https://www.us-cert.gov/ncas/tips/ST18-006	Phishing emails and the use of unencrypted Hypertext Transfer Protocol (HTTP) remain persistent channels through which malicious actors can exploit vulnerabilities in an organization's cybersecurity posture. Attackers may spoof a domain to send a phishing email that looks like a legitimate email. At the same time, users transmitting data via unencrypted HTTP protocol, which does not protect data from interception or alteration, are vulnerable to eavesdropping, tracking and the modification of the data itself.
<u>CISA – Cyber Essentials Infographic</u> https://www.cisa.gov/sites/default/files/publications/19_1105_cisa_Cyber-Essentials.pdf	Cyber Essentials Infographic Guide for Leaders and IT Professionals.

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<u>CISA – Recommendations for Incident Response Plans, Recovery Plans and Business Continuity Plans</u> https://www.cisa.gov/sites/default/files/publications/19_1106_cisa_CISA_Cyber_Essentials_S508C_0.pdf	• Develop an incident response and disaster recovery plan outlining roles and responsibilities. • Test the plan often. • Leverage business impact assessments to prioritize resources and identify which systems must be recovered first. • Learn who to call for help (outside partners, vendors, government/industry responders, technical advisors and law enforcement). • Develop an internal reporting structure to detect, communicate and contain attacks. Leverage in-house containment measures to limit the impact of cyber incidents when they occur.
<u>California Cyber Security Integration Center Guidance for Teleworkers (3/13/20)</u> https://www.caloes.ca.gov/LawEnforcementSite/Documents/Cal-CSIC_Advisory_Teleworking%20Guidance.pdf	Teleworking Quick Reference Guide. Teleworking requires additional network security and user considerations. This document highlights some of the security concerns and best practices end-users and network administrators should consider when implementing a teleworking program.
“Cybersecurity Best Practices for Municipalities”, New Hampshire Municipal Association, by Lisa M. Thompson, August 2019 https://www.nhmunicipal.org/town-city-article/cybersecurity-best-practices-municipalities	City vendors should provide cybersecurity documentation to the cities. As part of their ongoing third-party due diligence, cities should evaluate vendors for compliance and risk on an annual basis.

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Appendix 02

Cybersecurity Resources

Cybersecurity Resources	
Source	Service
<u>CISA</u> https://www.cisa.gov/sites/default/files/publications/2019-CSSS-CISA-Regional-Services-508.pdf, slides 10 and 15. CISA was established within Homeland Security in 2018 by the Cybersecurity and Infrastructure Security Agency Act of 2018 to coordinate efforts to address cybersecurity threats to critical infrastructure by working with private companies as well as state and local governments. https://www.cisa.gov/about-cisa	Provides SLTTs with a “one-stop shop” of free services for cyber risk assessments, cybersecurity evaluations, incident assistance coordination, cyber exercises/training, and best practices.
<u>CISA – Assessments</u> https://www.cisa.gov/about-cisa	CISA offers a range of free cybersecurity assessments that evaluate operational resilience, cybersecurity practices, organizational management of external dependencies, and other key elements of a robust cybersecurity framework. CISA's cybersecurity assessment services are offered solely on a voluntary basis and are available to SLTTs upon request.
<u>CISA – Infrastructure Security Division</u> <u>Protective Security Advisor (PSA) Program</u> https://www.dhs.gov/cisa/protective-security-advisors	PSAs are trained critical infrastructure protection and vulnerability mitigation subject matter experts who facilitate local field activities in coordination with other Department of Homeland Security offices. They advise and assist state, local and private sector officials and critical infrastructure facility owners and operators.
<u>Local CISA Protective Security Advisor</u> https://www.cisa.gov/sites/default/files/publications/PSA-Program-Fact-Sheet-05-15-508.pdf	The DHS has a free Protective Security Advisor in the Camarillo, California, Office of Homeland Security.

Cybersecurity Resources	
Source	Service
<u>CISA – “Cyber Essentials”</u> https://www.cisa.gov/sites/default/files/publications/19_1105_cisa_CISA-Cyber-Essentials.pdf	On November 6, 2019, CISA launched “Cyber Essentials” in an effort to equip small organizations with basic steps and resources to improve their cybersecurity.
<u>CISA’s Cyber Essentials</u> https://www.cisa.gov/blog/2019/12/12/get-your-city-cyber-ready-cisas-cyber-essentials https://www.cisa.gov/sites/default/files/publications/19_1106_cisa_CISA_Cyber-Essentials_S508C_0.pdf	In a December 12, 2019 blog on the CISA website Bradford Willke wrote “CISA intends for this to be the first of many ‘Cyber Essentials’ product releases. In the coming months, we will be developing a toolkit that provides users with additional detail on each Essential and links them to helpful resources for implementation. We will also continue to engage with partner organizations to get the word out about the ‘Cyber Essentials’ and collaborate with us in developing the toolkit.”
<u>The National League of Cities</u> “What Cities Should Know About Cybersecurity” https://41g41s33v added2vc05w415s1e-wpengine.netdna-ssl.com/wp-content/uploads/2019/10/NLC_CybersecurityReport.pdf	The report is intended to be a guide to help local governments understand their cybersecurity vulnerabilities and how they can improve security practices.
<u>CIS</u> https://www.cisecurity.org/about-us/ https://www.cisa.gov/partnership-engagement-branch	A nonprofit, member driven organization formed in 2000. Its mission is to identify, develop, validate, promote, and sustain best practice solutions for cyber defense. CIS operates the MS-ISAC program which is designated by DHS as the cybersecurity Information Sharing and Analysis Center (ISAC) for SLTT governments to share information between government and industry.

Cybersecurity Resources	
Source	Service
<u>MS-ISAC</u> https://www.cisecurity.org/blog/cis-securesuite-membership-free-for-u-s-slts-what-you-need-to-know/	In 2018 MS-ISAC's CIS SecureSuite membership became free to SLTT governments in the United States.
<u>MISAC</u> https://www.misac.org/	Founded in 1980, MISAC is comprised of public agency information technology professionals working throughout California. On its website MISAC states it promotes the understanding and strategic use of information technology within local government agencies through sharing of best practices. MISAC is a member based organization that serves as an advisor to the League of California Cities. It does not have a relationship with DHS.
<u>MISAC – Security Committee</u> https://www.misac.org/news/407088/MISACs-New-Security-Committee-Up-and-Running.htm	Promotes three best practices that municipalities can implement to stay on top of their organization's cybersecurity: 1. Cyber liability insurance 2. Cyber for Internet Security (CIS) Controls 3. Multi-State Information Sharing & Analysis Center (MS-ISAC) membership. Joining MS-ISAC is free to municipal government IT operations.
<u>GovLaunch</u> https://govlaunch.com/	A national free, private platform for any verified employees of local government to share details of their projects or initiatives. It is a website where local governments can find out what technology their peers are turning to and how they're using it.

Cybersecurity Resources	
Source	Service
<u>FedVTE</u> niccs.us-cert.gov/training/federal-virtual-training-environment-fedvte	FedVTE is a free, online, on-demand cybersecurity training system managed by DHS that is available to SLTT government personnel. It contains more than 800 hours of training on topics such as ethical hacking, surveillance, risk management and malware analysis. Resource benefits include: • Diverse courses – The program offers more than 300 demonstrations and 3,000 related materials, including online lectures and hands-on virtual labs. • Certification offerings – Offerings include Network +, Security +, Certified Information Systems Security Professional (CISSP), Windows Operating System Security and Certified Ethical Hacker. • Experienced instructors – All courses are taught by experienced cybersecurity subject matter experts.
<u>CIS CyberMarket</u> https://www.cisecurity.org/services/cis-cybermarket/	CIS's collaborative purchasing program that serves SLTT organizations, not-for-profit entities, and public health and education institutions to improve cybersecurity through cost-effective group procurement. The objective of the CIS CyberMarket is to combine the purchasing power of governmental and nonprofit sectors to help participants improve their cybersecurity environment at a lower cost than they would have been able to attain on their own.

Cybersecurity Resources	
Source	Service
<u>General Services Administration Cooperative Purchasing Program</u> https://www.gsa.gov/technology/technology-products-services/it-security https://www.gsa.gov/buying-selling/purchasing-programs/gsa-schedules/schedule-buyers/state-and-local-governments/cooperative-purchasing	Allows SLTTs to purchase IT and security products and services offered through GSA's negotiated contracts. The advantage for eligible users of the GSA Cooperative Purchasing Program is that vendor services and products can be procured at the lowest possible price with the assurance that contractors are qualified to sell to the federal government.
<u>FedRAMP Moderate</u> https://www.fedramp.gov/ https://cdt.ca.gov/wp-content/uploads/2019/01/2018-Annual-Report_FINAL_accessible.pdf, p. 12 https://cdt.ca.gov/wp-content/uploads/2019/09/TA_18-05.pdf	A U.S. government program that establishes a standardized approach for validating that cloud services are secure. FedRAMP offers independent, third-party validation of a cloud provider's security posture and a standardized approach to security assessments, authorization and continuous monitoring for cloud products and services. It is administered by the states. Available to all California cities and counties. This single state contract provides cloud services to government customers at discounted prices of up to 9.5%, with additional volume discounts available for select providers. Service providers include Amazon, Microsoft and IBM.
<u>California's Cybersecurity Task Force</u> https://www.caloes.ca.gov/cal-oes-divisions/cybersecurity-task-force/task-force-subcommittees	While not currently providing direct cybersecurity support to California's cities, this task force may be a future resource.

Cybersecurity Resources	
Source	Service
<u>The National Science Foundation</u> https://www.sfs.opm.gov/	Administers the Federal SFS program which is an effective recruiting tool for SLTTs. Upon graduation, scholarship recipients are required to work as cybersecurity professionals for a period equal to the length of their scholarship. The CyberCorps scholarship assists in funding the typical costs incurred by full-time students while attending a participating institution, including tuition and education and related fees. The scholarships are funded through grants awarded by the National Science Foundation in partnership with DHS and the Federal Office of Personnel Management (OPM). City hiring Managers and Human Resources Consultants interested in recruiting from the SFS program can gain access to this candidate pool by contacting the program office at sfs@opm.gov.

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Appendix 03

City Budgets

City Budgets

City of Camarillo Adopted 2018-2020 [2 years] Budget

<https://www.cityofcamarillo.org/Finance/Budget/City%20of%20Camarillo%202018%20-%202020%20Budget.pdf>, p. 56

City of Fillmore, CA Adopted Operating Budget 2019-20

<https://www.fillmoreca.com/home/showdocument?id=5431>

City of Moorpark, CA Operating and Capital Improvement Projects Budget Fiscal Year 2019–2020

<https://www.moorparkca.gov/DocumentCenter/View/9589/F-201920-Budget?bidId=>, pp. 87-91

City of Ojai, CA Adopted Municipal Budget 2019–2020

<https://ojaicity.org/the-adopted-municipal-budget-for-fiscal-year-2019-2020-now-online/>, p. 35

City of Oxnard Adopted Budget Fiscal Year 2019-2020

https://www.oxnard.org/wp-content/uploads/2019/10/FINANCE_ADOPTED_Budget_Book_19_20.pdf, pp. 152–155

City of Port Hueneme FY 2019-21 Operating Budget

<https://www.ci.port-hueneme.ca.us/DocumentCenter/View/2953/OperatingBudget-19-20-and-20-21?bidId=>

City of Santa Paula 2019-2020 Fiscal Year Budget

<https://spcity.org/209/Financial-Reports>

City of Simi Valley FY2019-20 Adopted Budget

<https://www.simivalley.org/home/showdocument?id=21214>, pp. 97, 98

City of Thousand Oaks Adopted Operating Budget Fiscal Years 2019-2020 & 2020 – 2021

<https://www.toaks.org/home/showdocument?id=22064>

City of Ventura Adopted Budget

<https://www.cityofventura.ca.gov/DocumentCenter/View/18416/FY-2019-20-Adopted-Budget?bidId=>

Appendix 04

Federal Government Cybersecurity Recommendations for SLTTs

Federal Government Cybersecurity Recommendations for SLTTs

- Implement an awareness and training program emphasizing awareness of the threat of ransomware and how it is delivered. Because end users are targets, employees and individuals should be aware of the threat of ransomware and how it is delivered.
- Enable strong spam filters to prevent phishing emails from reaching the end users and authenticate inbound email using technologies like Sender Policy Framework (SPF), Domain Message Authentication Reporting and Conformance (DMARC), and Domain Keys Identified Mail (DKIM) to prevent email spoofing.
- Scan all incoming and outgoing emails to detect threats and filter executable files from reaching end users.
- Configure firewalls to block access to known malicious IP addresses.
- Patch operating systems, software, and firmware on devices. Consider using a centralized patch management system.
- Set anti-virus and anti-malware programs to conduct regular scans automatically.
- Manage the use of privileged accounts based on the principle of least privilege: no users should be assigned administrative access unless absolutely needed; and those with a need for administrator accounts should only use them when necessary.
- Configure access controls—including file, directory, and network share permissions— with least privilege in mind. If a user only needs to read specific files, the user should not have write access to those files, directories, or shares.
- Disable macro scripts from office files transmitted via email. Consider using Office Viewer software to open Microsoft Office files transmitted via email instead of full office suite applications.
- Implement Software Restriction Policies (SRP) or other controls to prevent programs from executing from common ransomware locations, such as temporary folders supporting popular Internet browsers or compression/decompression programs, including the AppData/LocalAppData folder.
- Consider disabling Remote Desktop protocol (RDP) if it is not being used.
- Use application whitelisting, which only allows systems to execute programs known and permitted by security policy.
- Execute operating system environments or specific programs in a virtualized environment.
- Categorize data based on organizational value and implement physical and logical separation of networks and data for different organizational units.

Source: CISA, "Ransomware, What It Is and What To Do About It"
https://www.us-cert.gov/sites/default/files/publications/Ransomware_Executive_One-Pager_and_Technical_Document-FINAL.pdf

Appendix 05

State of the Art Platforms and Tools

State of the Art Platforms and Tools		
Tool	Risks	Rewards
Mobile Devices	• Information breach from lost or stolen devices • Unclear data ownership due to both personal and private usage of devices • Additional endpoints to manage	• Increased accessibility to data anywhere and anytime • Consistent methodologies of data collection
Cloud Computing	• Compromised confidential data • An unauthorized user obtaining information • Insiders circumventing security and releasing private information	• Improved collaboration and continuity • Increased accessibility to information and resources • More opportunities for increased business agility
Big Data Initiatives	• Volumes of data expose organizations to more risks and threats • Challenging to stay ahead of attacks • Harder for agencies to be proactive in spotting big data vulnerabilities	• Identifies relationships, patterns and threats traditionally not seen • Real-time data can stop fraud and attacks faster than traditional data processing • Big data can increase secure operations and meet compliance requirements

Source: Government Technology

<https://media2.govtech.com/images/symantecinfographicnewfinalsmall.jpg>

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**CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.8**

DATE: July 29, 2020

TO: City Council

FROM: Scott Whitney, Police Chief, (805) 385-7624, scott.whitney@oxnardpd.org

SUBJECT: City of Oxnard Response to the Ventura County Grand Jury's Report on Detention Facilities.

RECOMMENDATION

That the City Council authorize the Mayor, the City Manager, and the Police Chief to respond, on behalf of the City Council, to the Grand Jury's "Annual Detention Report" dated April 8, 2020. (Public Safety Committee approved 2-0)

BACKGROUND

The 2019-2020 Ventura County Grand Jury recently published their annual report on detention facilities within the County of Ventura.

Each year the Grand Jury reviews all detention facilities within the County of Ventura. These reviews are conducted by making unannounced inspections of all law enforcement detention facilities. The inspections include a site visit to and physical inspection of each facility, a review of operational policies and procedures, and a review of all required certifications.

The Police Department currently has a temporary holding facility, which is staffed by civilian personnel, supervised by a police sergeant and managed by a police commander.

The Grand Jury found that the facility was clean, well monitored, odor free, and well lit. The cell floors had been resurfaced and repaired recently due to substantial deterioration. The facility had an Automated External Defibrillator (AED) and first aid kit. All certifications were current for fire and health inspections. The policy and procedures were available to all personnel via Lexipol.

All mandatory procedures for juveniles, including maintaining separation from adult detainees were followed. Detailed logs recorded all juvenile detentions.

There were no items that required corrective action.

The City is required to respond to the report in 90 days via the form included as Attachment 2.

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

There is no financial impact.

COMMITTEE OUTCOME

The Public Safety Committee approved 2-0 (Ramirez absent due to schedule conflict) on July 14, 2020, to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Alex Arnett, Police Commander

ATTACHMENTS

1. 2020 Response to Grand Jury Report Form
2. 2020 Grand Jury Annual Detention Report

Response to Grand Jury Report Form

Report Title: Grand Jury Annual Detention Report

Report Date: April 8, 2020

Response by: Alexander Nguyen
Scott Whitney

Title: City Manager
Police Chief

Recommendation

- I (we) agree with the findings numbered: ALL
- I (we) disagree wholly or partially with the findings numbered:
 Statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.

RECOMMENDATIONS

- None

Date: _____

Signed: _____
 Tim Flynn, Mayor

ATTEST:

 Michelle Ascencion, City Clerk

Date: _____

Signed: _____
 Alexander Nguyen, City Manager

Date: _____

Signed: _____
 Scott Whitney, Police Chief

Number of pages attached: 0

2019 - 2020 Ventura County Grand Jury



Final Report

Annual Detention Report

April 8, 2020

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Annual Detention Report

Summary

Pursuant to authority granted in California Penal Code Section 919(b), the 2019-2020 Ventura County Grand Jury (Grand Jury) Inquired into the conditions and management of the several detention facilities in Ventura County (County). The Grand Jury inspected the following detention centers:

- Ventura County Juvenile Facilities
- Pre-Trial Detention Facility operated by the Ventura County Sheriff's Office (VCSO)
- Todd Road Jail operated by VCSO
- East County Jail operated by VCSO
- Ventura County Sheriff's Office Holding Facility
- All city holding facilities in Camarillo, Fillmore, Moorpark, Ojai, Oxnard, Port Hueneme, Santa Paula, Simi Valley, Thousand Oaks and Ventura
- Ventura Youth Correctional Facility

The Grand Jury concluded that, due to the participation of the Ventura County Probation Agency in the Juvenile Detention Alternative Initiative, the Ventura County Juvenile Facilities has significant underutilized space. The Grand Jury also concluded the Pre-Trial Detention Facility and the Todd Road Jail have reduced their respective populations to within normal facility capabilities which is in excess of the State rating. Although expansion of the Todd Road Jail facility to provide medical and psychological treatments during confinement was planned to be completed in 2020, construction had not yet begun. The planned expansion will add 64 beds for chronically and mentally ill adult inmates.

The Grand Jury concluded that County jails and city detention facilities are generally in satisfactory condition, although the detention facilities of the Santa Paula Police Department and the Oxnard Police Department were found to be in need of repair. Through Measure T, the Santa Paula Police Department now has funding to retrofit and expand its holding facility. The Ventura Youth Correctional Facility is operated by the State of California and the Grand Jury concluded the facility appeared generally safe but in need of maintenance and repairs.

There is no uniform policy at VCSO's detention facilities with regard to recording of inmate telephone communications, including communications to attorneys, medical providers and family members. The Grand Jury encourages a uniform policy be developed for all VCSO's detention facilities.

Background

Pursuant to California Penal Code Section 919(b), the Grand Jury is required to inquire into the condition and management of the public prisons within the County. The Grand Jury carried out this mandate by conducting announced and unannounced visits and inspections. All inspections occurred prior to December 1, 2019.

Methodology

The California Board of State and Community Corrections (BSCC) disseminates regulations for juvenile and adult detention facilities, conducts inspections and administers public safety related grant funding. Prior to each of the inspections, the Grand Jury completed the following tasks to fulfill its mandate:

- Devised a rating sheet for the facilities based on the BSCC Minimum Standards for Local Detention Facilities, California Code of Regulations, Titles 15 and 24
- Conducted witness interviews
- Researched websites
- Reviewed past Grand Jury reports
- Reviewed reports issued by the BSCC, Department of Justice, California Department of Corrections and Rehabilitation and the California Division of Juvenile Justice
- Scheduled inspections of the Ventura County Juvenile Facilities (Juvenile Facilities), Todd Road Jail (Todd Road), the Pre-Trial Detention Facility (Main Jail), East County Jail and the Ventura Youth Correctional Facility (VYCF) that included walk-throughs, discussions with staff and review of the documents listed below, followed by a debriefing of all participating Grand Jury members
- Conducted unannounced inspections of the Ventura County Sheriff's Office Holding Facility (VCSO Holding Facility) and all city holding facilities.

The Grand Jury reviewed the following documents during the inspections:

- Average Daily Population Report
- Incident Report Log
- Risk assessment tool and booking procedure criteria
- Classification Plan

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- Policy and Procedure manuals
- Most recent inspections from the Fire Marshall and Health Inspector
- Juvenile detention logs and procedure documentation
- Inmate and youthful offender grievance logs

Findings**Ventura County Juvenile Facilities**

The Juvenile Facilities are operated by the Ventura County Probation Agency (VCPA). Construction was completed in 2003. Renovations have occurred and currently the facility is in excellent condition. It sits on a five-acre parcel in the community of El Rio. The Juvenile Facilities were designed to house male and female juvenile offenders over the age of 11 years, as both a short term (Detention) and long term (Commitment) facility. The following describes the differences between these two types of confinement.

	Detention	Commitment
Function	Provides temporary custody for those in need of short term removal from the community and/or are awaiting transfer to another location or to another jurisdiction	Court ordered commitments up to one year
Population capacity	240	180
Average population	31-40	77-88
Education available (Providence High School)	Classes held in residential units; no co-ed	Co-ed classrooms
Living quarters	Separate dorms for male and female; housed with gender of self-identification	Separate dorms for male and female; housed with gender of self-identification

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Since 2002, VCPA has participated in the Juvenile Detention Alternative Initiative through a grant funded by the Annie E. Casey Foundation. In collaboration with the juvenile court judges, local law enforcement, public defender and district attorney's office, the detainee population was reduced utilizing risk-based criteria for booking and detention alternatives including community confinement, home supervision and electronic monitoring programs.

While in custody, detainees are provided academic classes through Providence High School, a fully accredited high school where a high school diploma can be obtained and/or credits can be earned that will transfer to other educational institutions. Detainees are provided coursework that tracks their appropriate middle school or high school curriculum, as well as career training.

In addition to the core academic courses, Commitment youths may participate in an array of vocational and personal interest programs, including art, computer, silk screening, broadcasting, construction, music, dog training, sports, yoga, chess, and landscaping. The programs are used as an incentive as opposed to being punitive. For each detainee, there is a weekly meeting with representatives of Ventura County Behavioral Health, VCPA and school staff to discuss progress and programs. There is also a transition specialist who works with each youth leading to transition to outside school or employment. The teacher to student ratio is a maximum of 15, often being no more than one to eight.

Each housing unit includes a common room where meals are provided as well as a separate sleeping area for each detainee. Assignment to units is based on an assessment at booking for mental health, physical/medical condition and risk of harm to self or others. There are three safety cells that have padded walls and no other contents, to be used when there is a need to isolate a detainee for risk behavior. In the safety cells, a check is made every 15 minutes by staff, with a review of status every four hours. Generally, approximately 50% of detainees are gang affiliated, but there is no separation based on those affiliations.

Medical, dental and behavioral health practitioners are on site most times: nurses at all times, a medical doctor four times weekly, a dentist twice weekly, a dental assistant thrice monthly and a behavioral health specialist as needed.

The detainees can have two one-hour visits per week with parents, grandparents or an alternative person who serves as a positive role model. Additionally, twice weekly phone privileges are given based on an account set up by a relative or guardian. A warning at the beginning of the call informs both the

caller and the recipient of the call that their conversation is being recorded. Calls to attorneys, when requested, are free and not recorded.

Pre-Trial Detention Facility

The Main Jail was opened in 1980 and is operated by the VCSO. The VCSO processes more than 29,000 bookings and releases each year. It accepts arrested individuals from every law enforcement agency in the County. The location is adjacent to the Ventura County Government Center Hall of Justice and an underground tunnel connects the two facilities for purposes of moving detainees into the courtrooms.

The facility has four floors. Movement between floors is by elevator and controlled by a deputy. The capacity of the Main Jail is 890 individuals. At the time of inspection the population was 756. Females are booked at this facility and transported to Todd Road for continuing custody. There are three levels of classification of detainees: general, violent and protective custody. There is no special handling of undocumented individuals and no contact with federal immigration authorities.

At the time of inspection, the building appeared to be generally well maintained. It was free of odors, litter, graffiti or unsafe conditions of any kind. Toilets, sinks, bunks, mattresses and other items were in good working order and appearance. Operations overall appeared to be efficient and well-staffed. The lobby is large and serves both the VCSO Holding Facility and the Main Jail itself. The Main Jail portion has a large room with substantial seating to accommodate visitors. The lobby for the VCSO Holding Facility side has a bin for prescription drug drop off, which was locked and required a deputy to unlock for deposits. Signage on the bin, describing the required procedure, is bilingual. Drugs are to be placed in provided plastic bags rather than original packaging. Signage throughout the lobby is bilingual. A bilingual receptionist was available. Other languages can be accommodated for communication with visitors through phone services.

The intake area on the first floor is secure for vehicles arriving with detainees. Upon arrival, detainees are immediately searched in front of a wall and intake paperwork started. Each detainee must submit to a medical review with a nurse and is medically classified by questionnaire. Questioning is in Spanish as well as English or by phone if requiring other languages. Subsequently, body areas are photographed for identifying tattoos, and the detainee is fingerprinted and DNA tested, if not done in earlier bookings. Sections of the intake center are dedicated to body cavity searches, showers and issuance of standard orange jail clothes. Classification of detainees is made by one officer, who then makes

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housing assignments based on the level of alleged crime, attitude, risk and health evaluations. An automated external defibrillator (AED) and bleeding control kit were present.

There are multiple cells where detainees are placed during the booking process. Included are sobering rooms which have padded walls, do not have bunks or benches and have a toilet/sink/fountain unit. There are two safety cells that have padded walls but no bunks or furniture. Toilet facilities in the safety cell are simply a grated hole in the corner. If water is requested by a detainee, it is brought to the detainee in a cup.

Deputies behind glass control doors monitor and control doors into and out of all areas, including the elevators. There are several floors with areas of detainment. Each area consists of cells adjacent to a large common room equipped with metal tables and benches. Each cell has two bunks, a toilet/sink/faucet unit and a single concrete round bench. Books are limited to religious material. Television is provided in the mental health common quad. There is one separate room in the jail with a computer, called the legal library, where a detainee can research legal matters. There are shower areas where detainees are required to shower at least weekly.

There are outdoor wire cages on the fourth floor, allowing detainees to get sunshine and exercise for up to thirty minutes per week, based on good behavior. There is a separate area set up for jail visits, equipped with phones on each side of windowed cubicles. Up to two adult visitors and one minor may visit at a time.

Trustees in the facility prepare and deliver food. They also work in the property room and laundry. They do not work outside of the facility. Special meals can be prepared to accommodate food allergies or other health concerns. Otherwise, all detainees receive the same meal.

Educational programs at the Main Jail include English as a Second Language (ESL) classes and high school equivalency courses. Religious services and Narcotics Anonymous and Alcoholics Anonymous meetings are also available.

In the last year there was a report of one death by murder, one death by suicide and one death of a court released detainee. There was one attempted suicide. There were no escapes or attempted escapes.

Several interview rooms are available where the detainee can communicate in private with a bail bondsman or attorney, as well as rooms with phones where calls to bondsmen could be made. There are two large cells, each large cell has

two phones. All calls on these phones are monitored by Securtus, a separate contracted service. Their operators decide whether an attorney call is being made based on a list of approved telephone numbers of attorneys. If the call is to one of those telephone numbers, no recording is made. All other phone calls are recorded. If there is a request for one of those recordings, a person in VCSO listens to the recording. If the recorded call is to an attorney, the call will be erased. A call from the intake phone was made by a Grand Juror, verifying that there is a message heard by both the caller and recipient announcing the fact of recording and monitoring. Additionally, all areas of the jail are under audio-visual recording; the recorded information is stored on disk for two years.

Todd Road Jail

Todd Road was constructed in 1995 and sits on 157 acres of agricultural land in a rural area between the cities of Ventura and Santa Paula. It is also operated by the VCSO. The facility is clean, well maintained and includes bilingual signage throughout. The State rated capacity of Todd Road is 796 inmates, but at the time of inspection the population was 846, consisting of 213 females and 633 males. Approximately 112 of those inmates are State prison inmates returned to the County as a result of California AB 109. To accommodate the excess capacity, 60 to 80 beds have been placed in common areas as opposed to in cells.

Todd Road currently is planned to undergo expansion. The \$61 million project will add a total of 64 beds; 32 for chronically ill inmates and 32 for mentally ill inmates. Completion of the project is scheduled for the spring of 2021, but at the time of the Grand Jury inspection, ground had not been broken. Currently, all psychological watch and violent inmates are housed at the Main Jail.

Commitment of sentenced individuals is in six sections, each having four housing units. The housing units have 16 two-bunk locking cells attached to a common area. Each cell has a toilet/sink/fountain unit. Showers are attached to the common room. There are two temporary holding or safety cells, checked every 15 minutes with review by a psychologist every four hours. These cells are padded, without a bench, bed, toilet or water source. There is a drain in the floor. Water is provided on request. Special cells can be set up for those with disabilities. There is also an outside exercise area with basketball hoops.

Todd Road offers vocational training classes including print shop, sewing and computer skills. There is a culinary training program where an inmate may earn a certificate of completion. Programs are geared toward cognitive behavioral restructuring in an effort to reduce recidivism, currently estimated at 50%. Trustee work groups of male inmates are allowed to work in an adjacent citrus

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orchard with instruction in landscape and gardening. Women are allowed to work in a packing commissary for the entire County jail system. The trustees also work in the laundry, which provides services for the entire County jail system.

The medical staff is present at all times. Medications and prescription drugs are provided as needed. In spite of search efforts, including the use of dogs, illicit drugs still manage to enter the facility. Most recently digital imaging has been employed but that process is time consuming. When illicit drugs are found, they are handled as evidence, sent to the Crime Lab or Property Division of the VCSO and then ultimately sent for destruction.

East County Jail

The East County Jail is included on the lower level of a VCSO facility in Thousand Oaks, consisting of two units. One unit is for detention of detainees. It has 10 locked cells with bunks and mattresses. Blankets and pillows are supplied when occupied. Each cell has a toilet/sink/fountain unit with hot/cold ability. The cells open to a large common area with tables and chairs. All cells were neat and clean at the time of the inspection.

The East County Jail has a booking area where urine and blood samples are taken and stored, including DNA samples. The booking area also includes a photographing area where tattoos and other body appearances are recorded, as well as a fingerprint area and a reception area where paperwork is done. Jail attire is also provided there. Detainees are transported daily to the Main Jail for the purpose of court appearances. Only two deputies were present at the time of the Grand Jury inspection, neither of whom was bilingual, although they indicated they had some limited knowledge of Spanish. A telephone translation service can be used for other languages if needed.

The second unit of the facility is for housing trustees. They are kept in custody from 7:00 PM to 7:00 AM. During the daytime, the trustees work outside the facility on assigned projects for the VCSO, such as gardening and car washing. There is limited supervision while the trustees are outside working. Trustees do not work outside the facility on Saturdays or Sundays.

The trustee housing unit consists of two bunk rooms, each with 12 bunks. At the time of the Grand Jury inspection, nine individuals were in custody; none were present during the inspection. The unit has a common room with tables, a kitchen, library, exercise equipment and a half-court basketball court. Meals are prepared by the staff at the Main Jail, frozen, then sent to the East County Jail. Two inmates are assigned to the kitchen to heat and serve the meals and keep

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the kitchen clean. The common area had a clean and tidy bathroom with sink, toilet and shower. There is a visiting area on this level, with glass between the inmate and his visitor, as well as a phone for conversation. These communications are not recorded. Visits are limited to 20 minutes.

In the first unit there are two cells with a telephone and bilingual signage. There is no signage advising that telephone calls are recorded, but the detainee is given a written bilingual sheet, explaining that calls are recorded, as well as information about charges and use. A pin number is assigned that needs to be entered by the inmate to make calls out and have the call charged to him. The East County Jail personnel declined to assign a pin number to a member of the Grand Jury enabling the use of the phone for an assessment of what message is given on the call to an outside person notifying them the call is being recorded. The Grand Jury was advised the recipient of the call is given a message that the call is from a jail facility and being recorded. The Grand Jury was told all phone calls, including those to attorneys, are recorded.

Ventura County Sheriff's Office Holding Facility

VCSO has a detention facility adjacent to the Main Jail in the Ventura County Government Center in Ventura. The VCSO Holding Facility shares a lobby with the Main Jail and has limited space and facilities. Adult detainees are held very briefly, primarily for investigative interviews, and then walked to the Main Jail for booking.

A receptionist is located behind a glass enclosed desk facing the lobby. As mentioned above for the Main Jail, there is a locked deposit box for disposal of prescription drugs in the common lobby. There is bilingual signage in the lobby and throughout the facility.

The VCSO Holding Facility has three cells which lock but were set up as small interview rooms, furnished with only a table and chairs. Each table has a ring mechanism to facilitate handcuffing a detainee to the table. At the time of the inspection, the entire facility was clean, well maintained and odor free.

Juveniles brought to the facility are seated at a table in a common room and kept under constant observation. Juveniles are either immediately taken to the Juvenile Facilities or returned to their parents. There were no juvenile detentions in the last year.

The Grand Jury reviewed all required documentation. In the last year there had been no deaths, suicides, attempted suicides, medical events, accidental injuries, escapes or attempted escapes.

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While there is bilingual signage within this facility indicating that a detainee would be entitled to telephone communication, it was reported by deputies that adult detainees are not allowed telephone use at this point, but would need to wait until they are booked into the Main Jail.

Camarillo Police Department

The Camarillo Police Department is staffed by the VCSO and the facility serves as both the police department for the City of Camarillo and a VCSO sub-station. The building, grounds and parking are clean and well kept. The Grand Jury inspection found no odors, graffiti or other visual problems with the site. The inside of the building is well maintained. The station business hours are 8:00 AM to 5:00 PM, with a phone located outside for calls after hours to dispatch, with signage explaining the use in English only. The lobby is large, containing comfortable furniture throughout. There is signage in English but little in Spanish. There is an unlocked prescription drug drop-off bin, open to the public, but signage explaining its use and the exclusion of sharps was only in English. A receptionist was not on duty at the front desk but upon approach a person appeared to offer assistance.

Detainees are pre-booked in the detention portion of the building prior to being sent to the Main Jail. The detention portion does not have cells. There is a large room with a bench on one side, allowing for a detainee to be handcuffed to a bench leg. During the Grand Jury inspection, there was one detainee so detained. A booking bench and desk with computer are in the same room. One side of the room has a counter with supplies in cupboards. A bathroom, with shower, is adjacent and a detainee may use these facilities. Detainees will be given water and snacks if requested. An AED and bleeding control kit were present.

The one juvenile detention room is not equipped for the possible use of restraints, but rather for continuous observation by an officer. No pillow, blanket or mattress was observed. It was stated that clothing will be provided if the detainee's clothing was soiled or needed for evidence.

For the second year in a row, documentation for the facility could not immediately be located. Finally, a juvenile log was located and reviewed, showing no juvenile detentions over three hours. Most entries showed juveniles given to the custody of their parents.

A fire report was faxed to the Grand Jury at a later date indicating some signage problem, with a correction order and invoice showing the corrections had been

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made. It was indicated that other documentation was at the VCSO, Ventura office. This was later examined at that location and found to be in order.

Being a VCSO sub-station, policies and procedures are available through LEXIPOL, a nationally recommended computer-based set of police procedures that are also available in patrol cars. Representation was made that in the last year there had been no deaths, suicides, attempted suicides, medical events, accidental injuries, escapes or attempted escapes.

A phone is present in the booking portion of the detention center, but there is no signage regarding phone call regulations or notification of recording of calls. If a private conversation is requested, a cell phone may be used.

Fillmore Police Department

The Fillmore Police Department is staffed by the VCSO. The lobby is open during business hours, 8:00 AM to 5:00 PM, with a phone outside for calls to dispatch after business hours. The signage, in English only, provides instructions for use of the phone. The lobby is small, with chairs for waiting patrons; it is clean and free of graffiti and odors. Bilingual signage is not provided in the lobby. There is a depository for disposal of prescription drugs, but a depository for sharps is not provided. The Grand Jury was informed that there are usually bilingual officers and cadets in the station. Adults are usually detained for only a short time, booked and transported by the arresting officer to the Main Jail. Medical needs of detainees are handled at the Main Jail. An AED and a first aid kit were present in the booking area.

The holding cells are two large rooms, one with a bench that is within the booking area. No mattresses or bunks are provided. There is a separate bathroom with a drain. On inspection, these appeared to be well maintained, clean and free of odors and graffiti. There is no separate sobering/safety cell.

Separate cells are not provided for juveniles, but they are kept separated from adults. Juveniles are placed in the conference room where they can be observed at all times. If requested, water and snacks are available. A change of clothes or jail attire is supplied as needed. Any juvenile arrested under the influence of drugs or alcohol is immediately transported to Santa Paula Hospital, an extension of the Ventura County Medical Center (VCMC) and the closest hospital to the facility. Juveniles are usually released to a parent; some are sent to the Juvenile Facilities.

Review of documents revealed a current BSCC report as well as current fire and health inspection reports. A grievance log is not kept. Review of the juvenile log did not show any actual holdings of more than two hours. Department policies and procedures are available through LEXIPOL. Since the last inspection there

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have been no deaths, suicides, attempted suicides, medical events, accidental injuries or escapes. There was one attempted escape, but the individual got only as far as the outside door.

There is a phone present in the booking area. Phone calls are not recorded, however, there would be an officer right next to the detainee making the call, providing no real privacy. The sign on the wall of the detention room regarding phone use was in English only.

Moorpark Police Department

The Moorpark Police Department is staffed by the VCSO. The Highway Patrol also occupies the same building and shares the lobby. The reception windows are not clearly identified as to which one is for each agency. The lobby has both chairs and benches and, at the time of the Grand Jury inspection, a receptionist was not present but one could ring a bell for assistance. Some signage in the lobby area is bilingual. The lobby has a prescription drug collection receptacle with bilingual instructions and plastic bags supplied for the drugs to be deposited.

The detention center has no locked holding cells, but consists of two small rooms, each with a bench equipped with a metal ring that could be used to secure a handcuff. The booking area is adjacent. An arresting officer remains with any detainee while in the station. Adults are usually detained a short time, booked and then transported by the arresting officer to the Main Jail. If a detainee has medical needs, they are sent to the Main Jail or VCMC.

There is no separate cell for juveniles, but they are separated from adults. Juveniles are seated in a separate room on a chair and are under observation by a deputy. Food, water and extra clothing are available if needed. Juveniles are usually released to a parent; some are sent to the Juvenile Facilities. One incident was described where a juvenile was acting unstable, apparently under the influence of an unknown substance. He was secured by handcuffs and observed. Review of the juvenile log showed one held for 4 1/2 hours. Most juveniles are held for less than two hours. It was noted that documentation was not well organized. For example, single forms were used for multiple dates, making it difficult to determine what information belonged to what date.

The Grand Jury was provided with a current BSCC report, health inspection and fire report. There was no grievance log, however it was indicated verbally to the Grand Jury that a complaint could be filed at the Main Jail, communicated by internet or mailed. Policies and procedures are available through LEXIPOL. Since

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the last inspection, there had been no deaths, suicides, attempted suicides, medical events, accidental injuries, escapes or attempted escapes.

Phone calls are normally recorded, but a phone is available that is not recorded if a detainee requests a private communication. There is no signage explaining phone use.

Ojai Police Department

The Ojai Police Department is staffed by VCSO. The Grand Jury was informed at the time of inspection that next year the building exterior is scheduled for painting and landscaping. The station has a small, clean and well maintained reception area, with business hours of 8:00 AM to 5:00 PM. A phone outside the lobby connects to dispatch after hours. No bilingual signage was noted in the building; the receptionist and several officers are bilingual. The lobby contains a prescription drug disposal deposit box.

The holding cells consist of two small rooms each with a bench that could be used to secure a handcuffed detainee. Each cell has its own toilet/sink unit and a drain. No mattresses or bunks are provided. There is no separate sobering cell. Adults are detained for a short time. The booking area is adjacent to the holding cells. Detainees are booked and then transported by the arresting officer to the Main Jail. Medical needs are handled at the Main Jail or VCMC. An AED and first aid kit were present in the detention.

Juveniles are always separated from adult detainees. There are no separate cells for juveniles. They are seated in a separate room on a chair and are under observation by a deputy. Cots, blankets, food and clothes are provided if necessary. Juveniles are usually released to a parent, but some are sent to the Juvenile Facilities.

The Grand Jury was provided a current BSCC report, health inspection, fire inspection and juvenile log. Review of the juvenile log did not show any actual holdings more than two hours. There is no grievance log; the Grand Jury was informed that a complaint by a detainee can be filed at the Main Jail. The policies and procedures of the Department are available through LEXIPOL. Since the last inspection, there had been no deaths, suicides, attempted suicides, medical events, accidental injuries, escapes or attempted escapes.

The detention area has a sign on the wall in English describing phone procedures. Phone calls are not recorded, but there is audio-visual recording of all actions and conversations in the cells and other locations in the building. If a detainee wants personal attorney time, an interview room will be made available and the recording turned off.

Oxnard Police Department

The Oxnard Police Department is independent from the VCSO and maintains its own station and detention facility. The building is well maintained, free of trash, graffiti and odors. The lobby is large with numerous comfortable chairs and has a reception area with personnel behind a glass enclosure. Bilingual officers were present on the premises. The lobby is open 8:00 AM to 5:00 PM. An outside telephone is available with bilingual instructions for contacting dispatch. There are bilingual announcements on boards around the lobby as well as in other areas of the building. Among other displayed pamphlets, the Grand Jury noted a pamphlet for "At Risk/Dependent Person Service". This service allows one to register a dependent person who might wander off and become lost.

The lobby has a receptacle for prescription drug disposal with bilingual instructions. The drugs to be discarded must first be accepted by the desk officer who will open the locked receptacle. Unique to this station is the requirement that prescription drug disposals are accepted from Oxnard residents exclusively, and proof of residency must be shown to the assisting officer.

The detention area consists of six cells for adult detainees, each with a bench and water fountain/toilet unit. Officers reported they have problems with inmates falling off the benches and sleeping under the benches. The floors in two cells were substantially deteriorated. The Department was in the process of making repairs. Upon re-inspection a month later, the floors in both cells had been resurfaced. The detention area otherwise was clean, well maintained, odor free and well lit. An AED and first aid kit were present.

Review of the juvenile log revealed that juveniles averaged one hour holding at the facility with none over six hours. Most are either released to a parent or sent to the Juvenile Facilities. Juveniles are kept separate from adult detainees in a room without restraints and under constant observation by an officer. Kits including food, water and blankets are available, as well as spare clothing if needed.

Documentation was available and appeared to be in order, including the juvenile detention log, fire and health inspection reports, BSCC report and an AED log on-line. There was no grievance log. The Department policies and procedures are available through LEXIPOL. Since the last inspection, there had been no deaths, suicides, attempted suicides, medical events, accidental injuries, escapes or attempted escapes.

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Adult detainees are afforded the opportunity to make phone calls, but all calls are recorded and monitored. Juveniles are allowed unrecorded use of a cell phone.

Port Hueneme Police Department

Port Hueneme Police Department maintains an independent police station, housed in the same facility as the Port Hueneme City Hall offices. A common lobby serves both facilities and is open from 8:00 AM to 5:00 PM. The lobby area is clean, free of odors and has extensive seating and well-kept floors and walls. The lobby contains two bins for disposal of prescription drugs and sharps. Signage on each is bilingual. Additional bilingual announcements on the walls included, but were not limited to, fraud announcements for seniors, including information on phone fraud, coastal clean-up, human trafficking and pet adoptions for veterans. Bilingual forms for making citizen grievances were also available.

At the time of the Grand Jury inspection, a receptionist was not present. On the lobby wall is a red button that connects to a dispatcher to request police assistance. Instructions for its use were in English. On the date of the Grand Jury inspection, the only employee on site was a dispatcher. The Grand Jury was informed that generally three to four officers, including the dispatcher, are on duty but not necessarily in the station. It was unclear how many uniformed officers, if any, occupy the detention center at any one time. There are bilingual officers, including the dispatcher.

The holding cells consist of three small locked cells. One cell is designated as a safety cell and has padded material on the walls and floor with a single mattress and blanket on the floor. The second cell has no furniture. The third cell has two sets of bunk beds with mattresses. This cell also has bars set back from a door, creating a smaller area. Other than the safety cell, the cells have their own fountain/toilet unit, which operated when tested. All cells have floor drains. In the booking area there is another cell that has a bench with a pole for handcuffing, a reach-through opening for use of a phone, photographic equipment and fingerprinting apparatus. A first aid kit but no AED was present.

Adults are usually detained a short time, booked and transported by the arresting officer to the Main Jail. Water and extra clothing are available in the detention center. Detainees' medical needs are handled at the Main Jail or at VCMC. There was one injury report associated with an ambulance transport.

Juveniles are always separated from adult detainees. They are held in a separate unlocked room furnished with a couch and are under constant observation. If a juvenile requests food during detention, an officer will go to a

fast food establishment nearby. Review of the juvenile log did not show any actual holdings more than 5 hours, 45 minutes. The average juvenile detention time was under an hour; most were released to parents although some were sent to the Juvenile Facilities.

The BSCC, health, fire and safety reports were up to date. Department policies and procedures are available through LEXIPOL. Since the last inspection, there had been no deaths, suicides, attempted suicides, medical events, accidental injuries or attempted escapes.

Phone calls from the detention facility are not recorded, but there is audio-visual recording of all actions and conversations in the cells and other locations in the building. If a detainee wants personal attorney time, he or she is put in the interview room and the recording is turned off. There is a bilingual notice on the wall of the detention facility indicating phone calls can be made.

Santa Paula Police Department

The Santa Paula Police Department is independent from the VCSO and maintains its own station and detention facility in a building separated from other City offices. Overall the building is older than other detention facilities inspected by the Grand Jury. It is generally clean but in poor condition and limited in size. The lobby is very small, contains minimal signage and it was noted the carpeting was frayed, which could be a trip hazard. Decaying wall materials were noted. There was no odor problem. A receptacle for used prescriptions is located in the lobby. Signage on the receptacle explaining its use is in English only. The receptionist was bilingual. Lobby hours are 8:00 AM to 5:00 PM. A phone, with instructions in English only, is present outside the lobby for after-hours contact with dispatch. Many of the officers are bilingual; other interpretive services are available by phone.

Detention cells in the building are locked and contain bunks, mattresses, benches and tables. Cells have an operative sink/fountain/toilet unit. Cells do not have floor drains. An AED and first aid kit were present.

Juveniles are held in a conference room under constant observation by an officer. Unruly juveniles are handcuffed to a chair. Food and water are available. Review of the juvenile detention log showed none were held over two hours. Most were released to their parents; a few were sent to the Juvenile Facilities.

The Department policies and procedures are available through LEXIPOL. The Grand Jury was shown up to date BSCC, health and fire inspection reports. Since the last inspection, there had been no deaths, suicides, attempted suicides,

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escapes or attempted escapes. There was one injury report associated with an ambulance transport.

The Department has one resource officer for Santa Paula High School and the middle schools in the City. Officers have engaged in active shooter training with the schools.

The detention area has a sign on the wall in English indicating phone calls can be made. Phone calls are not recorded, but there is audio-visual recording of all actions and conversations in the cells and other locations in the building. If a detainee wants personal attorney time, an interview room will be made available and the recording turned off.

Simi Valley Police Department

The Simi Valley Police Department is independent from the VCSO and maintains its own station and detention facility. Located in the Civic Center area of Simi Valley, it is adjacent to the Ventura County Simi Courthouse and Simi Valley City offices. This facility is of relatively new construction with extensive parking on site. The building has a pleasant lobby with ample seating and wide areas throughout the building. The entire building is well maintained, free of any trash, graffiti or odors. Most signage throughout the building is in English. The office hours are 8:00 AM to 5:00 PM. A receptionist is present and available in the lobby. For after-hours calls to dispatch, a phone is provided with instructions in English.

A slot with a locked door is built into a lobby wall for disposal of prescription drugs. However, because it is locked it is necessary to ask the officer at the front desk for assistance. A plastic bag is provided into which the drugs are transferred prior to putting them into the slot. There are five to 10 bilingual officers on the premises or available by phone. Simi police cooperate with other departments if language services or female officers are needed to assist with detainees.

There are six holding cells with locked doors and a small window and drawer opening on each door. Each cell has a bunk with a mattress. A toilet/fountain unit is provided. There is a drain in the floor. The detention area has a shower. Food is available along with blankets. Clothing is also available if the detainee's clothes are needed for evidence. All cells are well maintained, clean, free of odors and well lit.

Adults are usually detained a short time, booked and transported by the arresting officer to the Main Jail. Medical needs of detainees are handled at the Main Jail or VCMC.

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Juveniles are separated from adult detainees and kept in a cell under audio-visual observation. It has a limited window that would not allow a seated person nearby to see a detainee in the cell. There is a bench next to the officers' desks with a ring for handcuffs that is available if a juvenile is violent. It was indicated that most juvenile detainees spent little time in custody and are released to a parent or sent to the Juvenile Facilities.

Medical needs of detainees are most often handled at the Simi Valley Hospital, which is the closest facility. Otherwise, a person could be sent to the VCMC, 45 minutes away. If food is requested, an officer will obtain it from a vending machine or by a trip to one of the fast food restaurants close by.

The Department policies and procedures are available through LEXIPOL. The Grand Jury was shown up to date BSCC, health and fire inspection reports. All are digitized as well as paper copied. The juvenile report had only two detentions in the last year; one juvenile was a runaway. That individual was held for two hours. The other detention of a juvenile was for 40 minutes and then released to a parent. Since the last inspection, there had been no deaths, suicides, attempted suicides, medical events, accidental injuries, escapes or attempted escapes.

There is bilingual signage regarding placing phone calls. Although there are phones available, detainees are not usually afforded the opportunity to make phone calls. Phone calls are not recorded. For communications with a personal attorney, there is a secure interview room not recorded either by audio or video. There is audio-visual recording of all actions and conversations in the cells and other locations in the building. Officers also have body cameras issued with audio-visual equipment.

An item of note is that the Simi Valley Police Department has held active shooter training sessions not only with the schools but also with religious and community centers as a community outreach.

Thousand Oaks Police Department

The Thousand Oaks Police Department is staffed by the VCSO. The facility serves as both the police department for the City of Thousand Oaks and a VCSO sub-station for areas of the unincorporated County. It contains a jail facility in the basement, earlier described as East County Jail.

The lobby is large, with slat wood benches provided for guests. The area was clean, free of graffiti and odors. The reception desk was not occupied, but on approach an assistant did appear. The lobby has stairs to the lower level

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housing the East County Jail, where a visitor can have a conference with an inmate. Signage throughout the building is bilingual. Business hours are 8:00 AM to 5:00 PM with an outside phone for calls to dispatch, including bilingual signage. Inside there is a receptacle for disposal of prescriptions, which is open for deposit. The instructions are bilingual. There is a separate receptacle for proper disposal of U.S. flags. Signage at that receptacle is in English.

The Police Station portion of the building has no actual cells. There are interview rooms which lock, each containing a table where a person could be handcuffed. These rooms have an adjacent bathroom which is locked and requires a deputy to unlock for both entry and exit or to accompany the detainee into the bathroom. There are showers and in the restroom the sink and toilet were operative, clean and odor free. None of the rooms has a bunk, bed, pillow or mattress. There is no separate sobering cell. No water fountains are present, but if water is requested a bottle will be provided. An AED and bleeding control kit were present.

There is one juvenile detention room with a narrow wooden bench and a window allowing an officer at the booking desk to constantly observe the juvenile. No pillow, blanket or mattress is available. Snacks can be provided from the officers' cafeteria area. It was indicated that jail clothing can be provided if the detainee's clothing is soiled or needed for evidence. Most juveniles are returned to a parent.

The BSCC report was reviewed. Documentation of health and fire inspections was requested but not provided. Review of the juvenile log showed one juvenile detainee was held over six hours with an explanation in the log. There were other juveniles held for five hours, and one for five hours and 59 minutes.

As a VCSO sub-station, the facility's policies and procedures are available through LEXIPOL. Representation was made that in the last year there had been no deaths, suicides, attempted suicides, medical events, accidental injuries, escapes or attempted escapes.

No phone is present for detainees to use.

Ventura City Police Department

The Ventura Police Department is independent from the VCSO and maintains its own station and detention facility, sharing a site with the Ventura City Fire Department headquarters. At the time of the Grand Jury inspection, the common waiting room for both departments was found to be clean with adequate seating for patrons. There was no depository for prescription drugs; one officer indicated all patrons wishing to dispose of used prescription drugs

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are directed to the VCSO in the Ventura County Government Center. Another officer stated the drugs would be taken by an officer in a clear plastic bag, delivered to the property room and then sent for destruction in bulk. Lobby business hours are 8:00 AM to 5:00 PM. A telephone outside the lobby, with bilingual signage, is provided to contact dispatch after hours. Other than signage outside, no bilingual signage was seen in the lobby or throughout the building.

The detention center includes three small locked enclosures, one of which is a safety or sobering cell with a floor drain but no furniture or sink/toilet unit. A second cell has a metal bunk, without mattress, pillow or blanket. That cell did have a working toilet/sink/fountain unit. A third, larger locked room has a wooden bench with handcuffs on each side. At the time of inspection, the detention cell area was clean, well maintained and free of odors. An AED and first aid were present.

There are no separate cells for juveniles. In an area on the second floor, near detective work stations, there is an office with a desk and chairs where a juvenile is held with the door open, under constant observation by an officer. There is a second office with a couch and chairs, usually a victim's room, where a juvenile could also be detained. Both rooms are under audio-visual surveillance. Food and water are made available to detained juveniles. If a blanket is requested, it is taken from a patrol car. The majority of juveniles are held a short period and then released to parents.

The Grand Jury inspected the fire and health reports, juvenile logs and BSCC reports which were current. The facility's policies and procedures are available through LEXIPOL. It was represented that since the last inspection, there had been no deaths, suicides, attempted suicides, medical events, accidental injuries, escapes or attempted escapes.

Detainees are not usually afforded the opportunity to make phone calls. They are told they may request a phone call at the Main Jail, which is where detainees are sent after booking. However, phones are available and phone calls made are not recorded. There is an overhead audio-visual system recording all actions and conversations in cells and throughout the detention center. All officers wear body cameras with the same capability.

Ventura Youth Correctional Facility

The Grand Jury also inspected the Ventura Youth Correctional Facility (VYCF), which is a State operated commitment facility for youth between the ages of 16 and 25 years, located in Camarillo, California. Most of the youths at VYCF are from Los Angeles, Riverside and San Bernardino counties. The usual

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commitment is about 20 months. This facility is currently under the California Department of Corrections and Rehabilitation, but as of July 1, 2020 will be the responsibility of the California Health & Human Services Agency. The goal is to prepare the youth for a successful re-entry into the general outside population. Each youth is given a plan for the commitment which leads to re-entry, involving parents and counseling whenever possible.

The VYCF campus is over 110 acres and includes 12 housing units of which eight are currently in use. A ninth housing unit will soon be opened to allow an increased population to 300 youths. The grounds reflect the age of the facility and lack of maintenance. The walkways are cracked and lifted. There is an unused fenced area that appears to have been a basketball court. The Grand Jury was informed that the pool is no longer in use because of cracks, deteriorated surface and old mechanical equipment.

Currently there are 240 youths, of which 30 are females. With a staff of about 400, this VYCF campus is the only state youth facility in Southern California. Two additional facilities are located in Northern California. An intake unit is being readied for use, which will allow intake of some youth residents who will eventually be sent to a Northern California facility.

At intake, youths are evaluated for medical issues, mental health, education, and risk. The facility has full medical, dental, ophthalmology, and psychological services for the youths. The goal is to maintain routine health as well as treat acute illness and injury. A full time pharmacist provides needed medication, including psychotropic medications for treatment of mental illness. There is a service for tattoo removal. While rare, pregnant females can be cared for, however at birth they are separated from their child.

After intake a youth is assigned to a core group, based on mental condition and possible behavior problems. There are three designated core groups for behavior problems and two mental health units. All females are in one unit.

Each housing unit consists of a common area and multiple individual locking cells set out in long rows. The common area has couches, chairs and tables where residents can co-mingle. The housing units, common areas and school area are generally in satisfactory and clean condition, though the buildings show some wear and tear. The Grand Jury noted that in several housing units there were areas of floor and ceiling tiles stained or damaged. In some places the junction boxes were missing covers.

Inspection of the female housing unit showed a treatment room set up like a living room with couches, rugs and art work on the walls. The actual locked cells, one per female resident, had a solid concrete raised bed area with

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mattress, pillow and bed clothes. Each unit had its own sink/toilet unit and a set of shelves for storage of clothes or materials. The residents are locked in their rooms from 9:30 PM to 6:30 AM. For good behavior or accomplishments, a resident could earn a weekend in an honor room equipped with a computer. There is also a set of safety or crisis rooms with only a raised concrete bed and mattress.

During the day each resident has a full schedule for schooling, medical treatments, counseling, exercise and social activities. The residents under the age of 18 that have not earned a high school diploma are required to attend the Mary B. Perry High School, a fully accredited high school. In addition to the core classes, primary and secondary computer coding classes are available with multiple sets of computers and monitors. The students are able to confer remotely with coding mentors and class members from the adult prison system.

There are additional programs supportive of residents, including religious services and physical activities such as visits from the Rams, Lakers and other outside groups. A chef provides cooking classes, as well as trips to events like restaurants where residents assist in meal preparation. Parents and close family are encouraged to visit daily. Free phone calls can be made to attorneys or family, unrecorded and allowed in private settings.

All staff encountered by the Grand Jury demonstrated a positive attitude in regards to the work they were doing with the residents. Through counseling rather than confrontation, their efforts focus on teaching the residents life skills, adaptive skills and development of an attitude affirming their ability to succeed upon release.

Grand Jury Comments

All County detention facilities inspected appeared safe, clean and in satisfactory condition. VYCF, while in need of maintenance and lacking cleanliness throughout, appeared generally safe.

The detention facilities were inconsistent regarding the policy of allowing detainee telephone use and the monitoring and recording phone conversations.

The Grand Jury encourages the City of Santa Paula to make further progress in either renovating the facilities of the Santa Paula Police Department or move the facility to a location more suited to the detention needs of the Department.

The Grand Jury encourages VCSO to develop and institute a uniform policy for telephone access for detainees.

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The Grand Jury encourages VCSO to develop and institute a uniform policy regarding monitoring and recording of telephone conversations, allowing for privacy of conversations between detainees and attorneys or medical providers.

Glossary

<u>TERM</u>	<u>DEFINITION</u>
AED	Automatic External Defibrillator
BSCC	Board of State and Community Corrections
County	Ventura County
ESL	English as a second language
Grand Jury	2019-2020 Ventura County Grand Jury
Juvenile facilities	Ventura County Juvenile Facilities
State	State of California
VCMC	Ventura County Medical Center
VCSO	Ventura County Sheriff's Office
VYCF	Ventura Youth Correctional Facility



**CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.9**

DATE: July 29, 2020

TO: City Council

FROM: Scott Whitney, Police Chief, (805) 385-7624, scott.whitney@oxnardpd.org

SUBJECT: City of Oxnard Response to Grand Jury Report Titled "Human Trafficking in Ventura County."

RECOMMENDATION

That the City Council authorize the Mayor, the City Manager, and the Police Chief to respond, on behalf of the City Council, to the Grand Jury Report titled "Human Trafficking in Ventura County" dated April 8, 2020, in the attached response form. (Public Safety Committee approved 2-0)

BACKGROUND

On or about May 23, 2020, the Ventura County Civil Grand Jury recently released a sixteen (16) page report on the subject of human trafficking within Ventura County. The Police Department received an advanced copy of the report on May 21, 2020. The City of Oxnard is required to respond to certain findings and recommendations in the Grand Jury report.

The Grand Jury report titled "Human Trafficking in Ventura County" ("the report") is included with this staff report as Attachment 2.

Human trafficking is the exploiting of a person for labor, services, or commercial sex. California is ranked in our nation's top four states as a "destination" for trafficking human beings because of the large population, coastal access, proximity to the Mexican border, numerous ports and airports, extensive freeway system, significant immigrant population, and economies that include industries that attract forced labor. Human trafficking is not a new crime in Ventura County. In 1990, the federal government filed an indictment against a Somis farmer for extortion and slavery of over 300 farm workers that had been lured from rural Mexico. At the time, this Ventura County case was the largest such prosecution in United States history.

Prior to 2014, data on human trafficking was anecdotal. Data indicates that human trafficking (involving sex and labor) was flourishing in Ventura County, but operating undetected. It was often misidentified by law enforcement and non-profit organizations as domestic violence, child abuse, prostitution, and unsafe labor. Populations particularly at risk include people experiencing homelessness, runaway juveniles, child abuse victims, children in the child welfare system, domestic violence victims, people who are undocumented, and people in the sex industry.

On June 6, 2019, Oxnard Police Chief Scott Whitney, along with other law enforcement leaders and non-profit organizations in the county, signed an operational memorandum of understanding ("MOU") with the Ventura County Sheriff's Office, Human Trafficking Task Force. The Oxnard Police Department agreed to be a partner in conducting multi-jurisdictional human trafficking investigations in Oxnard and surrounding cities.

This MOU outlines strategies that can lead to better identification of human trafficking victims who are transported

throughout California for sex or labor through the use of force, fraud and/or coercion. The Oxnard Police Department has previously partnered with victim service organizations to protect human trafficking victims and provide human trafficking victims in a trauma-informed, victim-centered, and culturally affirming manner.

The City of Oxnard is required to respond to the following conclusions / recommendations from the report:

C-03: The Grand Jury concluded that differences in County and city massage parlor ordinances allow illicit businesses to avoid legal consequence.

The City of Oxnard agrees with this conclusion.

C-04: The Grand Jury concluded that coordinating ordinances regarding massage parlors among the County and the cities within the County will improve the effectiveness of enforcement operations.

The City of Oxnard agrees with this conclusion.

R-01: The Grand Jury recommends the County and each of the cities within the County coordinate their respective ordinances regarding massage parlors through the efforts of the Task Force.

The City of Oxnard agrees with this recommendation.

Of note, ordinances that concern massage parlors are codified in Oxnard's City Code in Article IX ("Massage Parlors"). Oxnard City Code sections 11-232 through 11-248 address massage parlor regulation, and include items such as: massage technician certificate requirements, registration requirements, hours of operation, advertising prohibitions, hours of operation, physical building requirements, health and safety requirements, owner/operator responsibility, and inspection authority.

California Penal Code section 933(c) requires the City to respond to certain findings and recommendations presented in the report within ninety (90) days of receipt. A response is due by August 19, 2020. The City's response to the Grand Jury is attached to this staff report. On July 14, 2020, the Public Safety Committee recommended (2-0) to recommend that the City Council authorize the Mayor, City Manager, and Police Chief to respond to the Grand Jury. The response form that was attached the Committee report has been modified to include signatures from both the City Manager and Police Chief.

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 1. Improve community safety and quality of life through a combination of prevention, intervention, and suppression efforts that address crime and underlying issues.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

On July 14, 2020, the Public Safety Committee voted 2-0 (Ramirez absent due to schedule conflict) to approve the staff recommendation, and to forward the item for Council approval.

Prepared by: Jason Benites, Assistant Police Chief

ATTACHMENTS

1. 2020 Grand Jury Response Form Human Trafficking

2. Grand Jury Report: Human Trafficking in Ventura County



Grand Jury
 800 South Victoria Avenue
 Ventura, CA 93009
 (805) 477-1600
 Fax: (805) 658-4523

grandjury.countyofventura.org

Response to Grand Jury Report Form

Report Title: Grand Jury Response to Human Trafficking in Ventura County

Report Date: April 8, 2020

Response by:	<u>Tim Flynn</u>	Title: <u>Mayor</u>
	<u>Alexander Nguyen</u>	Title: <u>City Manager</u>
	<u>Scott Whitney</u>	Title: <u>Police Chief</u>

Recommendation

- I (we) agree with the findings numbered: C-03, C-04.

RECOMMENDATIONS

- Recommendations numbered R-01 require further analysis.

Date: _____ Signed: _____
 Tim Flynn, Mayor

ATTEST:

 Michelle Ascencion, City Clerk

Date: _____ Signed: _____
 Alexander Nguyen, City Manager

Date: _____ Signed: _____
 Scott Whitney, Police Chief

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2019 - 2020
Ventura County Grand Jury



Final Report
Human Trafficking in
Ventura County
April 8, 2020

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Human Trafficking in Ventura County

Summary

Human trafficking is not just a national or state problem, it is a problem in Ventura County (County).

Also known as modern-day slavery, human trafficking is a crime that involves compelling or coercing a person to provide labor or sex. It is often misidentified as other crimes such as prostitution, child abuse, domestic violence, unsafe working conditions or human smuggling. The crime victim is frequently misidentified as the crime perpetrator.

An investigation was initiated by the 2019-2020 Ventura County Grand Jury (Grand Jury) to determine if the County has a coordinated policy to address the issue of human trafficking, including adequate funding, staffing, training and the appropriate services available for victims.

The Ventura County Sheriff's Office (VCSO) formed the Ventura County Human Trafficking Task Force (Task Force) in January 2020 to coordinate the efforts of governmental agencies and nonprofit organizations in the County to combat human trafficking. As part of the Task Force, Interface Children & Family Services (Interface) agreed to provide victim services, training and community outreach. The Grand Jury concluded that the formation of the Task Force is a significant step forward in combatting both sex trafficking and labor trafficking in the County and commends each of the members of the Task Force for undertaking this concerted effort.

The Grand Jury found that some massage parlors in the County operate as illicit sex businesses. The Grand Jury recommends the County and each of the cities within the County coordinate their respective ordinances regarding massage parlors through the efforts of the Task Force and designate at least one employee, from an appropriate County agency, to coordinate the investigation and enforcement of the ordinances regarding massage parlors.

The Grand Jury found that both the Task Force and California State University Channel Islands Center for Community Engagement would benefit from a partnership through which the Task Force is helped with certain administrative matters and the University students are able to participate in service learning projects.

A significant number of indigenous Oaxacan people, the majority being Mixtecs from Southern Mexico, live and work primarily as agricultural laborers in the County. Many speak only their native language, Mixteco, and find it difficult to communicate with law enforcement and victim support services. The Grand Jury

recommends the Task Force's community outreach efforts include culturally appropriate methods to engage that community.

Many victims of human sex trafficking in the County are from China and Taiwan. Individuals from China read "simplified Chinese," while individuals from Taiwan read "traditional Chinese." These two forms of written Chinese use different characters. The Grand Jury recommends the Ventura County District Attorney's Office (VCDA) provide human trafficking posters in simplified Chinese as well as traditional Chinese.

Background

Human trafficking is a complex organized criminal activity. It is often misidentified as other crimes, such as prostitution, child abuse, domestic violence, unsafe working conditions and human smuggling. (Ref-01)

An investigation was initiated by the Grand Jury to determine if the County has a coordinated policy to address the issue of human trafficking, including adequate funding, staffing, training and available services for the victims.

According to the California Attorney General, "Human trafficking, also known as trafficking in persons or modern-day slavery, is a crime that involves compelling or coercing a person to provide labor or services, or to engage in commercial sex acts. The coercion can be subtle or overt, physical or psychological, and may involve the use of violence, threats, lies or debt bondage. Exploitation of a minor for commercial sex is human trafficking, regardless of whether any form of force, fraud or coercion was used. Human trafficking does not require travel or transportation of the victim across local, state or international borders." (Ref-02)

Sex trafficking is the recruitment, harboring, transportation, provision or obtaining of a person for the purpose of a commercial sex act. Severe forms of trafficking include sex trafficking in which a commercial sex act is induced by force, fraud or coercion or in which the person induced to perform the act is under 18 years of age. (Ref-03)

"Labor trafficking involves the recruitment, harboring, or transportation of a person for labor services, through the use of force, fraud, or coercion.... Labor trafficking arises in many situations, including domestic servitude, restaurant work, janitorial work, factory work, migrant agricultural work, and construction." (Ref-02)

"There is no single profile of a trafficking victim. Victims of human trafficking include not only men and women lured into forced labor by the promise of a better life in the United States, but also boys and girls who were born and raised here in California. Trafficking victims come from diverse backgrounds..., but one characteristic that they usually share is some form of vulnerability. Trafficking

victims are often isolated from their families and social networks and, in some cases, are separated from their country of origin, native language and culture. Many domestic victims of sex trafficking are runaway or homeless youth and/or come from backgrounds of sexual and physical abuse, incest, poverty or addiction. Traffickers exploit these vulnerabilities, promising the victims love, a good job or a more stable life." (Ref-02)

"Some of the barriers to identifying victims include a lack of public awareness about trafficking, a lack of awareness and training among law enforcement and other professionals who may have direct contact with victims, difficulty in distinguishing between smuggling and trafficking, and insufficient resources to investigate potential trafficking cases." (Ref-04)

California Penal Code Section 13519.14 requires all law enforcement officers to receive training in the identification and handling of human trafficking.

(Ref-05) California SB 970 requires hotels to provide awareness training to employees who are likely to come in contact with victims of human trafficking.

(Ref-06) Currently firefighters and emergency medical technicians are not required to receive training regarding human trafficking. (Ref-07) Interface has raised awareness in the community by training hotel staff, bus drivers and medical service providers to recognize the signs of human trafficking and methods to report appropriately. (Ref-08)

Prior Efforts to Combat and Address Human Trafficking in the County.

The passage of the California Trafficking Victims Protection Act in 2005 made human trafficking a felony in California. (Ref-09)

For the past five years, Ventura County Children & Family Services (VCCFS) has received California grant funds of \$500,000 per year for the Respectfully Empowering and Defining Yourself (READY) program, which provides services to child victims of human trafficking. (Ref-10)

California SB 1193, enacted in 2012, requires posters with human trafficking hotline numbers to be displayed in several categories of public places and businesses. (Ref-11)

Inclusion of nonprofit organizations in the human trafficking strategy has been an effective way of providing services to the victims. The Ventura County Coalition Against Human Trafficking (VCCAHT) was formed in 2015 as the first formal response to human trafficking in the County. (Ref-01)

VCSO has been actively pursuing human trafficking crimes by assigning resources from the Organized Crimes Unit. Investigations in Thousand Oaks in 2016 resulted in five arrests and contacts with 18 adult victims. An investigation in Camarillo in 2018 resulted in one arrest and contacts with five victims,

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including two adults and three minors. All those arrested were prosecuted.
(Ref-12)

The County established a Memorandum of Understanding in April 2019 with seven County agencies to address commercially sexually exploited children.
(Ref-13)

Since 2007, Soroptomists International of Oxnard has organized an annual rally event "STOP Human Trafficking and Sexual Slavery" to bring attention to the issue. In 2019, the County pledged \$2,500 for the 2020 event. Also in 2019, Soroptomists International of Oxnard launched a public awareness campaign consisting of five billboards, five bus shelter ads and a 30-second video shown in five local movie houses. In January every year, the restaurant chain In-N-Out Burger holds a public awareness campaign to raise funds to help victims of human trafficking.

Since 2016, Interface has helped 80 human trafficking survivors by providing programs and in-person emergency response for adult victims of human trafficking. (Ref-14) Forever Found, an international nonprofit organization, supports the needs of the County in the rescue of minor victims, assisting survivors and supporting them in their recovery. (Ref-15)

Dignity Health, a health care provider which operates medical facilities in the County, has a human trafficking response and training program (updated October 2019) to ensure that trafficked persons are identified and assisted in health care settings. (Ref-16)

Methodology

The Grand Jury reviewed the following documents:

- County of Ventura, Application for Federal Assistance SF-424, dated June 10, 2019
- Interface Children & Family Services, Ventura County Human Trafficking Task Force – Victim Services Application to the Bureau of Justice Assistance of the United States Department of Justice (BJA)

The Grand Jury conducted interviews with representatives of the following entities and reviewed their respective websites:

- The City of Ventura Community Development Department
- 4Kids2Kids, Inc.
- Family to Family
- Forever Found
- Interface
- Mixteco/Indigena Community Organizing Project (MICOP)

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- Santa Paula Latino Town Hall
- Santa Paula Police Department
- Soroptomists International of Oxnard
- Ventura County Board of Supervisors
- VCCFS
- Ventura County Commercial Sexual Exploitation of Children Program
- VCDA
- Ventura County Family Justice Center
- Ventura County Farmworkers Resources Program
- Ventura County Fire Department
- Ventura County Office of Education
- VCSO
- The cities of Oxnard, Camarillo, Simi Valley, Thousand Oaks and Ventura

The Grand Jury also reviewed the websites of:

- California Department of Justice, Attorney General
- United States Department of Justice
- United States Attorney's Office, Central District of California
- National Human Trafficking Hotline
- VCCAHT
- The Polaris Project

In October 2017, the California Legislature enacted AB 1227, the Human Trafficking Prevention Education and Training Act (AB 1227), that required the sex education curriculum for middle and high school students include education regarding human trafficking prevention. AB 1227 was effective for the 2019-2020 school year. The Grand Jury concluded a review of the implementation of the requirements of AB 1227 was outside the scope of this report and, accordingly, this report does not address the implementation of AB 1227.

Facts

FA-01. In 1990, the federal government indicted a farmer in Somis for extortion and slavery of more than 300 farmworkers from Mexico. This was reported as the first identified case of human trafficking in the County. (Ref-17)

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- FA-02.** In 2018, California accounted for 1,656 (15%) of the human trafficking cases reported to the National Human Trafficking Hotline, significantly more than any other state. (Ref-18)
- FA-03.** The US 101 corridor between Los Angeles and San Francisco through the County is both a transit route for trafficking and a destination due to its large population, proximity to Mexico, significant immigrant population and easy access to transportation. (Ref-17)
- FA-04.** According to the VCSO, victims are bought and sold in motels and hotels lining the US 101 corridor through advertising on the internet. (Ref-17)
- FA-05.** VCCAHT has documented cases of both sex trafficking and labor trafficking. Victims have been male and female, adults and children, citizens and undocumented people of many ethnicities. (Ref-01)
- FA-06.** A survey conducted by VCCAHT of nine government and nonprofit organizations and agencies identified 57 human trafficking victims from January 2014 to April 2016 in the County. (Ref-01)
- FA-07.** In January 2016, the City of Ventura Police Department conducted a "demand" operation by posting a fictitious online ad offering sex for sale. The ad received over 100 responses in just under eight hours. People responding to the ad were told the person for sale was a minor. Officers made four arrests. (Ref-19)
- FA-08.** In April 2016, a "demand" operation conducted by the Oxnard Police Department received responses from 109 potential purchasers, resulting in 14 arrests. (Ref-19)
- FA-09.** Between January 26, 2020 and February 1, 2020, over 70 federal, state and local law enforcement agencies and community organizations participated in "Operation Reclaim and Rebuild," a crackdown on sex trafficking. This statewide operation resulted in 76 adult and 11 minor victims being recovered, 266 males arrested for the charge of solicitation and 27 suspected traffickers arrested. (Ref-20)
- FA-10.** In January 2020, VCSO, Interface and Forever Found participated in "Operation Reclaim and Rebuild" that resulted in four victims contacted and two other individuals arrested in the County. (Ref-12)
- FA-11.** Many victims of human trafficking do not self-identify as victims. (Ref-17)

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FA-12. Victims, particularly international victims, frequently refuse to cooperate due to their common distrust of people they perceive to be in powerful positions and/or retaliation from their trafficker. (Ref-04, Ref-17)

FA-13. Human trafficking is significantly underreported. (Ref-21)

FA-14. The number of human trafficking victims receiving assistance in the County during the identified years was as follows:

<u>Year</u>	<u>Number</u>
2014-2015	6
2016	10
2017	21
2018	24
<u>2019</u>	<u>12</u>
Total	73

(Ref-17)

FA-15. Of these 73 human trafficking victims receiving assistance between 2014 and 2019, 69 were adults and four were youths; 47 were sex trafficking victims, five were labor trafficking victims and 21 were victims of sex/labor trafficking. (Ref-17)

FA-16. The VCSO and VCDA state that enforcement of human trafficking laws and ordinances is complicated and expensive. (Ref-12, Ref-22)

FA-17. In 2019, the County, through VCSO, applied for and received an \$800,000 grant over three years from BJA to form the Task Force. (Ref-17, Ref-23)

FA-18. The members of the Task Force include:

Local Law Enforcement: All police departments in the County, VCSO, the Ventura County Probation Department and the California Highway Patrol

Federal Law Enforcement: Federal Bureau of Investigation and Homeland Security Investigations

Prosecution: VCDA, the California Attorney General and the United States Attorney's Office

Human Trafficking Victim Service Providers: Interface, VCCFS, Forever Found and VCCAHT

Regulatory Agencies: Ventura County Agricultural Commissioner and the United States Department of Labor

Other Key Partners: Assembly member Jacqui Irwin, MICOP and the Polaris Project (Ref-24)

FA-19. In its efforts to coordinate governmental agencies and nonprofit organizations in the County, the Task Force states it will take the following actions:

Law Enforcement and Prosecution

- Develop protocols for the investigation, arrest and prosecution of human traffickers and purchasers
- In the second and third years of the grant, conduct short- and long-term investigations and other covert procedures using and refining protocols

Victim Services

- Develop victim-centered and trauma-informed protocols for human trafficking victims
- Develop screening and victim service referrals and facilitate the use of victim service protocols
- Create a plan for conducting proactive victim-centered investigations of labor and sex trafficking in collaboration with law enforcement

Professional Training and Community Outreach

- Develop a plan for professional training regarding human trafficking and protocols for raising public awareness and community outreach
- Develop training videos and conduct training for investigators, patrol officers and those most likely to interact with human trafficking victims

Data Collection

- Develop protocols for data collection and analysis as well as data sharing and confidentiality

Sustainability

- Develop a plan to assess the Task Force's performance
- Develop a plan to address sustaining the Task Force's operations, investigations and victim services after federal funding ends (Ref-24)

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FA-20. In coordination with the Task Force, Interface applied for and received a \$900,000 grant over three years from BJA to provide victim services to the Task Force and provide training and community outreach across the County. (Ref-25)

FA-21. In conjunction with the Task Force, Interface states it will provide the following victim services, directly or indirectly:

- Case management
- Child care
- Client intake, client orientation and life skills
- Housing, clothing, food and basic necessities
- Crisis intervention and 24-hour response
- Assistance in obtaining or replacing necessary documents
- Education, family support and reunification
- Interpreter and translator services
- Legal, medical, dental and mental health care services
- System-based victim advocacy (Ref-26)

FA-22. Some massage parlors operate as illicit sex businesses. (Ref-27)

FA-23. Ordinances regarding massage parlors differ among the County and the cities within the County. (Ref-17)

FA-24. The Task Force is currently developing a model ordinance that is intended to help curb illicit massage parlors and proposes to have that or a similar ordinance adopted by the County and all the cities within the County. (Ref-12)

FA-25. California State University Channel Islands established the Center for Community Engagement (CCE) providing service-learning projects for students. These projects provide partnerships with nonprofit organizations and governmental agencies in the County, and may include translation, outreach activities, event organizing, advocacy, research and report writing, data analysis and computer work. (Ref-28)

FA-26. Twenty thousand indigenous Oaxacan people, the majority being Mixtecs from Southern Mexico, work primarily as agricultural laborers in the County. The Mixtec community is culturally and linguistically isolated. Many speak only their native Mixteco, which is not a written language. (Ref-29)

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- FA-27.** In the interviews with advocates for indigenous farm laborers in the County, all emphasized the need for more trilingual (Mixteco, Spanish and English) "trusted messengers" as part of the efforts to combat human trafficking in the County. (Ref-30)
- FA-28.** Many victims of sex trafficking in the County are from China and Taiwan. (Ref-27)
- FA-29.** Individuals from China read "simplified Chinese," while individuals from Taiwan read "traditional Chinese." These two forms of written Chinese use different characters. (Ref-31)
- FA-30.** California SB 1193 requires posters with human trafficking hotline numbers to be displayed in several categories of public places and businesses. (Ref-11)
- FA-31.** VCDA has human trafficking posters in English, Spanish and traditional Chinese available for download from its website. (Ref-32)
- FA-32.** The State of California Department of Justice, Attorney General's Office, has human trafficking posters in simplified and traditional Chinese available for download from its website. (Ref-33)

Conclusions

- C-01.** The Grand Jury concluded that both human trafficking in sex and labor exists in the County. (FA-01, FA-02, FA-03, FA-04, FA-05, FA-06, FA-07, FA-08, FA-09, FA-10, FA-11, FA-12, FA-13, FA-14, FA-15, FA-16)
- C-02.** The Grand Jury concluded that the formation of the Task Force is a significant step forward in combatting both sex and labor human trafficking in the County. (FA-17, FA-18, FA-19, FA-20, FA-21)
- C-03.** The Grand Jury concluded that differences in County and city massage parlor ordinances allow illicit businesses to avoid legal consequence. (FA-22, FA-23)
- C-04.** The Grand Jury concluded that coordinating ordinances regarding massage parlors among the County and the cities within the County will improve the effectiveness of enforcement operations. (FA-23, FA-24)
- C-05.** The Grand Jury concluded that dedicating at least one person to coordinate the enforcement of massage parlor ordinances will improve the effectiveness of enforcement operations. (FA-23, FA-24)

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- C-06.** The Grand Jury concluded that the Task Force can expand its resources for accomplishing its stated goals by partnering on projects with the CCE. (FA-25)
- C-07.** The Grand Jury concluded that farm laborers who only speak Mixteco find it difficult to communicate with police and service providers. (FA-26, FA-27)
- C-08.** The Grand Jury concluded that most of the victims of sex trafficking from China cannot read the posters regarding human trafficking written in traditional Chinese posted in the County. (FA-28, FA-29, FA-30, FA-31)
- C-09.** The Grand Jury concluded that posters in simplified Chinese regarding human trafficking are available. (FA-32)

Recommendations

- R-01.** The Grand Jury recommends the County and each of the cities within the County coordinate their respective ordinances regarding massage parlors through the efforts of the Task Force. (C-03, C-04)
- R-02.** The Grand Jury recommends the Environmental Health Division of the Ventura County Resource Management Agency or other appropriate County agency designate at least one employee to coordinate the investigation(s) and enforcement of the ordinances regarding massage parlors. (C-05)
- R-03.** The Grand Jury recommends the Task Force contact CCE to determine if there is a partnership arrangement that will benefit the efforts of the Task Force. (C-06)
- R-04.** The Grand Jury recommends, as part of the Task Force's community outreach efforts, it include culturally appropriate outreach methods, including radio broadcasts, attendance at community meetings, cultural festivals and health fairs, as well as audio/visual media and illustrated pamphlets to reach the indigenous population in the County. (C-07)
- R-05.** The Grand Jury recommends VCDCA make available human trafficking posters in simplified Chinese as well as traditional Chinese. (C-08, C-09)

Responses**Responses Required From:**

City Council, City of Camarillo (C-03, C-04) (R-01)
 City Council, City of Fillmore (C-03, C-04) (R-01)
 City Council, City of Moorpark (C-03, C-04) (R-01)
 City Council, City of Ojai (C-03, C-04) (R-01)
 City Council, City of Oxnard (C-03, C-04) (R-01)
 City Council, City of Port Hueneme (C-03, C-04) (R-01)
 City Council, City of Santa Paula (C-03, C-04) (R-01)
 City Council, City of Simi Valley (C-03, C-04) (R-01)
 City Council, City of Thousand Oaks (C-03, C-04) (R-01)
 City Council, City of Ventura (C-03, C-04) (R-01)
 Ventura County Board of Supervisors (C-03, C-04) (R-01)

Responses Requested From:

Environmental Health Division of the Ventura County Resource Management Agency (C-05) (R-02)
 Ventura County Human Trafficking Task Force (C-06, C-07) (R-03, R-04)
 Ventura County District Attorney (C-08, C-09) (R-05)

Commendations

The Grand Jury commends each of the members of the Task Force for undertaking a concerted effort to combat human trafficking in the County. (C-01, C-02)

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- Ref-02.** State of California Department of Justice, Attorney General, "What is Human Trafficking?"
<https://oag.ca.gov/human-trafficking/what-is>
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- Ref-04.** Human Trafficking in California Toolkit for Judicial Officers, 2017, Page 4
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- Ref-05.** California Penal Code Section 13519.14
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- Ref-06.** California Senate Bill No. 970
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- Ref-07.** Grand Jury interviews of representatives of the VCSO on September 18, 2019 and Ventura County Fire Department on January 29, 2020
- Ref-08.** Grand Jury interview of representatives of Interface on September 26, 2019
- Ref-09.** California Trafficking Victims Protection Act, 2005, Section 6
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- Ref-10.** Grand Jury interview of a representative of VCCFS on October 2, 2019
- Ref-11.** California Senate Bill No. 1193
http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201120120SB1193
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- Ref-12.** Grand Jury interview of representatives of VCSO on September 18, 2019, December 31, 2019 and February 18, 2020
- Ref-13.** Memorandum of Understanding for Ventura County Commercially Sexually Exploited Children (CSEC), April 2019
- Ref-14.** Interface
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- Ref-15.** Forever Found
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- Ref-16.** Dignity Health Human Trafficking Response Program Shared Learnings Manual Updated – October 2019
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- Ref-19.** Forever Found. About Human Trafficking
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- Ref-20.** Los Angeles County Sheriff's Department. Sheriff Villanueva and the Los Angeles Regional Human Trafficking Task Force Announce Arrests and Rescues by California Law Enforcement
<https://lasd.org/operation-reclaim-and-rebuild-2020/>
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- Ref-21.** Polaris Project. Myths, Facts, and Statistics
<https://polarisproject.org/myths-facts-and-statistics/>
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- Ref-22.** Grand Jury interview of a representative of VCDA on December 19, 2019
- Ref-23.** VCSO Press Release, December 19, 2019
<https://local.nixle.com/alert/7715342/>
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- Ref-24.** County of Ventura, Application for Federal Assistance SF-424, List of Receivables for the Human Trafficking Grant
- Ref-25.** Interface Children & Family Services Ventura County Human Trafficking Task Force – Victim Services Application to BJA
- Ref-26.** Interface Children & Family Services Ventura County Human Trafficking Task Force – Victim Services Application to BJA, Appendix B, Mandatory Services

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- Ref-27.** Polaris Project. Human Trafficking in Illicit Massage Businesses, Executive Summary
<https://polarisproject.org/wp-content/uploads/2019/09/Human-Trafficking-in-Illicit-Massage-Businesses-Executive-Summary.pdf>
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- Ref-28.** California State University Channel Islands, Center for Community Engagement
<https://www.csuci.edu/servicelearning/communitypartners.htm>
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- Ref-29.** Mixteco.org
<http://mixteco.org/mixtecs/>
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- Ref-30.** Grand Jury interviews of representatives of MICOP on December 9, 2019 and Santa Paula Latino Town Hall on January 30, 2020
- Ref-31.** Pangeanic. What is the difference between Simplified Chinese and Traditional Chinese?
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- Ref-32.** VCDCA
<https://www.vcdistrictattorney.com/wp-content/uploads/2020/01/VCCAHT-HT-Poster.pdf>
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Glossary

<u>TERM</u>	<u>DEFINITION</u>
BJA	Bureau of Justice Assistance of the United States Department of Justice
CCE	California State University Channel Islands Center for Community Engagement
County	Ventura County
Grand Jury	2019-2020 Ventura County Grand Jury
Interface	Interface Children & Family Services
MICOP	Mixteco/Indigena Community Organizing Project
Task Force	Ventura County Human Trafficking Task Force
Trusted Messenger	People from the community who are considered safe and credible by the people they are engaging
VCCAHT	Ventura County Coalition Against Human Trafficking
VCCFS	Ventura County Children & Family Services
VCDA	Ventura County District Attorney
VCSO	Ventura County Sheriff's Office



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.10

DATE: July 29, 2020

TO: City Council

FROM: Rosemarie Gaglione, Public Works Director, (805) 385-8055, rosemarie.gaglione@oxnard.org

SUBJECT: Purchase Order to Fastenal Company for Personal Protective Equipment for the Environmental Resources (ER) Division.

RECOMMENDATION

That the City Council authorize the City Manager to execute Purchase Order No. 7740 (PO) with Fastenal Company (Fastenal) for an amount not to exceed \$200,000 for a three (3) year term for personal protective equipment. (Public Works and Transportation Committee approved 3-0.)

BACKGROUND

The Environmental Resources (ER) Division employs 173 staff who are responsible for the operation of the City's Del Norte Regional Recycling and Transfer Station (Del Norte) and the collection of residential, commercial and industrial refuse, organic and recyclable material within the City of Oxnard boundaries. According to the United States Department of Labor, Bureau of Labor Statistics, the refuse and recyclable industry ranks as the fifth (5th) most dangerous occupation nationwide. Common risks include exposure to airborne particles, loud noise, intense vibrations, slip hazards, sharp objects, obstruction of visibility, and biological hazards inherently associated with waste handling. Minimum requirements for personal protective equipment (PPE) are established by both the federal Occupational Safety and Health Administration (OSHA) and the California Occupational Safety and Health Administration (Cal OSHA). The ER Division has incorporated PPE requirements that exceed the federal and state standards.

PPE is distributed to ER employees based on the level of risk associated with each job classification. This process can be labor and time intensive. In order to make the process more efficient and reduce the amount of staff involved in procuring and distributing PPE, ER staff explored alternatives. After reviewing different options, staff identified a program that utilized vending machines that are accessible to employees 24 hours per day.

DISCUSSION

The City, under the current Purchasing Policy, participates in the cooperative procurement program "Sourcewell". Under this program, the City is a Sourcewell member and is able to benefit from nation-wide pricing from several vendors that have been vetted through the public procurement process. Fastenal provides full-service inventory stocking and tracking through vending machines, which includes inventory management, consumption limits, and replenishment of supplies, with the purchase of PPE at prices that are 20% to 50% lower than manufacturer suggested retail price (MSRP). The ER Division seeks a Purchase Order with Fastenal for the provision of PPE and the accompanying vending machine services for ER staff.

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

The total cost for this Purchase Order with Fastenal will not exceed \$200,000 over a three (3) year term. The spending plan for FY 2020-21 is \$66,666. The funds have been included in the Environmental Resources Enterprise Fund 631 Budget (631-6301-843.81-05) for FY 2020-21. The remaining balance will be requested in the Environmental Resources Fund (631) Budget in subsequent fiscal years.

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on July 14, 2020 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Damian Skinner, Assistant Public Works Director

ATTACHMENTS

1. PO 7740 Fastenal Company
2. Sourcewell Fastenal Agreement 121218-FAS

**PURCHASE ORDER**

CITY OF OXNARD
300 WEST 3RD STREET
OXNARD, CA 93030

**PURCHASE
ORDER NO.
007740**

DATE: 7/15/2020

VENDOR PHONE: (805)278-9852

VENDOR FAX: (805)278-9861

VENDOR #: 10133

VENDOR ADDRESS: FASTENAL COMPANY
2380 EASTMAN AVE
SUITE 114
OXNARD, CA 93030

SHIP TO: ENVIRONMENTAL RESOURCES
DEL NORTE RECYCLING CTR.
111 DEL NORTE BLVD.
OXNARD, CA 93030

Our P.O. # MUST Appear on ALL Invoices, Packages and Correspondence

DELIVER BY		REQUISITION #	REQUISITION DATE	CONFIRMED BY	
07/14/2020		0000005025	07/14/2020	3/07/03:NEW PHYSICAL ADD.	
FOB		ACCOUNT NUMBER		AUTHORIZED BY	
		63163018438105		ERIC HERNANDEZ	
ITEM #	QUANTITY/ UNIT	DESCRIPTION ARTICLE OR SERVICE		UNIT COST	EXTENDED COST

1	PPE FOR ER/MRF EMPLOYEES AND VENDING		
	15,000.00 / MACHINES	1.0000	15,000.00
	DL		

THE TOTAL AMOUNT NTE IS 200K
DEPARTMENT ENCUMBERED \$15K TO START SERVICE
21 00055197 EXP 01/31/21*AM
PENDING 7.29.20 COUNCIL APPROVAL,NSS 20-14
\$66.7K FY 20-21
\$66.7K FY 21-22
\$66.7K FY 22-23
SOURCEWELL COOP CONTRACT 121218-FAS, EXP 01/25/23

TOTAL PURCHASE AMOUNT**\$15,000.00**

**In order to receive payment, email all invoices to:
invoices@oxnard.org**

**In the subject line, reference the Purchase
Order number above.**

See to the attached terms and conditions of the City of Oxnard

Page 1 of 3

PURCHASE ORDER

CITY OF OXNARD
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ITEM #	QUANTITY/ UNIT	DESCRIPTION ARTICLE OR SERVICE		UNIT COST	EXTENDED COST

AUTHORIZED SIGNATURE. _____

Alexander Nguyen
City Manager

By acceptance of this purchase order, you agree to the attached terms and conditions of the City of Oxnard

PURCHASE ORDERS
TERMS AND CONDITIONS

The City Purchasing Officer and the Vendor agree as follows:

1. Vendor shall furnish to City the labor, materials, equipment, supplies and/or services described in the Purchase Order preceding this page.
2. City shall pay to Vendor the price, or prices, specified in the Purchase Order upon delivery of the labor, materials, equipment, supplies and/or services, and acceptance thereof by the City Purchasing Officer, or upon the completion of the services to be performed and acceptance thereof.
3. If the Purchase Order is continuing in nature, City shall pay to Vendor the amount due Vendor for labor, materials, equipment or supplies furnished, or services completed and accepted.
4. Vendor shall deliver the labor, materials, equipment or supplies, or cause the services to be performed, within the time and in the manner specified in the Purchase Order. Vendor shall be excused in performance for delays resulting from causes beyond the control of Vendor.
5. If services are performed or labor furnished to City under the Purchase Order, Vendor agrees to indemnify, hold harmless and defend City, its City Council, and each member thereof, and every officer, employee, representative or agent of City, from any and all liability claims, demands, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from any acts or omissions related to this Agreement performed by Vendor or its agents, employees, subcontractors, consultants and other persons acting on Vendor's behalf. This agreement to indemnify, hold harmless and defend shall apply whether such acts or omissions are the product of active negligence, passive negligence, willfulness or acts for which Vendor or its agents, employees, subcontractors, consultants and other persons acting on Vendor's behalf would be held strictly liable. Vendor's obligation to defend shall arise when a claim, demand or action is made or filed, whether or not such claim, demand or action results in a determination of liability or damages as to which Vendor is obligated to indemnify and hold harmless.
6. Insurance
 - a) Vendor shall obtain and maintain during the performance of any services under this Agreement the following insurance coverage 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 coverage.
 - i. Commercial general liability insurance, including a contractual liability endorsement, 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 CG0001ED, November 1988);
 - ii. 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 Auto Liability Insurance Services Office coverage (Occurrence Form CA000TED, June 1992) covering Code No. 1, "any auto";
 - iii. Workers' compensation insurance in compliance with the laws of the State of California, including employer's liability insurance in an amount not less than \$1,000,000 per claimant.
7. Vendor, in the performance of any services or the furnishing of any labor under this Purchase Order, shall be considered an independent contractor, and Vendor and Vendor's agents and employees shall not be considered officers or employees of the City.
8. Vendor, without the written consent of the City Purchasing Officer, shall not:
 - a) Assign the Purchase Order, or any interest therein, or any money due thereunder; or
 - b) Make any changes, alterations or variations in the terms of the Purchase Order.
9. The cost of inspection on deliveries, or offers to make deliveries that do not meet specifications, will be paid by Vendor or deducted by City from amounts due Vendor.
10. Vendor shall indemnify and hold harmless City, its officers and employees, from liability, claims, loss or expense of any kind or nature on account of any copyrighted or uncopyrighted composition, patented or unpatented process or invention, article or appliance furnished or used under this Purchase Order.
11. Vendor shall comply with all applicable federal, state and local ordinance, laws and regulations and shall obtain and pay for all required licenses and permits, including a City of Oxnard business license.
12. Return or exchange of materials, equipment or supplies will not be permitted without written approval by the City Purchasing Officer.
13. All materials, supplies and equipment furnished under the Purchase Order shall, where applicable, be in full compliance with the Safety Orders and Regulations of the Division of Industrial Safety of the State of California and the Williams-Steiger Federal Occupational Health and Safety Act of 1970.
14. City may terminate this Purchase Order at any time by giving written notice of termination to Vendor. If termination is for cause, termination shall become effective on the date of the notice or at a later date, specified in the notice. If termination is without cause, termination shall become effective five days after the date of the notice or at a later date specified in the notice.
15. Vendor shall comply with all applicable equal employment opportunity requirements of the California Department of Fair Employment and Housing in performing or contracting for any services under this Purchase Order.
16. For public projects, Vendor shall pay prevailing wages in accordance with Labor Code Sections 1720 et seq.

ADDITIONAL REQUIREMENTS FOR GRANT-FUNDED PROJECTS

17. The following requirements apply to any Purchase Order funded in whole or in part by federal grant funds.
 - a) Upon expiration of the time specified on the reverse side, this Purchase Order shall terminate unless City and Vendor have mutually agreed in writing to an extension of time.
 - b) If legal action is brought by either party because the other has failed to comply with terms or conditions of this Purchase Order, the prevailing party shall be awarded its attorney's fees and costs in addition to its damages and/or equitable relief.
 - c) Vendor shall comply with all applicable requirements of Executive Order 11246 as amended by Executive Order 11375 and the regulations adopted pursuant thereto (41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex or national origin.
 - d) Vendor shall insure that the grantee (City), the Federal Grantor Agency, the Comptroller General of the United States, or any duly authorized representative, shall have access to any books, records, documents and papers, specifically relating to this Purchase Order, for the purpose of making audit, examination, excerpts and transcriptions for not less than three years after completion of the project and/or until the completion of the final project audit as required by the Federal Grants Agency.

Purchasing Department
Purchasing Procedure

Negotiated Contract
Sole/Single (NSS Form)

Purchasing requires written justification from the requesting department within the department explaining why this is the only source for the requirement. Please check the applicable box.

Definition

- ✓ **Negotiated Contract:** When no bids or no responsive bids are received/obtained, the purchasing manager is authorized to negotiate for written proposals without a formal solicitation process for a city contract.

Formal/informal solicitation with one bid/proposal response received (Bid # and Close date):

- ~~Confidential agreement for City Attorney and/or Chief of Police (backup docs may be redacted)~~
- ~~Sole Source: Unique materials, supplies, equipment or services, which can be obtained from only one known source, proprietary equipment/technology, copyright, singular characteristics or performance capabilities or which have exclusive compatibility components with existing City products.~~
- ~~Single Source: A procurement decision whereby purchases are directed to one source because of standardization, warranty, or other factors, even though other competitive sources may be available.~~
- ~~Urgent: Informal or formal solicitations for supplies, equipment or services (except Public Projects) shall not apply in a situation in which, at the City Manager's discretion, does not permit obtaining price quotations or bids and public interest and necessity demand the immediate expenditure of public money to avoid harm to or safeguard life, health or property or to mitigate severe economic expenses. Provide the supporting documentation with a completed NSS form to the Purchasing Division of the urgent products/services with the City Manager's signature.~~

WRITTEN JUSTIFICATION

The below information is provided in support of my Department requesting approval for a negotiated or sole/single source (NSS form). (*Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.*)

1. Vendor Legal Business Name: **Fastenal Company**
2. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide to include: (Please check one or more of the options below)
 - ~~Unique: e.g. Feature(s) that make the item/service unique and why you need this uniqueness.~~
 - ~~Compatibility: e.g. Compatibility with or component of, an existing item; provide enough detail to demonstrate that compatibility is necessary.~~
 - ~~Territory: Provide a letter from the Manufacturer that its' supplier/reseller holds a service contract and must supply parts to accomplish a contract.~~
 - ~~Emergency order: No other supplier available at the time. (Must be declared by the City Manager/City Council).~~
 - ~~Urgent: City Manager approves waiving the formal competitive solicitation, over \$200,000~~
 - ~~Proprietary purchase: No other supplier available. Provide verified evidence that the purchasing is truly proprietary. I.E. letter from manufacturer that their product is proprietary and that no other product on the open market exists.~~
 - ✓ **Other: Cooperative Agreement**
3. The basis upon which the price/cost was determined to be fair and reasonable. The price justification to include: (Please check one or more of the options below) **See number 2. above**
 - ~~Comparison to product catalog.~~
 - ~~Comparison to similar product/service.~~
 - ~~Published price lists.~~
 - ~~Prices quoted are less than or equal to, that quoted to other governmental agencies.~~
 - ~~Records of previously bid items that were similar.~~
 - ~~Proven industry standard.~~

Purchasing Department
Purchasing Procedure

Negotiated Contract
Sole/Single (NSS Form)

4. Provide a brief written explanation for this product/services. (forms with this field missing will be returned. You may attach a separate sheet if you prefer) *Purchase order (PO) for personal protective equipment (PPE) is coterminous with Sourcewell Cooperative Agreement 121218-FAS. This is a PO for a three year term for a total value not to exceed \$200,000. As part of PO, Fastenal will provide vending machines, which includes restocking, inventory management, and repairs, at no additional cost to City. CivicClerk item number 2020-786.*

5. Identify all costs for this requested purchase:

Product/Service Description:	Fiscal Year: 2020-21	Fiscal Year: 2021-22	Fiscal Year: 2022-23
One-Time Costs (Describe):			
Ongoing Costs (Describe): <i>Purchase of PPE</i>	\$66,666	\$66,666	\$66,666
Annual Total Costs: Add the total by year	\$66,666	\$66,666	\$66,666

6. Period of Performance:

From:	July 29, 2020	To:	January 25, 2023	Or One Time Purchase	
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I HEREBY CERTIFY THAT:

- I am an approved department representative, and am aware of the City's requirements for competitive bidding, as well as, the criteria for justification for negotiated contract/sole/single source purchase.
- There is justification for a negotiated contract/sole/single source purchase noted above as it meets the City's criteria.

Department: PW - ER Requestor Name (Print Name): James Torrez *James Torrez*

Please print

Authorized **Department Director** or designee: *R. Gagliardi* *R. Gagliardi* *7-15-20*

Please print/sign name

Date:

Below to be processed by Purchasing:

☐ Approved or ☐ Denied

Notes:

Purchasing Buyer: /

Under \$25,000 Please Sign Date:

Purchasing Manager: Daniel Willhite /

Up to \$100,000 Please Sign Date:

City Manager: Alexander Nguyen /

\$100,001 to \$200,000 Please Sign Date:

Mayor: Tim Flynn /

\$200,001 + Please Sign Date:

Tracking number assigned by the Purchasing Department only.

Tracking #	<i>20-14</i>	Not to Exceed Amount:	<i>\$ 200K</i>	FY:	<i>21-23</i>
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Form C**EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS,
AND SOLUTIONS REQUEST**Company Name: Fastenal Company

Any exceptions to the terms, conditions, specifications, or proposal forms contained in this RFP must be noted in writing and included with the Proposer's response. The Proposer acknowledges that the exceptions listed may or may not be accepted by Sourcewell or included in the final contract. Sourcewell will make reasonable efforts to accommodate the listed exceptions and may clarify the exceptions in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	Sourcewell ACCEPTS
7.14, p. 27	Contract Termination for Cause and Without Cause	Add the following language: "Either party may terminate this Agreement at any time for its convenience with not less than thirty (30) days prior written notice."	Sourcewell Accepts

Proposer's Signature: _____

Date: 12/10/2018**Sourcewell's clarification on exceptions listed above:**

**Contract Award
RFP #121218**

FORM D**Formal Offering of Proposal**

(To be completed only by the Proposer)

**FACILITY MRO (MAINTENANCE, REPAIR & OPERATIONS), INDUSTRIAL & BUILDING SUPPLIES WITH
RELATED EQUIPMENT, ACCESSORIES, SUPPLIES & SERVICES**

In compliance with the Request for Proposal (RFP) for FACILITY MRO (MAINTENANCE, REPAIR & OPERATIONS), INDUSTRIAL & BUILDING SUPPLIES WITH RELATED EQUIPMENT, ACCESSORIES, SUPPLIES & SERVICES, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer's response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

Company Name: Fastenal CompanyDate: 12/10/2018Company Address: 2001 Theurer Blvd.City: WinonaState: MNZip: 55987CAGE Code/DUNS: 0Y3H3 / 04 265 3634Contact Person: Kevin FitzgeraldTitle: VP of Government Sales

Authorized Signature: _____

Terry Owen
(Name printed or typed)

FORM E**CONTRACT ACCEPTANCE AND AWARD**

(Top portion of this form will be completed by Sourcewell if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

Sourcewell Contract #: 121218-FAS

Proposer's full legal name: Fastenal Company

Based on Sourcewell's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by Sourcewell.

The effective date of the Contract will be January 25, 2019 and will expire on January 25, 2023 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the Sourcewell Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at Sourcewell's discretion.

Sourcewell Authorized Signatures:

DocuSigned by:

Jeremy Schwartz

C0FD2A139D06489

SOURCEWELL DIRECTOR OF OPERATIONS AND
PROCUREMENT/CPO SIGNATURE

DocuSigned by:

Chad Coquette

7E42B8F817A04CC...

SOURCEWELL EXECUTIVE DIRECTOR/CEO SIGNATURE

Jeremy Schwartz
(NAME PRINTED OR TYPED)

Chad Coquette
(NAME PRINTED OR TYPED)

Awarded on January 23, 2019

Sourcewell Contract # 121218-FAS

Vendor Authorized Signatures:

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name Fastenal Company

Authorized Signatory's Title Executive Vice President

[Signature]

VENDOR AUTHORIZED SIGNATURE

Charles Miller

(NAME PRINTED OR TYPED)

Executed on January 24, 2019

Sourcewell Contract # 121218-FAS

**Form F****PROPOSER ASSURANCE OF COMPLIANCE****Proposal Affidavit Signature Page****PROPOSER'S AFFIDAVIT**

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to Sourcewell members agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.
2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of Sourcewell, or any person, firm, or corporation under contract with Sourcewell, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.
3. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted in writing and have been included with the Proposer's RFP response.
4. The Proposer will, if awarded a Contract, provide to Sourcewell Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.
5. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
6. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
7. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
8. The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify Sourcewell for reasonable measures that Sourcewell takes to uphold such a data designation.

[The rest of this page has been left intentionally blank. Signature page below]

By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Company Name: Fastenal Company

Address: 2001 Theurer Blvd.

City/State/Zip: Winona, MN 55987

Telephone Number: 507-454-5374

E-mail Address: kfitzger@fastenal.com

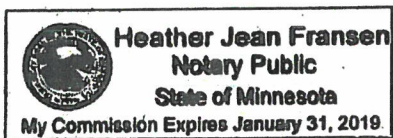
Authorized Signature: _____

Authorized Name (printed): Terry Owen

Title: Executive Vice President

Date: 12/10/2018

Notarized



Subscribed and sworn to before me this 10 day of December, 2018

Notary Public in and for the County of Winona State of Minnesota

My commission expires: 1/31/2019

Signature: Heather Jean Fransen

**Form P****PROPOSER QUESTIONNAIRE****Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions**

Proposer Name: Fastenal Company

Questionnaire completed by: Kevin Fitzgerald

Payment Terms and Financing Options

- 1) What are your payment terms (e.g., net 10, net 30)?

Standard payment terms are Net 30.

- 2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?

Not applicable.

- 3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to Sourcewell. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell Members' purchase orders.

With more than 2,200 local branches worldwide, we are where you are. One of Fastenal's key differentiators in the industrial supply distribution marketplace is the number of options we offer for order placement.

Below is a look at the various ways Sourcewell Members can order from Fastenal:

WALK-IN / WALK-OUT AT THE LOCAL FASTENAL BRANCH

Sourcewell Members can order items by walking into the local branch, calling the branch, or faxing or emailing their order. Local branches are open during normal business hours of 7:30 a.m. to 5:00 p.m. local time, Monday through Friday. Branches can be opened after hours for emergency service. Local Fastenal branch information is available 24/7 via www.fastenal.com under the Branch Locator as well as in the local phone books in more than 2,200 markets.



CUSTOMER SITE VISITS

With over 11,000 representatives, Fastenal makes more than three million customer site visits per year. The goal of these visits is to provide superior customer service and drive cost savings to each of Fastenal's customers by providing a local person to help in the ordering process.



CUSTOMER SERVICE CENTER

Fastenal's Customer Service Center includes dedicated Sourcwell customer service representatives. Fastenal has a toll-free phone number (877-507-7555) as well as a toll-free fax number (866-664-1246) and email address: govsales@fastenal.com



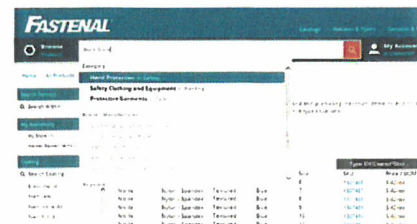
PRODUCT SOURCING

Sourcing of non-core items is service that Fastenal offers to customers to procure items that are not available within Fastenal's distribution system. The local Fastenal branch manages the sourcing, procurement, delivery, and, if required, the inventory management of the sourced items as part of a Fastenal vendor managed inventory solution. Fastenal's sourced items may be a direct line extension with an existing vendor or the item may be procured same day from local vendors. Pricing for sourced items is based on current market conditions and negotiated locally on a per-order basis.



FASTENAL.COM

Sourcwell Members who prefer to place their orders online have the option to place orders through Fastenal's state-of-the-art website. Members will be able to log in with their branch account number to view the Sourcwell online catalog. Fastenal primarily fulfills online orders at the local branch, maintaining the continuity of the local relationship as well as the order history for local inventory stocking models and reporting.



FAST SOLUTIONS – INVENTORY MANAGEMENT

Local Fastenal branches can stock customized dedicated inventory for Sourcewell Members and keep just the right amount flowing to their stocking locations, minimizing waste, downtime, and total costs. Through these programs, local Fastenal personnel take on the “heavy lifting” of inventory monitoring, ordering, and replenishment. FAST Solutions are tailored to meet the needs of each individual site.

BIN STOCK: Fastenal currently has 40,000+ bin stock solutions implemented at customer facilities. Members utilize this solution to organize and add efficiency to the ordering process managed by the member or Fastenal. We organize & label new or existing bins and collaborate to establish initial min/max levels and service schedule. Suggested replenishment orders are submitted, reviewed and approved via Fastenal.com.



VENDING: Fastenal currently has 63,000+ industrial vending machines installed at customer sites. Members position these devices at the point of use allowing more efficient access to inventory all while maintaining security and ensuring allocation rules are followed. When stock runs low, the machine sends an automated notification to the servicing branch and the Fastenal representative initiates the restock process.

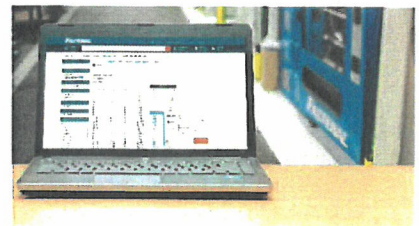


ONSITE: Fastenal currently has 600+ onsite locations. Members who implement an onsite program can streamline all of these procurement needs:

- Point-of-use access via onsite representative to source, procure, and expedite product needs
- Various eBusiness solutions
- Integrated procurement systems
- Product standardization & substitutions
- Capital improvement projects
- Custom manufacturing
- Industrial services – tool repair, regrind, lifting and rigging, hose assembly
- Preventative maintenance project kitting



ECOMMERCE INTEGRATION PLATFORMS: Whether we connect through a B2B connection, a portal, or our FastConnect punch-out platform your business results are the same: paperless transactions, lower administration costs, and clear usage and spending visibility.



- 4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell Members for using this process?

P-cards/credit cards are accepted at the time of purchase only, with no additional cost.

Warranty

- 5) Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.

- Do your warranties cover all products, parts, and labor?
Please see the attached "Exhibit F - Warranty Policy."
- Do your warranties impose usage restrictions or other limitations that adversely affect coverage?
Please see the attached "Exhibit F - Warranty Policy."
- Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?
Not Applicable.
- Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell Members in these regions be provided service for warranty repair?
Not Applicable.
- Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?
Fastenal does provide warranty services for some power tools made by other manufacturers for an additional year on top of the original manufacturer's warranty.
- What are your proposed exchange and return programs and policies?
Fastenal must approve cancellation of any order prior to shipment. Orders for Special or Non-standard Products (not in the catalogue) may not be cancelled or returned. Any returns for shipping errors, damage or loss upon delivery must be reported within 10 days of the delivery date. Except as otherwise agreed, Products will not be accepted for return after 30 days from the date of delivery to the Purchaser. Any cancellation or returns accepted after 30 days may be subject to a restocking fee and other charges, for which the Purchaser shall be responsible. All returns should be made to a Fastenal branch or as otherwise designated by Fastenal, and must be in resalable condition and accompanied with an Invoice.

- 6) Describe any service contract options for the items included in your proposal ("on call", retainer, etc.).
Fastenal is offering our Onsite solutions as a service to Sourcewell Members. Here's a brief overview at the potential benefits for select Sourcewell Member sites:

- An onsite (or, if preferred, nearby) Fastenal storeroom with consigned inventory to anticipate the facility's needs – we own it until it's on the production floor.
- The onsite Fastenal team would handle all inventory management functions – from sourcing, ordering, receiving and kitting, to point-of-use disbursement and usage reporting.
- The team also serves as expert supply chain consultants, drawing on Fastenal's spectrum of suppliers, services and solutions to drive incremental cost savings and continuous improvement.
- Point-of-use vending and bin stock locations, with customized inventory modeling to eliminate stock-outs.
- Immediate access to high-use items, critical spares, and a variety of unplanned spot buys.

Simply put, we assume the labor and costs of inventory procurement, management and ownership. You benefit from everything Fastenal has to offer – from our global sourcing operations, to our point-of-use solutions, to our vendor partners and in-house experts – all working to drive TCO savings in four key areas:

- ✓ Increase revenues (productivity)
- ✓ Decrease assets (inventory)
- ✓ Decrease expenditures (labor, freight, consumption, price, material substitutions, etc.)

- ✓ Implement process controls (SOP, QSOP, continuous improvement)

Please see the attached “Exhibit G - Fastenal Onsite Agreement.”

Pricing, Delivery, Audits, and Administrative Fee

- 7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

Product Categories

Abrasives; Adhesives, Sealants, and Tape; Cutting Tools and Metalworking; Electrical; Electronics and Batteries; Fasteners; Fleet and Automotive; HVAC and Refrigeration; Hardware; Hydraulics; Janitorial and Cleaning; Lighting; Lubricants, Coolants, and Fluids; Machinery; Material Handling, Lifting and Rigging; Motors; Office and Breakroom Supplies; Outdoor Products and Equipment; Packaging and Shipping Products; Paint and Painting Supplies; Plumbing; Pneumatics; Power Transmission; Pumps; Raw Materials; Safety; Security; Test and Measurement; Tools and Equipment; Welding.

Services

Product Services

Product Sourcing: Sourcing of non-core items is service that Fastenal offers to customers to procure items that are not available within Fastenal’s distribution system. The local Fastenal branch manages the sourcing, procurement, delivery, and, if required, the inventory management of the sourced items as part of a Fastenal vendor managed inventory solution. Fastenal’s sourced items may be a direct line extension with an existing vendor or the item may be procured same day from local vendors. Pricing for sourced items is based on current market conditions and negotiated locally on a per-order basis.

Custom Packaging/Kitting: Our 10 packaging facilities assemble 50,000 to 70,000 kits each day to meet our customers’ needs. Our operation in Shanghai, China is located inside a free trade zone, enabling us to source product from the most qualified manufacturers in Asia and package it to meet your specifications. Depending on your needs, we can work with standard part numbers, non-standard parts, customer-specific parts, or a mix of all. Kitted solutions can include barcoding, lot number, company logo, assembly services (e.g., applying grease to an o-ring and placing it on a bolt), and multiple sub-kits within a master kit.

FAST Solutions

Bin Stock: Each of our 50,000 plus customer bin stock programs is unique, but all share a common foundation. That includes a labeled location for each part, a targeted min/max inventory range for each location, and a nearby Fastenal branch to stock the product and keep it flowing. Our local presence enables us to tailor a solution that meets your needs for delivery, service, and control.

Vending: Fastenal’s industrial vending solutions combine point-of-use access with total traceability to drive productivity and cost savings for your business.

- Reduce Consumption – typically 25–35% as a result of the machines’ controls and reporting.
- Increase Productivity – by making product immediately available, 24/7, near the workers who need it.
- Automate Ordering – your local Fastenal rep monitors and refills the machines (a hands-free, paper-free process)

Onsite: Our distribution system has been built from the ground up to provide local inventory and service at virtually any global location — including YOUR facility. Through an Onsite partnership, we’ll bring our experts, products, and solutions within your four walls, driving cost savings and productivity gains in every corner of your business.

E-Business: Fastenal’s E-Business solutions are designed to streamline business processes while leveraging our local presence to provide the fastest possible service. This includes something no other national supplier can offer: same-day service for locally stocked items.

Industrial Services

Custom Chain Sling Fabrication & Inspection: We fabricate all chain sling types and can help you design specialty slings to suit your needs. We also offer free chain sling inspections that satisfy OSHA requirements.

Custom Logo Program: We can add your company logo (or any custom logo) to various high-visibility apparel, hard hats and safety glasses. Custom-logoed inventory can be stocked in our regional distribution centers to anticipate your future needs.

Cut-to-Length Metal, Chain & Cable: Save time, space and money by ordering what you need, when you need it.

Hose Fabrication: We can cut, assemble, crimp, test and label virtually any type, quantity or length of hose you require, from low pressure air hose to high pressure hydraulic hose.

Tool & Hoist Repair & Certification: Fastenal is an authorized service center for most leading brands of electric, cordless, pneumatic, and powder actuated tools. Tools and hoists can be regularly serviced as part of a scheduled program.

Weld-to-Length Bandsaws: Made-to-length bandsaw blades can be worked to your specifications and delivered to your location. More than 800 sizes and types are stocked in our distribution centers for fast lead times.

- 8) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

Fastenal Company is offering a product category discount from our wholesale price. Please visit Fastenal's online catalog at www.fastenal.com for available products and current wholesale prices. Please see the attached "Exhibit H - Category Discount Schedule."

Fastenal is also offering several "Hot List" options for Sourcewell Members, including a Hot List program wherein each qualifying Member will have the ability to customize a market basket of up to 500 items. These custom market baskets can be utilized for high-use items, green items, emergency response, etc. Additionally, Fastenal has included a Hot List of the items most commonly utilized by State and Local Government customers. Please see the attached "Exhibit I - Sourcewell Hot List."

Additionally, Fastenal can provide sourcing of non-core items to procure items that are not available within Fastenal's distribution system. Fastenal's sourced items may be a direct line extension with an existing vendor or the item may be procured same day from local vendors. Pricing for sourced items is based on current market conditions and negotiated locally on a per-order basis

- 9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.

Fastenal's discounts range from 20 – 50% off of the current wholesale price at the time of purchase.

- 10) The pricing offered in this proposal is

- _____ a. the same as the Proposer typically offers to an individual municipality, university, or school district.
- ___X___ b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- _____ c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- _____ d. other than what the Proposer typically offers (please describe).

- 11) Describe any quantity or volume discounts or rebate programs that you offer.

Volume Discount

Fastenal understands that members may, from time to time, have unique purchasing needs requiring the purchase of products in a volume not related to ordinary purchase volume. Fastenal will assist members by identifying and passing on the additional value which may be obtained through reaching a volume purchase. The volume discounts will be negotiated between the local Fastenal branch and the Sourcewell member based on market conditions.

Rebate

To help drive participation to the Sourcewell Agreement, Fastenal has a variety of incentives available to eligible Members who reach a minimum spend threshold within a contract year. Proposed incentives may include:

- Administration Fee
- Sales Growth Incentive
- Fastenal Solutions-Onsite Incentive
- Cumulative Volume Category Discount
- Customized Hot List

- 12) Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.

Fastenal’s sourcing model is a value-added service that we offer to customers to source products. The local Fastenal branch manages the sourcing, procurement, delivery, and, if required, the inventory management of the sourced product as part of a Fastenal vendor managed inventory solution.

Pricing for sourced items is based on current market conditions and is negotiated locally on a per-order basis.

- 13) Identify any total cost of acquisition costs that are **NOT** included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.

Fastenal has not identified any total cost of acquisition costs that are not included in our pricing submission.

- 14) If travel expense, delivery or shipping is an additional cost to the Sourcewell Member, describe in detail the complete travel expense, shipping and delivery program.

Sourced items and orders requiring special handling or expedited shipment may be subject to shipping charges. Items requiring additional charges would be communicated to the Sourcewell Member prior to acceptance of a purchase order. Approved charges would be prepaid and billed to the member.

- 15) Specifically describe those travel expense, shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

Items not in-stock at the local branch or not in-stock at the Primary Distribution Center for Alaska, Hawaii, or Canada may be subject to shipping charges.

- 16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

FAST Solutions®

BIN STOCK

Fastenal’s bin stock solutions are a perfect fit for any production and MRO items you cannot dispense out of a vending machine but are still needed on your shelves. Each solution is unique, but all share three common elements:

1. A labeled location and min/max inventory range for each part.

2. A nearby Fastenal branch to carry the inventory and make sure you always have just the right amount on hand.
3. Detailed usage reporting by location, clarifying 'how much of which parts should be stocked where.'

Manual Solutions:

Fastenal Managed Inventory (FMI)

Save time and money by utilizing our local experts to manage your bin stock inventory.

- We organize & label new or existing bins, collaborate to establish initial min/max levels and service schedule
- We visit regularly to monitor & replenish inventory.
- Suggested replenishment orders are submitted, reviewed and approved via Fastenal.com.
- Flexible delivery (we deliver to dock or put product away).



FAST Scan

If you prefer to handle the scanning and ordering internally, Fastenal will provide an iOS-based scanning solution for your personnel to quickly generate replenishment orders.

- We organize and label bins and shelving.
- We set up profiles for local users on Fastenal.com and provide scanning devices.
- Your local personnel determine inventory levels and controls.
- We provide flexible delivery, reporting, and suggestions for improvement.



Electronic Solutions:

FAST Scale

Utilizes weight sensor technology to provide a real-time view of your *exact* quantity on hand (QOH) – a good fit for critical production parts. Users log onto Fastenal.com to view live inventory levels and adjust reorder triggers.

- We install the scale system, organize and label parts.
- An order is automatically generated when stock hits 'min' level.
- View and approve suggested orders via Fastenal.com.
- Flexible delivery (we deliver to dock or put product away).



Auto Bins (coming soon)

Offers a real-time view of your inventory 'health' ('above min,' 'below min' or 'out of stock' – not exact QOH) along with electronic signals prompting replenishment when stock runs low. There are two basic options:

- *Infrared Bins* – An order is triggered when stock falls below a specified 'water mark' in the bin.
- *2-Bin System* – An order is triggered by placing the empty bin next to an RFID chip built into the shelving.

FAST Solutions®

VENDING

With tens of thousands of machines currently implemented at customer sites, Fastenal is the dominant leader in industrial vending. ... Why? It's a combination of our innovative technology, our low-cost, no-risk program, and most important of all, our "machine *behind* the machine" – the thousands of local Fastenal personnel making sure each solution is perpetually filled, functioning, and fully optimized for maximum savings.

- Wide variety of machines to support virtually any product needs.
- Dynamic web reporting – view real-time usage data when, where and how you want to see it.

- Machines provided free of charge based on a one-year renewable service agreement.
- Your servicing Fastenal branch teams monitor and replenish the machines – no paperwork or labor required.
- Dedicated vending specialists work hand-in-hand with our local branches to analyze usage patterns, suggest areas for improvement, and make sure the solution is driving the results you want to see.



FAST 5000 & FAST 3000

With tens of thousands of units driving results at customer sites, this is the most widely-used industrial technology in the world – a simple, versatile solution to track and control items ranging from PPE to general MRO items. The FAST 3000 is simply a more compact version of the FAST 5000. Both can function as stand-alone solutions or used in conjunction with our standard lockers.

Standard Lockers

Our standard (semi-secure) lockers are used to: 1) track and control access to larger-sized consumable products (relying on the user to enter the quantity taken), and 2) automate check-out and return of tools and other assets. They can be used with a standalone controller or in conjunction with a FAST 5000 or FAST 3000 machine.



FAST 10000SL (Secure Locker) Series

This next-generation technology extends the benefits of vending to four very common (yet traditionally difficult to vend) product types: 1) boxes, 2) cylinders/cans, 3) 'floppy' items (Tyvek suits, belts, hoists, etc.), and 4) loose components (fasteners, fittings, cutting tools, etc.). The machines automatically sense and report the exact amount taken by each user, providing per-item traceability and a frictionless 'grab and go' experience.

Outdoor Lockers

With a tough steel exterior, ruggedized electronics and optional temperature control, these lockers are built to operate in harsh outdoor environments. Keep tools perpetually stocked, secure and accessible on the jobsite, and automatically track check-out/check-in of expensive tools.



FAST CT (Cutting Tool) Machines

Designed to dispense and track inserts and round tools, either individually or in pre-determined quantities. The compact design of the machines (combined with the low cost of our vending program) makes it practical to install multiple point-of-use machines throughout the shop (versus a single centralized unit) for increased productivity.

FAST Solutions[®]

ONSITE

The purest expression of our local service philosophy is our Onsite service model, positioning not only our solutions but also Fastenal personnel and Fastenal-owned inventory – essentially a dedicated branch – within the walls of your facilities. Just like vending and bin stocks, this is a natural extension of our distribution infrastructure and a model we've pioneered in our industry, with hundreds of Onsite partnerships.

The Fastenal Onsite Advantage:

- Full program customization based on process mapping exercise.



- Dedicated onsite Fastenal team to handle all inventory management functions – the first time your employees touch the product is at the point of use
- Consigned onsite inventory within the Fastenal crib – we own it until it's on your production floor.
- Customized inventory modeling to eliminate stock-outs.
- Immediate access to planned needs (within our crib) and a variety of spot-buy needs (via our local branch).
- Detailed, flexible reporting based on your business priorities.
- Deep collaboration, including participation in Kaizen events and other company initiatives. (As we like to say, it's like having a team of supply chain experts on your staff, but not on your payroll.)

How Will Your Business Benefit?

✓ *Save money*

- Lower markup structure (reflecting our lower operating costs vs. our traditional branch-based service model).
- Utilize Fastenal labor for purchasing, quality inspection, inventory management, etc.
- Reduce transportation costs through better inventory planning and utilization of Fastenal's trucking system.

✓ *Reduce inventory/working capital*

- Upon moving Onsite, we will sell down your current inventory and replace it with our own.
- Moving forward, the inventory in the Fastenal crib is on our books until we move it to the production floor. This transformation creates a dollar-for-dollar reduction in your working capital.

✓ *Gain efficiency in your facility*

- Simply put, *we are experts* – with the knowledge, solutions, and systems to run a truly world-class supply chain for your business.
- Put our decades of experience to work for you in the areas of quality/source control, OEM critical spares management, inventory planning, point-of-use supply flow, and other critical activities.

Integrated Solutions

In conjunction with our Onsite service model, Fastenal personnel can perform any and all business functions, including purchasing and managing your non-Fastenal product needs (with no mark-ups added). Each integrated supply solution is unique and will require a detailed RFP to define the scope and responsibilities. To begin the process, our team of Lean Six Sigma specialists is prepared to perform a process mapping event.

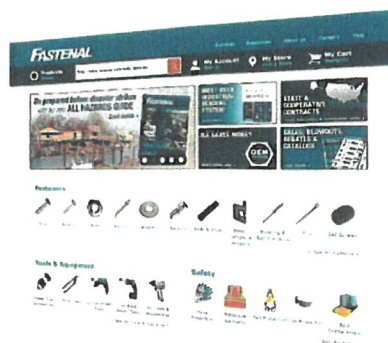
FAST Solutions[®]

E-BUSINESS

Our e-business solutions are designed to streamline business processes while leveraging our local presence to provide the fastest possible service. This includes something no other national supplier can offer on a national level: *same-day* service for thousands of locally stocked items.

Fastenal.com

Fastenal.com is a 24/7 window to research, source, procure, and manage a spectrum of MRO, OEM and Construction supplies. Leveraging our brick-and-mortar presence at 2,200+ locations, the site is designed to present the nearest – and therefore fastest – solutions to your product needs. That includes thousands of items available for same-day fulfillment at your servicing Fastenal branches.



Key Features & Functionality:

- **My Branch:** Need it today? Click on your My Branch tab to see if the item you're searching for is stocked on your local Fastenal branch shelves.
- **In-Stock Alternative Products:** View the item you originally searched for as well as 'in-stock alternatives' offering the same fit, form and function – potential solutions for a faster lead time or lower cost.
- **Advanced Permissions Settings:** Control non-compliant spending by setting employee purchase limits, establishing authorized users and approvers, and creating an automated approval workflow.
- **eQuotes:** Edit and approve branch quotes, including suggested bin stock (eVMI) replenishment orders, without having to enter or re-type data.
- **Reports:** Access usage, vending, and cost savings reports to bring visibility to your overall spend with Fastenal.
- **Strategic Supply Recommendations:** If desired, we can analyze your usage activity and present opportunities to standardize purchases, switch to more cost-effective alternatives, and supply repetitive orders via a more strategic delivery method, such as a vending or bin stock solution.

B2B Integration

B2B integration is either a direct connection between your internal ERP system and Fastenal, or a connection via a third-party procurement partner that supports electronic document exchange throughout the purchase-to-payment process. Reduce operational costs associated with the procurement process, eliminate double and manual data entry, and ensure adherence to supplier contracts and budgets.

Why Integrate With Fastenal?

- **Experience & Flexibility** – Our in-house eBusiness department has nearly 20 years of experience developing and implementing custom integrated solutions for a broad range of customers. With capabilities ranging from different types of electronic documents and formats to fully customizable catalogs, we can quickly tailor a solution to support your system and unique business needs.
- **Local fulfillment at 2,200+ locations** – Our integration solutions are backed by local inventory and a familiar face for each of your locations. Our easy-to-use punchout catalog keeps your personnel connected with their servicing branches, with the ability to direct users to locally-stocked product options for same-day service. Features like eQuotes and Order Templates further streamline the process for ordering locally-managed inventory items.

Our integration solutions are built on open industry standards (**OCI**, **cXML**, **xCBL** and **Punchout**), and we offer integration via most leading e-business systems and portals.

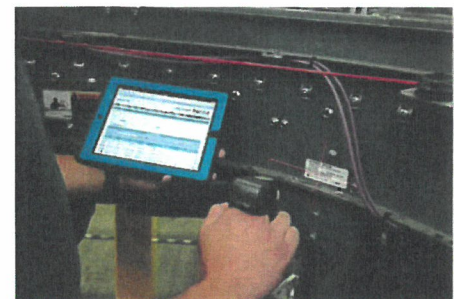
FAST Crib

Monitor inventory, equipment, and even work orders – all within one platform. This web-based, barcode-driven solution supports total inventory control, including min/max-triggered replenishment and a full suite of reports providing visibility and accountability on an enterprise-wide level.

Our implementation team will oversee the entire setup process, from data gathering to labeling, and even training, so your local teams can learn how to use the system while it's being customized for them.

FAST Crib supports four key processes: inventory management, asset management, maintenance management and procurement. These core components can be custom-configured for use at any time:

- **Inventory & Asset Management:** The FAST Crib program can be customized to include anything your local personnel wish to control, issue, return, monitor, or procure. Items are loaded by part number to create barcodes which can be scanned and tracked to provide real-time inventory visibility. This works for all parts, not just items supplied by Fastenal.



- Procurement Platform: Manage all of your suppliers via a single portal utilized by all employees – great for managing spot buys, controlling rogue purchasing, and channeling spend to preferred suppliers. Comes pre-loaded with a 325,000-SKU Fastenal reference database.
- Maintenance Management: Streamline preventative maintenance with pre-formatted work orders tied to inventory with Bill of Material generation. Be proactive in your maintenance and understand the true cost to maintain assets and your facility.

- 17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.

Contract Management

Fastenal's Contract Management team helps implement contract terms, conditions, pricing, and time lines for deliverables such as reporting, rebates, and additional discounts (if any). The Sourcewell agreement will be managed within Fastenal's contract management system, a proprietary database that manages pricing, FOB terms, rebates, reporting, and other relevant terms.

The Contract Management team will be responsible for ensuring that the contract is correctly administered. This will include working with the Fastenal Government team to document the execution of participating addenda, any unique terms & conditions, rebates or additional fees, and/or reporting requirements of the Sourcewell Member. The Contract Management System administers the Sourcewell Agreement (including any participating addendum unique terms, fees or reporting) to the Fastenal branch account, driving compliance via the Fastenal branch point of sale (POS) system. The Contract Management team will also manage the administration of contract modifications, extensions, price updates, and other administrative correspondence.

Sales Coordinators

Once the Sourcewell Agreement is entered into the Contract Management System, the day-to-day workload of interfacing with the Government Sales department and Fastenal's branch sales personnel becomes the primary responsibility of the Sales Coordinator team. This group serves as a clearinghouse and liaison team between Contract Management and Sales.

Fastenal's Sales Coordinator team serves as the internal "customer service center" for our branch sales people, providing relevant contract information as well as the "linking" of branch accounts for Sourcewell Members to the Agreement within the Contract Management System.

The Sales Coordinators are responsible for remitting reporting to Sourcewell and the Members. This includes sales reports, usage reports, supplier diversity reporting, sustainable purchases, etc.

- 18) Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See RFP Section 6.29 and following for details.)

Fastenal proposes an administrative fee of two percent (2%) less taxes, freight, and product returns.

Industry-Specific Questions

- 19) How would being awarded a Sourcewell contract allow you to better and more efficiently serve the government, education and non-profit segments?

Government agencies will be able to adopt this cooperative contract instead of publishing their own MRO contract. Government agencies will be able to take advantage of the aggressive discounts and all of Fastenal's inventory management services through the Sourcewell contract.

- 20) Describe the added value your company would provide to government, education and non-profit customers through a Sourcewell-awarded contract.

Fastenal added value proposition to government agencies would include:

1. Local Service – with over 2,000 stores in the United States and Canada, Fastenal has the largest local footprint of any industrial distributor. This allows Fastenal to serve the government agency with a local person. Being local increases the customer service the government agency receives as they will be buying from someone who is close by and understands their needs. Fastenal can also stock specific products for their government customer in the local store and provide same day service on those products.
2. Distribution – Fastenal owns their distribution system, meaning we do not rely on third parties to get our products to our customers. All orders are delivered by the local sales person to the exact location the customer requests. This makes returns or exchanges of products very easy.
3. Inventory Management – Fastenal is the industry leader in inventory management solutions. Fastenal's Bin Stock, Vending, FAST Crib and Onsite inventory management programs are designed to save the customer time and money and decreasing the total cost of ownership of their MRO supplies.

21) Describe any new products and services added to your portfolio within the past 18 months.

Innovation is one of our four core company values (along with ambition, integrity, and teamwork) and we are always on the lookout for opportunities to bring ideas, modifications, and improvements to our business. We can tailor our solutions to meet the needs of our customers and are open to adopting new methods as they appear. We also continue to add products to our offering in order to better meet the needs of our customers. With more than 3,500 corporately approved suppliers and 1.45 million SKUs sold, Fastenal adds new products every day.

22) Please describe any product training, consulting or instruction that you offer, including the programs, the related costs and the benefits?

Fastenal will provide customized training programs to meet Sourcewell Members' needs. Training sessions would generally be held at the member's facility, with training conducted by a local Fastenal employee and/or a Fastenal certified vendor. Because of our local presence, these trainings can be offered to Members frequently throughout the year. Costs may vary depending on the size and scope of the training.

Fastenal branch representatives and other customer support personnel are kept current on product and industry trends through ongoing training, yearly reviews of industry standards, and close interaction with our suppliers. In addition to customer training, our sales and support personnel participate in career-long professional education and development to continually improve their knowledge and service. The result is a well-trained sales force that can provide technical expertise to end users within a local environment.

Fastenal's Certified Vendor Training Program

Fastenal's Certified Vendor Training program includes training from certified vendors in the following areas:

- New products
- Equipment & operation – manufacturer/certified set-up/training
- Safety and OSHA training
- Product application, features and benefits
- Cost savings, lean, and vendor managed inventory (VMI) solutions

Although designed for our employees, Fastenal's Certified Vendor Training program will be offered to Sourcewell members as customized training workshops. Many of our product trainings are focused on safety, but the program also includes vendors outside of the safety category who provide training on various products and applications. In order to participate in the Certified Vendor Training program, the vendor must design training and present to the Fastenal School of Business (FSB) team, initiating a rigorous certification process that includes a consensus between the FSB instructors and the vendor on the following:

- Training requirements
- Hands-on and interactive delivery methods
- Markets targeted for products
- Product applications and uses

Safety Training

To support our safety product offering, we've positioned trained Safety Specialists across the United States. These personnel carry multiple certifications, including Masters in Occupational Health and Safety, QSSP Certification, and OSHA 30-Hour Training. Their job is to identify hazards, document risk factors, garner worker feedback regarding PPE, and ultimately develop a business plan to reduce workplace incidents while maximizing productivity and profits.

Working with our key safety suppliers, Fastenal's Safety Specialists provide trainings and PPE equipment assessments for the following concepts:

- Eye Protection – product selection/rationalization, fit testing
- Hearing Conservation – fit testing
- Face and Head Protection
- Respiratory Protection – qualitative fit testing
- Skin Care Needs Analysis – prevention/reduction of occupational dermatitis, reduction of sick days
- Hand Protection – job-specific assessments, product testing
- Fall Protection – application assessment, harness/lanyard inspection, competent person training
- Ladder Inspection and Certification
- Hoist and Sling Inspection and Certification
- Heat Stress Evaluation – program development
- Spill Containment and Flammable Storage
- Lock Out/Tag Out Program
- AED, BBP, First Aid Training
- ARC Flash Assessments



Energy Efficient Lighting Audits and Training

Fastenal works in conjunction with our lighting vendors to provide energy efficient lighting audits and training as a value-added service for customers. This program includes:

- Lamp/Ballast Standardization Recommendations
- Lighting Energy Audits/Analysis/Presentations
- Energy Saving Initiatives Specific to Lighting/Ballast
- Sustainability Initiatives Specific to Lighting/Ballast & Other Products
- Product Design Recommendation/Implementation of the Latest in LED Technology for Enhanced Energy and Maintenance Saving Strategies
- Lighting upgrade installation and project management

Green and Sustainability Training:

Fastenal's Certified Vendor Training includes information about green and sustainability initiatives offered by our various manufacturer partners. We also offer training on our green and sustainability product reporting and ways Sourcewell Members can work with Fastenal's Sustainability Coordinator to establish goals and manage spend to achieve their goals.

Annual Customer Show

Fastenal hosts an annual customer show to provide a venue for customers and manufacturing partners to participate in new product rollouts, cost savings training, demonstration of solutions, etc. Additionally, Sourcewell Members are

afforded an opportunity for government cooperative training provided by National Cooperative Procurement Partners (NCP).)

- 23) Do you have an on-line purchasing portal? If so, please describe your online ordering process, purchase approvals/tracking, payment options, reporting and monitoring (For example, can a member track spending by staff members, can a member put limits on purchases, can a member be invoiced, etc.)

<https://www.fastenal.com>

Fastenal hosts a state-of-the-art transactional website to process online orders. All orders are processed through your local branch and sales representative providing quick confirmation and seamless fulfillment on Sourcewell items. Authorized Purchasers can order catalog items online through multiple time-saving functions.

Superior online ordering capabilities include:

- Advanced Permissions Settings: Spending limits can be set and managed for an unlimited number of users, approvers, or account administrators. Control spending by limiting users to set a budget over a flexible period of time and/or by limiting the size of individual orders. Any user can be set up to be an order requestor, an order approver, or an account administrator.

Users & Permissions

☐	Username	Full Name	Security Level	
Ungrouped Users				
☐	[Username]	[First Name / Last Name]	Request Only	Edit Delete
☐	[Username]	[First Name / Last Name]	Request Only	Edit Delete
☐	[Username]	[First Name / Last Name]	Request Only	Edit Delete
☐	[Username]	[First Name / Last Name]	Request Only	Edit Delete
☐	[Username]	[First Name / Last Name]	Approver Purchase Limit (\$1000.00 per order)	Edit Delete
☐	[Username]	[First Name / Last Name]	Administrator	Edit Delete
☐	[Username]	[First Name / Last Name]	Administrator	Edit Delete

- Product Search: Products can be searched by using product categories, descriptions, key words, manufactures, manufacturer part numbers, industry part numbers, competitor part numbers, customer-specific part numbers, green products, and more. All results can be narrowed down by using attribute refinements.

Category	Brand / Manufacturer	Coating	Size	SKU
Hand Protection in Safety	SUPERIOR GLOVE WORKS USA	None	6	1307486
Safety Clothing and Equipment in Welding	SUPERIOR GLOVE WORKS USA	None	7	1307487
Protective Garments in Safety	ABBOTT WORKHOLDING	None	8	1307488
	ABBOTT WORKHOLDING	None	9	1307489
	ABBOTT WORKHOLDING	None	10	1307490
	ABBOTT WORKHOLDING	None	11	1307491

- Custom Order Templates: Order templates are easy to use and easy to create. Simply add items to your cart and save the cart for future use. Give an identity to the Custom Template by choosing a name and applying a

description to the Template. Order Templates are user specific or can be shared among users under one Fastenal.com account.

Order Template Detail

• **Template Name:** Air filters & belts

Template Description: Quarterly filter change

☒ Allow Others to Use: (with the same account)
☐ Allow Others to Edit: (with the same account)

[Update Template](#) [Show/Hide Line Details](#) [Add Selected to Cart](#)

☒	Qty	Image	Description	Qty/Pkg	Ext Qty	Price	Total
☒	48 Remove		20"W x 20"H x 2"D MERV 8 ProFitter® Standard Capacity Self Supporting Pleated Air Filter SKU: 0492505 Manufacturer: ProFitter®	12	576	Your Price: \$28.1244	\$1349.97
☒	24 Remove		25"W x 20"H x 2"D MERV 8 ProFitter® Standard Capacity Self Supporting Pleated Air Filter SKU: 0492504 Manufacturer: ProFitter®	12	288	Your Price: \$32.5836	\$782.01

- **Electronic Quotes (eQuotes):** eQuotes are electronic quotes sent to a user from their Fastenal Sales Representative. This is a method of converting customer product requests, vendor managed inventory requests, or vending machine transactions into customer orders without having to enter or re-type data. A notification is sent via email to the user and the eQuote is sent to the user's Fastenal.com account. Approve the eQuote and your local servicing branch will fulfill.

eQuotes

Find Quote Number:

Store Location: [▼](#)

☒ Pending ☐ Rejected ☐ Approved

[Search](#)

eQuotes represent suggested orders from your local Fastenal store(s). Please locate your Fastenal store's city and state, or if provided a quote number applicable to your location.

1 2 3 » Last

[Filter](#)

Reject Quote	Quote Number	Quote Date	Account Number	PO	Release/Job	Total	Status	Quote Actions
Reject	60323	2017-11-28	[Customer Acct Number]		Keep Fill	(USD) \$380.04	Pending	Add to Cart
Reject	60321	2017-11-28	[Customer Acct Number]		Lighting & Electrical	(USD) \$824.23	Pending	Add to Cart

- **Fast Order Pad:** Quickly add items to shopping cart by entering part number and quantity.

Fast Order Pad

Sku

Quantity

Price

Quantity Per Package

Description

[Lookup](#) [Add to Cart](#)

- **File Upload:** Import an excel spreadsheet list of part numbers and quantities into the shopping cart.

File Upload - Copy / Paste

Create Order using File Upload ?

File

Choose File

No file chosen

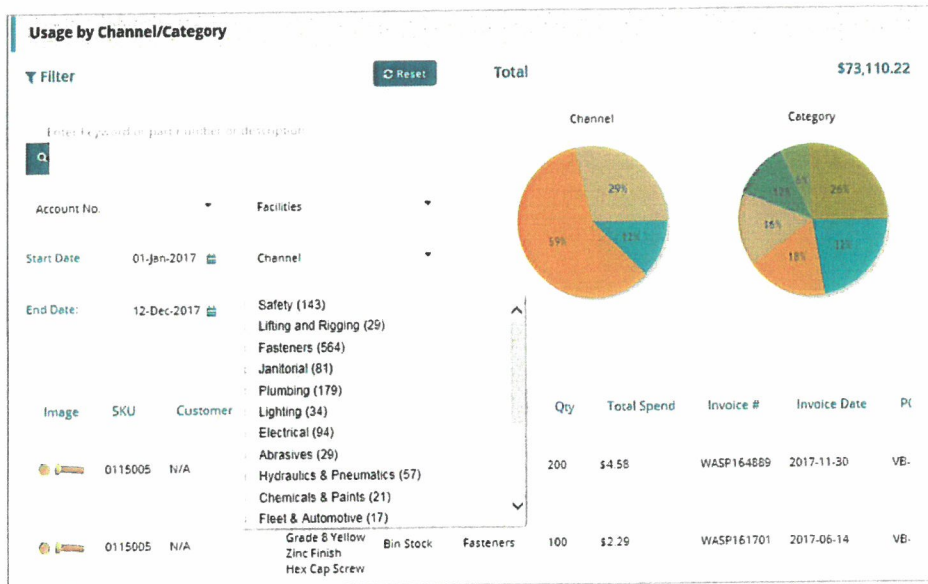
Upload

Download a blank template

- **Order Status:** Sourcewell Members can see the status of their orders at any time during the order process. The local branch can provide tracking information on branch-delivered parts and 3rd party tracking numbers are made available in status updates where applicable.

Completed						
Qty	Carrier	Tracking No.	Invoice #	EDA	Status	Date
10					Received At Business Unit	2017-11-20
10	FTRK		WASP164958		Picked	2017-12-05
10			WASP164958		Shipped	2017-12-05
10			WASP164958		Delivered	2017-12-05

- **Order History:** Ordering entities can view their history of orders placed online with Fastenal.com. Order history can be reordered and edited for future use and commonly ordered items can be saved into order templates for ease of re-ordering.
- **FAST 360°:** The FAST 360° application on fastenal.com has been engineered to provide insight into your organization's relationship with Fastenal. This ability is exclusive to Fastenal and provides access to information critically important in managing your supply chain. Search, compare and manage your supply chain with three easy-to-use modules that are directly incorporated within Fastenal's eCommerce platform.
 - My Business allows you to click into each of your facilities locations and all of the way down to the individual vending machine or bin stock which is managed by Fastenal and then pull up the device's respective planogram to get additional information on a specific SKU. Other companies will tell you what they have in stock. With FAST 360°, instantly see what YOU stock in your own facility.
 - My Inventory allows you to search your own inventory for each of your associated account numbers. You can also use the search function to find items based on keyword, description or part number, and even search by your own part number when they're included in our system.
 - My Spend is a detailed snapshot of your purchasing habits which provides awareness of planned and unplanned spend behaviors. Using invoice data, FAST 360° illustrates how current spend is being allocated. Monitor purchase activity by category and see which channel that spend is flowing through. Fastenal.com is not just a portal for placing orders, but a tool for managing the supply chain needs.



- Product Restriction: Products or categories may be restricted from purchase. Restricted items will be displayed as restricted and the user is not allowed to purchase the items.

EXPRESS Fastenal Part No. (SKU) 0600437 Each **Your Price:** ▼ In My Store

24" Clean Choice® Fine Polypropylene Wood Block Push Broom

Clean Choice®

Compare Restricted Item

Shopping Cart

! These SKUs are not in your custom catalog. Contact your local Fastenal store for sourcing and availability.

These SKUs must be removed before you can check out.

- Technical Information: All products contain technical information in the form of product attributes, product descriptions, and detailed notes fields. This information can guide the user by the type of product or the specific application of the product. Many products contain CAD Drawings and "Product Standards" informational PDF sheets which contain technical data such as chemical, mechanical, and performance information. Where applicable, links to (M)SDS sheets are made available in the product detail page of the corresponding part. Additionally, the "Supply Chain" section shows availability at the local Fastenal branch. All products visible on fastenal.com can be sourced in various manners.

FASTENAL

Catalogs Rebates & Flyers Services & Resources Careers Feedback Help

Browse Products Keyword: 200Z High Performance Acrylic Paint

My Account Sign In or Register My Store Brooklyn My Cart Items (0)

Home All Products Chemicals & Paints Paints, Marking and Accessories

200Z High Performance Acrylic Paint

Fastenal (SKU) 67113
Manufacturer No. 1602
UNSPSC Code 25121501
Manufacturer Diversified Brands-Krylon

Compliance

Restricted Product
This product is restricted for sale or use in the following areas:
Czech Republic
Hungary
Italy
Romania
Slovakia
Slovenia
Spain
Greece
SDS
(MSDS Material Safety Data Sheet) Available
67113.pdf
Vendible Item

Wholesale: \$68.58 / Case of 6
Unit Price: \$11.43 / Each
QTY (# of cases) 1 **ADD**

Product Attributes

Trade Name	High Performance 8
Chemical Base	Acrylic
Coverage Area	14 Square Feet
Net Fill	15 oz
Color	Deep Blue
Drying Time	1 - 2 hr
Recoat Time	1 hr or after 24 hr
Application	Concrete, masonry, metal, wood

Alternative Items (1)

SKU: 67113
1602 (12oz Net Fill) Aerosol Can
Deep Blue High Gloss Krylon 8 Acrylic Paint
Manufacturer: DIVERSIFIED BRANDS-KRYLON

Supply Chain

Availability: **Ships TOMORROW**

Direct Ship: **Ships TOMORROW**

24) Please rank the top 3 market segments where your company provides products & services:

- Facilities MRO (Maintenance Repair & Operations)
- Industrial Supplies
- Tools & Equipment/Accessories
- Electrical Power Transmission & Supplies
- Mechanical Power Transmission
- Pneumatics/ Fluid Power
- Electrical and Lighting Products & Services
- Plumbing Supplies & Waterworks
- Construction & Building Supplies

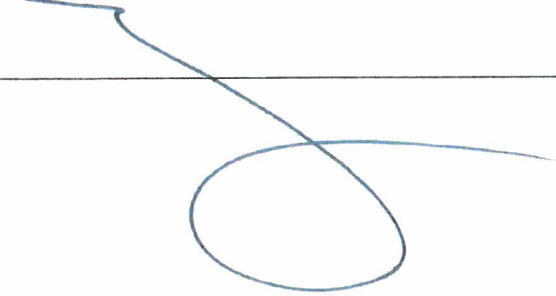
Fastenal's top 3 market segments are Facilities MRO (Maintenance Repair & Operations), Industrial Supplies, and Tools & Equipment/Accessories.

25) Describe your market share, depth, and breadth of products and services offered within each of the following categories you currently provide to your government, education & non-profit customers:

- Facilities MRO (Maintenance Repair & Operations)
- Industrial Supplies
- Tools & Equipment/Accessories
- Electrical Power Transmission & Supplies
- Mechanical Power Transmission
- Pneumatics/ Fluid Power
- Electrical and Lighting Products & Services
- Plumbing Supplies & Waterworks
- Construction & Building Supplies

In 2017 Fastenal supplied products spanning nearly 1.45 million unique stock-keeping units (SKUs). This includes 170,000+ "standard" part numbers that are well supported throughout our distribution system, along with a vast range of semi-standard and customer-specific items. We currently have more than 3,500 corporately approved vendors (more than 14,000 total vendors company-wide) with whom we are continually working to expand our product offering in order to better meet the needs of our customers.

Signature: _____ Date: 12/10/2018

A handwritten signature in blue ink, consisting of a large, stylized loop that crosses itself, followed by a horizontal line extending to the right.

Category Discount Schedule Sourcewell

CATEGORY	DISCOUNT
01-Fasteners	50%
01.5-Hardware	30%
02-Tools & Equipment	25%
01-Cordless Power Tools	20%
02-Corded Power Tools	20%
03-Safety	25%
05-Hand Protection	32%
04-Raw Materials	20%
05-Abrasives	25%
06-Welding	25%
07-Cutting Tools & Metalworking	25%
07.3-Plumbing	30%
07.5-HVAC	25%
01.5-Filters	35%
08-Hydraulics & Pneumatics	25%
08.3-Power Transmission & Motors	25%
08.5-Fleet & Automotive	25%
09-Electrical	25%
09.5-Lighting	30%
10-Janitorial	25%
03-Wiping Products	40%
05-Trash Cans and Liners	35%
11-Restroom Care	40%
11-Chemicals & Paints	25%
12-Material Handling, Storage & Packaging	25%
12.5-Lifting & Rigging	30%



**CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. K.11**

DATE: July 29, 2020

TO: City Council

FROM: Rosemarie Gaglione, Public Works Director, (805) 385-8055, rosemarie.gaglione@oxnard.org

SUBJECT: Second Amendment to Agreement A-7974 with the County of Ventura for a Work Release Program.

RECOMMENDATION

That the City Council approve and authorize the Mayor to execute a Second Amendment to Agreement A-7974 with the County of Ventura in the amount of \$235,000 for a new not to exceed contract amount of \$925,000, and to extend the contract term from July 18, 2020, to July 18, 2021. (Public Works and Transportation Committee approved 3-0.)

BACKGROUND

Since 2009, the County of Ventura (County) has provided work release crews to the City of Oxnard (City) to assist with a variety of maintenance tasks and special projects for multiple divisions within the City's Public Works Department. The County work release program assists the City with medians, weed abatement, debris removal and improvement projects. County Probation Agency staff provides supervision and transportation for work release crews. Additionally, crews are covered under the County's medical and worker's compensation plans. City staff provides task direction and training for all crews. City staff collaborates with the probation officers to enforce rules and ensure that crews are working efficiently. This contract has provided a cost-effective method for the aforementioned work throughout the City.

On July 18, 2017, the City and County entered into Agreement A-7974 (Agreement) to provide services for three (3) years. The Agreement provided services within Community Facility District No. 5 (Riverpark), Measure O maintained parks and streets and medians. The First Amendment to the Agreement was approved by the City Council on December 4, 2018, which allocated additional funding from the City's Streets Division. The table below shows the history of the Agreement and amendments.

AGREEMENT/ AMENDMENT	COUNCIL APPROVAL	VALUE AMOUNT	AMENDMENT AMOUNT	TOTAL AMOUNT	EXPIRATION DATE
A-7974	7/18/17	\$540,000	NA	\$540,000	July 18, 2020
1st Amendment	12/4/18	\$540,000	\$150,000	\$690,000	July 18, 2020
<i>2nd Amendment</i>	<i>Pending</i>	<i>\$690,000</i>	<i>\$235,000</i>	<i>\$925,000</i>	<i>July 18, 2021</i>

DISCUSSION

The current contract will expire on July 18, 2020, and City staff has determined the services provided by this program are beneficial to the City's needs and recommends continuing services for another year. This Second Amendment with the County will increase the contract value by \$235,000 for a new not to exceed amount of \$925,000, and extend the contract

term through July 18, 2021. This amendment will allow City's Parks, Special Districts, Streets Divisions and other divisions within the Public Works Department to continue to utilize the County's work release program.

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

The total cost for the Second Amendment with the County is an additional \$235,000 through July 18, 2021. There are sufficient budget appropriations in each respective Public Works division for FY 2020-21. Funds will be allocated based on assigned tasks and budget availability:

Division Name	Account Number	FY 2020-21	FY 2020-21
		Available Budget	Spending Plan
Parks Division – Measure O/College Park	104-5701-805-8209 (MO5701)	\$20,000	\$10,000
Parks Division – Trees and Medians	101-5705-805-8209	\$50,000	\$20,000
Special Districts–Various district accounts will be used up to a total of \$90,000.	121-1606-805-8229	\$10,000	\$90,000
	125-1606-805-8229	\$5,000	
	170-8003-899-8229	\$10,000	
	173-1606-805-8229	\$10,000	
	174-1606-805-8229	\$20,000	
	175-1606-805-8229	\$35,000	
Streets Division – Measure O	104-5704-803-8209 (MO3102)	\$75,000	\$75,000
Other Public Works divisions	Services Other - Professional Contracts	\$40,000	\$40,000
Second Amendment Total			\$235,000

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on July 14, 2020 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Brian Yanez, Assistant Public Works Director

ATTACHMENTS

1. Agreement A-7974 2nd Amendment
2. Original Agreement A-7974 County Work Release and 1st Amendment

**SECOND AMENDMENT TO AGREEMENT FOR WORK
RELEASE LABOR INCLUDING TRANSPORTATION AND
SUPERVISION BY COUNTY**

This Second Amendment ("Second Amendment") to the Agreement for Work Release Labor Including Transportation and Supervision by County, previously entered into on July 18, 2017 and later amended on December 4, 2018 ("Agreement") is made and entered into in the County of Ventura, State of California, this _____ day of _____, 2020 by and between the City of Oxnard, a municipal corporation ("City"), and the County of Ventura ("County").

City and County agree as follows:

1. Section 1 of the Agreement (Term) is hereby deleted in its entirety and replaced with the following:

"This Agreement shall terminate on July 18, 2021, unless sooner terminated by either party."

2. In Section 2 of the Agreement (Scope of Services), in the seventh paragraph (first full paragraph after the lettered list), the following sentence is added to the end of the paragraph:

"If required by social-distancing directives issued by state or local public-health officers due to the COVID-19 pandemic, County may, in its own discretion, reduce the size of a Crew to seven or fewer individuals."

3. In Section 3 of the Agreement (Compensation), the following changes are made:

- (1) The first sentence is deleted and replaced with:

"Agency must pay County a rate of \$550 per Crew per day, except where County has reduced the size of a Crew to seven or fewer individuals, in which case Agency must pay County \$55 per individual on a Crew."

- (2) The second sentence is deleted and replaced with:

"The City will pay the County from various distinct funds that cannot be commingled."

- (3) In the third sentence, the figure "\$690,000" is deleted and replaced with "\$925,000."

4. In Section 13 of the Agreement (Notices), the name, “Parks and Facilities Manager,” is deleted and replaced with, “Public Works Director.”
5. Except as expressly amended by this Second Amendment, all terms of the Agreement remain the same and continue in full force and effect.

[Signatures on next page]

Agreement No. A-7974

WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

CITY OF OXNARD**COUNTY OF VENTURA**

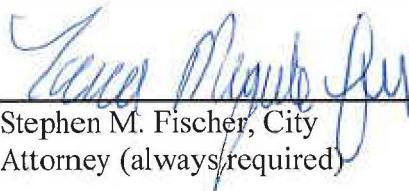
☒ Tim Flynn, Mayor¹ _____ Date _____
☐ Alexander Nguyen, City Manager
☐ Daniel Willhite, Purchasing Manager
☐ Buyer _____ Date _____

Mark Varela,² _____ Date _____
 Director/Chief Probation
 Officer

ATTEST:

 Michelle Ascencion, City Clerk (only if Mayor signs) Date _____

APPROVED AS TO FORM:

 _____ Date 6-16-2020
 Stephen M. Fischer, City Attorney (always required)

¹The City Council must authorize and the Mayor must sign the amendment if the original contract and all amendments collectively total over \$200,000 annually. The City Manager may authorize and sign the amendment if the original contract and all amendments collectively total over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign the amendment if the original contract and all amendments collectively total up to \$100,000 annually. A Buyer may authorize and sign the amendment if the original contract and all amendments collectively total up to \$25,000 annually.

² The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CFO or Vice President AND of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC (company directors, not lower-level managers); or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner. If the company has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally binding documentation stating who can sign and bind your company.

Agreement No.A-7974

**VENTURA COUNTY AGREEMENT FOR WORK RELEASE LABOR
INCLUDING TRANSPORTATION AND SUPERVISION BY COUNTY**

THIS AGREEMENT ("Agreement") is made and entered into this 18th day of July, 2017, by and between the County of Ventura ("County") and the City of Oxnard ("Agency"). The purpose of this Agreement is for County to provide to Agency labor performed by participants in County's Work Release Program ("Participants").

Now, therefore in consideration of the mutual promises, obligations, and covenants hereinafter contained, Agency and County agree as follows:

1. Term. This Agreement shall commence on the date first written above and shall terminate three (3) years thereafter, unless sooner terminated by either party.
2. Scope of Services. In consideration for fees paid under paragraph 3 below, County will furnish labor, transport Participants to and from work locations unless other mutually agreed upon written arrangements are made, and supervise the Participants in completing mutually agreed upon projects. Tasks may include, but are not limited to the following:
 - a. Weed abatement within Agency maintained areas. This includes Agency parks, detention basins, trail systems, and medians.
 - b. Trash abatement within Agency maintained areas.
 - c. Landscape renovation within Agency maintained areas to include but not limited to: Removal of dead/dying plant material, soil preparation, planting of replacement plant material, and trimming of plant material.
 - d. Work with the Agency's irrigation crews performing maintenance and repair within Agency maintained areas.
 - e. Work with the Agency's mower crew performing the following tasks: use of string trimmer edger and blower within Agency maintained areas.

Participants will work collectively in a "Crew." The normal size of a supervised Crew will be 8 to 12 individuals, supervised by one County employee from the Probation Agency. The number of Crews provided will depend on availability of Participants and the needs of the Agency.

Before Participants begin work, Agency will provide clear direction as to the location, nature, and scope of work to be performed by Participants. Agency will, at all times during the period when Participants are performing work, make available a person who will serve as a point of contact to answer questions about the location, nature, and scope of work, and to provide inspection and verification of work, upon request by County, Crew, or Participants. The point of contact person must be available for immediate response.



3. Compensation. Agency must pay County a rate of \$550 per Crew per day. The City will pay the County from three distinct funds that cannot be commingled. Thus, the maximum amount of this three-year agreement is \$540,000. The County's rate will be recomputed annually and revised accordingly, determined by County, based on County's costs and thereafter charged at revised rate; the County shall give the City thirty (30) days' notice before any such change. Such revision and rate are deemed to be incorporated by reference herein at the time of written notification thereof to Agency.
4. Supervision. Supervision of Participants will include enforcement of Work Release policies, including transportation of any Participant who refuses to work, becomes unable to work, or disrupts the work, and supervision of work performed by Participants for Agency.
5. Replacement of Problem Participants. If, due to the removal of a Participant from a Crew, it becomes necessary to replace that Participant, and if a replacement Participant is immediately available, County will make reasonable efforts to provide a replacement Participant.
6. Supplies and Materials. Agency will provide all necessary tools, supplies and materials, including any safety equipment, needed by Participants to complete the assigned projects. Agency will provide a safe working environment, including, but not limited to, any necessary signage, barriers, or other safety devices typically used for similar work when performed by Agency personnel.
7. Injuries. Where County furnishes supervision for labor to Agency, County will provide for necessary medical treatment for injuries or illness suffered by Participants while in the course and scope of the performance of labor provided under this Agreement. Should Workers' Compensation benefits be required, County will provide such benefits to Participants.
8. Mutual Indemnification. Each party must hold harmless, immediately defend, and indemnify the other party and its directors, councilmembers, officers, agents and employees against any and all loss, liability, damage, or expense, including any direct, indirect, or consequential loss, liability, damage, or expense, for injury or death to persons and damage to property to the extent arising out of, resulting from, or in connection with, the indemnifying party's performance or failure to perform any of its obligations in this Agreement. The provisions of this paragraph will survive the term and termination of this Agreement.
9. Insurance:
 - a. County must maintain a program of self-insurance during the performance of any services under this Agreement meeting the requirement of the insurance coverage specified in Exhibit Ins-D, attached hereto and incorporated herein by reference. Agency acknowledges that County is self-insured against workers' compensation claims in accordance with Labor Code section 3700(b) and that Agency is self-insured for general liability claims in accordance with Government Code sections 989 and 990.

- b. County must, prior to performance of any services, file with the Agency's Risk Management evidence of coverage as specified in Exhibit Ins-D.
 - c. Maintenance of insurance coverages by County is a material element of this Agreement. County's failure to maintain insurance coverages may be considered a material breach of this Agreement.
10. Accounting. Upon request by Agency, County will provide an accounting of the number of Crews employed by Agency during each month.
11. Independent Contractor. In the performance of this Agreement, County is an independent contractor, and County's officers, agents, employees, assigns and Participants are not employees of Agency. County has the right to exercise full control over the method of completing the work for the Agency. County's officers, agents, employees, assigns, and Participants are not entitled to receive from Agency any of the benefits or rights afforded employees of Agency, including, but not limited to, reserve leave, sick leave, vacation leave, holiday leave, compensatory leave, Public Employees Retirement System benefits, or health, life, dental, long-term disability and workers' compensation insurance benefits. County and its officers, agents, employees, assigns, and Participants has no power to incur any debt, obligation, or liability on behalf of Agency, bind Agency in any manner, or otherwise act on behalf of Agency other than as stated in this Agreement. County and its officers, agents, employees, assigns, and Participants may not, at any time or in any manner, represent that they are in any manner agents, officers or employees of the Agency.
12. Termination. Either party may terminate this Agreement with or without cause at any time, immediately upon written notice to the other.
13. Notices. All notices and other official correspondence relating to this Agreement must be made by depositing first-class postage-paid mail to the address as follows:

County:

Mark Varela
 Director / Chief Probation Officer
 Probation Agency
 800 South Victoria Avenue
 Ventura, CA 93009

Agency:

Dean Yamamoto, Interim Parks Manager
 City of Oxnard
 1060 Pacific Avenue, Building 3
 Oxnard, CA 93030

Or to such other address as either party may designate hereinafter in writing delivered to the other party. Said notice will be deemed to have been received three (3) days after mailing.

14. Assignment. This Agreement may not be assigned by the County, either in whole or in part, without the written consent of the Agency.
15. Amendment. No alteration or variation of this Agreement is valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein is binding on any of the parties hereto.
16. Payment. County may submit monthly written invoices based upon the services rendered under this Agreement, and Agency must pay the undisputed amounts on those invoices within sixty (60) days of the Agency's receipt of said invoices. The County may issue separate invoices or one combined invoice for services rendered, but in either case, each invoice must state clearly whether the particular listed services were rendered for the City, River Park, or College Park regions.
17. Force Majeure. Neither Agency nor County is responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts include, but are not limited to, acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations imposed after this Agreement was executed, fire, communication line failures, earthquakes, or other disasters.
18. Time of Essence. Time is of the essence in regard to performance of any of the terms and conditions of this Agreement.
19. Governing Law; Venue. The construction and interpretation of this Agreement and the rights and duties of Agency and County hereunder are governed by the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to the Agreement is in the Ventura County Superior Court.
20. Compliance with Laws. Agency and County must comply with all applicable state and federal laws and regulations pertaining to the services performed by County under this Agreement.
21. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provision.
22. No Waiver. No waiver of a breach of any provision of this Agreement by either Agency or County will constitute a waiver of any other breach of the same provision or any other provision of this Agreement. Failure of either Agency or County to enforce at any time, or from time to time, any provision of this Agreement, must not be construed as a waiver of such provision or breach.
23. Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed as original and all of which, when taken together, are deemed to be one and the same agreement. A signed copy of this Agreement transmitted by fax, email, or by other means of electronic transmission is deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

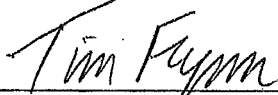
24. Arbitration. In the event of any dispute with regard to the provisions of this Agreement, the services rendered, or the amount of County's compensation, the dispute may be submitted to non-binding arbitration upon the mutual agreement of the parties, under such procedures as the parties may agree upon, or, if the parties cannot agree, then under the Rules of the American Arbitration Association.
25. Expenses of Enforcement. Each party is responsible for its respective costs of litigation, including attorneys' fees and expenses, which may include investigation fees and expert witness fees, that arise as a result of any dispute involving the terms and conditions of this Agreement.
26. Authority to Execute. Agency acknowledges that the people executing this Agreement have been duly authorized by the City Council to do so on behalf of Agency. County acknowledges that the person executing this Agreement has been duly authorized by County to do so on behalf of County.
27. Entire Agreement. This Agreement constitutes the entire agreement of the parties regarding the subject matter described herein and supersedes all prior communications, agreements, and promises, either oral or written.
28. Headings. The headings used in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of this Agreement or any part of it.
29. Audit. The State Auditor may examine and audit Agency, County, or both, for a period of three (3) years after final payment under the Agreement. County must maintain and preserve all such records for a period of at least three (3) years after final payment under the Agreement.

[Signatures on next page]

IN WITNESS WHEREOF, Agency and County have caused this Agreement to be executed the day and year first written.

AGENCY:
CITY OF OXNARD

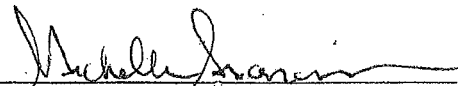
COUNTY OF VENTURA:



Tim Flynn, Mayor

Mark Varela,
Director/Chief Probation Officer

ATTEST:



Michelle Ascension, City Clerk

APPROVED AS TO FORM:

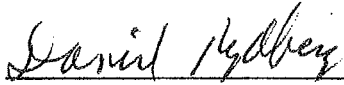


Stephen M. Fischer, City Attorney

APPROVED AS TO CONTENT:



Art Gutierrez,
Interim Maintenance Services Manager



Daniel Rydberg, P.E., Public Works Director



Ruth Osuna, Assistant City Manager

APPROVED AS TO INSURANCE:



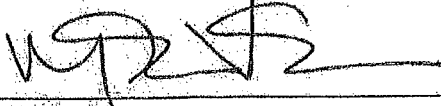
Mike More, Risk Manager

IN WITNESS WHEREOF, Agency and County have caused this Agreement to be executed the day and year first written.

AGENCY:
CITY OF OXNARD

COUNTY OF VENTURA:

Tim Flynn, Mayor



Mark Varela
Director/Chief Probation Officer

ATTEST:

Michelle Ascension, City Clerk

APPROVED AS TO FORM:



Stephen M. Fischer, City Attorney

APPROVED AS TO CONTENT:



Art Gutierrez,
Interim Maintenance Services Manager

Daniel Rydberg, P.E., Public Works Director

Ruth Osuna, Assistant City Manager

APPROVED AS TO INSURANCE:

Mike More, Risk Manager

**INSURANCE REQUIREMENTS FOR SMALL/MEDIUM CONSTRUCTION AND SERVICES CONTRACTS
(WITHOUT BUILDER'S RISK REQUIREMENT)**

1. Contractor shall obtain and maintain during the performance of any services under this Contract the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by Contractor, its agents, representatives, employees or subcontractors.

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 location 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. If architectural, engineering, or electrical work will be performed under the Contract, Professional Liability/Errors and Omissions Insurance appropriate to the work being done in an amount not less than \$1,000,000, with neither Contractor nor listed subcontractors having less than \$500,000 individually. The Professional Liability/Errors and Omissions Insurance must be project specific with at least a one-year extended reporting period, or longer upon request.

d. 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. Contractor 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-D. 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. Contractor 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. Contractor 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 Contractor; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired or borrowed by Contractor. 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-D 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 or self-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 Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

7. All insurance standards applicable to Contractor shall also be applicable to Contractor's subcontractors. Contractor agrees to maintain appropriate agreements with subcontractors and to provide proper evidence of coverage upon receipt of a written request from the Risk Manager.

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 general liability and 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-D.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 \$1,000,000 MIT 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 Errors and omissions insurance or malpractice insurance available for the insured's profession; if architectural, engineering or electrical work will be performed under the Agreement				Minimum coverage \$1,000,000 Each consultant/ \$500,000 & listed sub-consultant

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. 7/17

AUTOMOBILE LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")		SUBMIT IN DUPLICATE	
PRODUCER		ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
Telephone: _____ NAMED INSURED 	POLICY INFORMATION: Insurance Company: _____ Policy No.: _____ Policy Period: (from) _____ (to) _____ LOSS ADJUSTMENT EXPENSE ☐ Included in Limits ☐ In Addition to Limits ☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____ with an Aggregate of \$ _____ applies to _____ coverage. ☐ Per Occurrence ☐ Per Claim (which) _____ APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered: CITY AGREEMENTS/PERMITS		
TYPE OF INSURANCE ☐ COMMERCIAL AUTO POLICY ☐ BUSINESS AUTO POLICY ☐ OTHER		OTHER PROVISIONS 	
LIMIT OF LIABILITY \$ _____ per accident, for bodily injury and property damage.		CLAIMS: Underwriter's representative for claims pursuant to this insurance. Name: _____ Address: _____ Telephone: () _____	
In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:			
1. INSURED. The City, its officers, agents, volunteers and employees are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured. 2. CONTRIBUTION NOT REQUIRED. As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it. 3. SEVERABILITY OF INTEREST. This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included. 4. CANCELLATION NOTICE. With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City. 5. PROVISIONS REGARDING THE INSURED'S DUTIES. Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers. 6. SCOPE OF COVERAGE. This policy, if primary, affords coverage at least as broad as: a. Insurance Services Office Automobile Liability Coverage, "occurrence" form CA0001, code ("any auto"); or b. If excess, affords coverage which is at least as broad as the primary insurance form referenced in the preceding section (1). Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.			
ENDORSEMENT HOLDER			
CITY OF OXNARD Attn: Risk Manager Reference No. _____ 300 W. Third Street, Suite 302 Oxnard, CA 93030		AUTHORIZED REPRESENTATIVE ☐ Broker/Agent ☐ Underwriter ☐ _____ I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement. Signature _____ (original signature required) Telephone: () Date Signed _____	

Agreement No. A-7974

**FIRST AMENDMENT TO AGREEMENT FOR WORK RELEASE LABOR
INCLUDING TRANSPORTATION AND SUPERVISION BY COUNTY**

This FIRST Amendment ("First Amendment") to the Agreement for Work Release Labor Including Transportation and Supervision by County ("Agreement") is made and entered into in the County of Ventura, State of California, this ____ day of _____, 2018, by and between the City of Oxnard, a municipal corporation ("City"), and the County of Ventura ("County"). This First Amendment amends the Agreement entered into on July 18th, 2017, by City and County.

City and County agree as follows:

1. In Section 3 of the Agreement, the sentence "The City will pay the County from three distinct funds that cannot be commingled" is deleted and replaced with "The City will pay the County from four distinct funds that cannot be commingled."
2. In Section 3 of the Agreement, the figure "\$540,000" is deleted and replaced with the figure "\$690,000".
3. In Section 13 of the Agreement, the name "Dean Yamamoto, Interim Parks Manager" is deleted and replaced with "Parks and Facilities Manager."
4. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]

Agreement No. A-7974

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date first written above.

CITY OF OXNARD

VENDOR/CONTRACTOR/CONSULTANT

☒ Tim Flynn, Mayor (if agreement is \$250,000.01 or more) _____ Date _____
☒ Alexander Nguyen, City Manager
 (if agreement is \$25,000.01-\$250,000.00) _____
☐ Lisa Boerner, Purchasing Agent (if agreement is up to \$25,000.00)

 10/2/2018
 Mark Varela, _____ Date _____
 Director / Chief Probation Officer

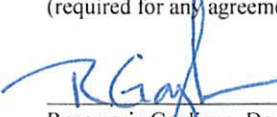
ATTEST:

Michelle Ascencion, City Clerk _____ Date _____
 (if agreement is \$250,000.01 or more)

APPROVED AS TO FORM:

 7/31/18
 Stephen M. Fischer, City Attorney _____ Date _____
 (required for any agreement amount)

APPROVED AS TO CONTENT:

J. Arthur Gutierrez, Project Manager _____ Date _____
 (required for any agreement amount)
 8/3/18
 Rosemarie Gaglione, Department Head _____ Date _____
 (if agreement is \$25,000.01 or more)

APPROVED AS TO AMOUNT:

Jesus Nava, Assistant City Manager _____ Date _____
 (if agreement is \$250,000.01 or more)

APPROVED AS TO INSURANCE:

 9/4/18
 Mike More, Risk Manager (required _____ Date _____
 for any agreement amount)

The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC; or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally-binding documentation stating who can sign and bind your company.

PLEASE DO NOT
REMOVE THIS BOX



CITY COUNCIL AGENDA REPORT

PUBLIC HEARINGS AGENDA ITEM NO. L.1

DATE: July 29, 2020

TO: City Council

FROM: Jeffrey Lambert, Community Development Director, (805) 385-7882, jeffrey.lambert@oxnard.org

SUBJECT: Appeal of the Planning Commission's Decision to Deny Planning and Zoning Permit No. 18-500-12 (Special Use Permit) Regarding Property at 2900 Saviers Road - 7-Eleven (APN 219-018-035), Subject to Certain Findings and Conditions. (10/20/10)

RECOMMENDATION

That the City Council:

1. Conduct a public hearing;
2. Find the Project to be Statutorily Exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15270 (Projects Which Are Disapproved); and
3. Adopt a resolution denying the appeal and upholding the Planning Commission's denial of Planning and Zoning Permit No. 18-500-12 (Special Use Permit) because the record does not contain the evidence necessary to make all of the Findings required by Oxnard City Code Section 16-531 and City Council Resolution No. 11,896 in order to grant a Special Use Permit.

BACKGROUND

On September 19, 2019, the Planning Commission (the "Commission") held a public hearing to consider Planning & Zoning Permit No. 18-500-12 requesting approval of a Special Use Permit. The project scope involved demolition of an existing four-story vacant office building and construction of a 3,000 square-foot convenience store with alcohol sales for off-site consumption as well as a new 12-pump fuel facility. The proposed project is located at 2900 Saviers Road. Staff originally presented the project with a recommendation for approval (Attachment A).

At the public hearing, the Commission heard public testimony, deliberated, and made a motion of intent to deny the project as they could not make all of the Findings required to grant the Special Use Permit, however, a resolution for denial was not available. Therefore, the Commission continued the project to October 17, 2019 to ratify the directed action. On October 17, 2019, the Commission voted 4-0, with three Commissioners absent, to adopt a resolution to deny the project (Attachment B).

Pursuant to Sections 16-544 and 16-545 of the Oxnard City Code ("OCC"), the action of the Planning Commission is final unless an appeal application to the City Council is filed within 18 days after the action date. On November 4, 2019, the Applicant filed a timely Appeal application with the City (Attachment C).

On November 6, 2019, the Appellant / Applicant submitted a request that the Appeal hearing be continued for 60 days (Attachment D). On December 3, 2019, the City Council continued the Appeal hearing for this project to February 4, 2020.

On January 2, 2020, the Appellant / Applicant submitted a request that the Appeal hearing be continued to a date

uncertain in order to reevaluate project alternatives (Attachment E). On February 4, 2020 the City Council continued the Appeal hearing for this project to a date uncertain.

On June 1, 2020, the Appellant / Applicant formally requested their Appeal to be heard at the next available City Council Hearing. The Appeal was scheduled to be heard on July 29, 2020.

EXECUTIVE SUMMARY

The City Council is asked to deny the Appeal and uphold the Commission's denial as staff finds there is no merit to the Appellant's Grounds of Appeal as described below in the Analysis and Discussion section of this staff report. Denial of the Appeal would result in retention of the existing building and not allowing the demolition of the existing structure and construction of a new convenience store with alcohol sales or a 12-foot pump fuel facility. Denying the Appeal would not interfere with a future development application to be processed through the Community Development Department.

ANALYSIS & DISCUSSION

The Appellant has appealed the decision of the City's Planning Commission (CPC) primarily because the Applicant does not agree with the Findings used to deny the project. The Appellant's three grounds of appeal are noted below, verbatim, with staff's response following each ground of appeal:

Ground of Appeal 1: "No Substantial Evidence Was Presented at the Hearing to Support the CPC Findings"

"In the City a special use permit is a conditional use permit by another name. The law surrounding discretionary action on conditional use permits is clear. The City's discretion in acting on a special use permit is narrow and a decision cannot be made arbitrarily or capriciously. Findings must be made by the quasi-judicial body as part of its determination of whether to grant or deny a conditional use permit, or in this case a special use permit. The decision to approve or deny a special use permit, must be supported by findings of fact that are supported by substantial evidence in light of the entire record. The CPC's findings directly contradicts the evidence in light of the entire record."

Staff Response to Appeal 1:

The Commission made a deliberate decision which was neither arbitrary nor capricious. As outlined in the Commission Resolution approved on October 17, 2019 (Attachment B), the Commission deliberated the merits of the Project and ultimately made Findings to deny the project based on the information provided in staff reports, the Police Report, the Planning Division's presentation, the Applicant's presentation, and a significant amount of public testimony given at the hearing, including all written communications. The Commission's Minutes from September 19, 2019, identify forty-two members of the public who provided written and / or verbal comments at the hearing (Attachment A). Substantial evidence/testimony was provided during the Commission's public hearing by the Police Report and public comment which highlighted issues of high crime in the immediate area and concerns from the community. The Commission overturned the recommendation of the Planning Department from approval to denial of the Project based on the grounds that the Project would be detrimental to public health, safety and general welfare. The Commission has the right to change the recommendation of the Planning Division after conducting their own analysis of the project and determining they cannot find the Project meets all of the required Findings of Oxnard City Code (OCC) Section 16-531 or City Council Resolution No. 11,896.

Ground of Appeal 2: "The Findings Outlined in the Resolution Directly Contradict the Entirety of the Evidence in the Record."

(a) “Pursuant to OMC Section 16-531, in addition to consistency with the 2030 Oxnard General Plan (“General Plan”), the following findings were made in the Resolution to deny a special use permit: “(A) the nature, condition and development of adjacent uses, buildings and structures shall be considered, and no proposed special use permit shall be granted if the approval body finds such use will adversely affect or be materially detrimental to such adjacent uses, buildings or structures or to the public health, safety or general welfare”. The following are CPC’s findings based on OMC Section 16-531 (A) and the reasons they were made in error:

Section 1.1.A. The proposed Project would be materially detrimental to the public health, safety or general welfare because the Project will adversely impact the existing baseline conditions which consists of an undue concentration of alcohol outlets in the immediate area; a high crime rate in the neighborhood; continuous problems of vagrancy at the existing store seeking to relocate to the Project site; and the potentially significant historic resource located on the project site (italic formatting added by City staff)

All evidence submitted at the Hearing demonstrates that the Project would not be materially detrimental to public health, safety or general welfare of the surrounding community. As demonstrated multiple times during the Hearing, the Existing Operation’s issues are caused by its location, not the business. The Existing Operation is one tenant in a larger structure. The Existing Operation’s operator (the “Operator”) has no control over the Existing Operation’s building. Additionally, the Existing Operation is not subject to an SUP and therefore is not subject to any operational conditions.

Evidence at the hearing demonstrated that moving the Existing Operation to a single building would allow greater oversight and less problems. Moving the Existing Operation to the Property would allow the City to exert control over the Project in the form of conditions. Oxnard Police Department (“OPD”) representatives testified that moving the Existing Operation to the Property would allow more oversight and be beneficial for safety purposes. Unfortunately, this reasoning was completely disregarded by the CPC in the deliberation, and absent in the findings.

It is also worth noting that the Existing Operation will be transferring their ABC license to the Property. A new license will not be added for the purposes of the Project. The Property and the Existing Operation are located within the same census tract. Therefore, there will be no change in concentration of alcohol related businesses within the area. There is absolutely no evidence the Project will affect the baseline undue concentration of alcohol because the base line will not change.

Section 1.1.B - Data from the City Police Department provides information about the number of commercial establishments that sell alcohol in the Project vicinity, crime rate, and policing problems in the neighborhood. The report cites that within 1000 feet of the Project site, there are seven (7) alcohol outlets including the one proposing to relocate to the subject site. The 2017 crime rate in the area is 4.9 times higher than the average crime rate citywide and 1.6 times higher than the citywide commercial rate. There report also cites various problems with policing in the area including that the Applicant’s existing store has continuous problems with loitering and panhandling by the homeless, which requires regular police patrol to address (italic formatting added by City staff).

All evidence presented at the Hearing demonstrates that closing the Existing Operation and relocating to the Property allows the City to exert control over the Project by imposing operational conditions. As mentioned above, this is because the Existing Operation is not subject to an SUP and therefore not subject to conditions. OPD prepared a report dated February 14, 2019 (the “OPD Report”) for the potential SUP that states in its conclusion the following: “The applicant’s proposal to close one store and replace it with another more modern and better designed establishment to address the concentration and crime concerns is reasonable.” Testimony by OPD Sergeant Tim Kelley at the Hearing demonstrated that moving the Existing Operation to the Property would be a “better situation” for the OPD. During the Hearing Sergeant Tim Kelly also stated that the Property’s current problems with homelessness and loitering stem from the vacant Building. Sergeant Tim Kelley directly states that loitering is a problem with the Property because

the Building is abandoned. Vice-Chair Chua responded to Sergeant Tim Kelley's expert opinion by stating his own opinion that loitering may still be a problem with the site if the Building was replaced with the Project. Sergeant Tim Kelley ends his testimony stating that the Project would result in a "better situation" for OPD. CPC ignored testimony by Sergeant Tim Kelley and OPD by finding the opposite of what the evidence supports. This evidence was neither considered in deliberation nor mentioned in the findings.

Section 1.1.C- Relocation of the Applicant's existing store at 3280 Saviers to the subject site with a fuel station will not improve crime and homeless activity problems in the area as a larger facility with more merchandise choices and the fuel station aspect of the Project relocated to a prominent City intersection may bring more customers compared to the location of the existing store and reasonably increase the sale of alcoholic beverages to the homeless (italic formatting added by City staff).

This finding is not based on substantial evidence and is irrelevant to the findings required for the SUP. The Project is located in a C-2 zone that allows convenience stores by right. The amount of merchandise being sold within the convenience store does not require a special use permit. Also, making a finding that a fuel station will allow more homelessness defies all logic. There is no evidence to suggest that more customers using a store would result in an increased sale of alcohol beverages to the homeless. Instead, evidence in the record demonstrates that the opposite would occur because the City would be allowed to impose conditions. At the Hearing, Sergeant Tim Kelley stated that it would be a benefit to move the Existing Operation to the Property where it can be better regulated. No substantial evidence on the record supported the above finding.

During deliberation, CPC commissioners directly disregarded evidence presented to them that conditions will allow the City to closely monitor the Property, and exert greater control over the Project than they have over the Existing Operation. CPC Chair Diedre Frank stated that she had gone to businesses with imposed conditions and sees violations all the time. She does not cite any examples. Chair Frank then contradicted herself when she conceded that conditions "help".

Section 1.1.D - Demolition of the existing building on the Project site may cause impacts to a potentially significant historical resource as the building was designed by a recognized and respected architecture firm, Frank Homolka & Associates. The Applicant did not undergo a Historical Resource Assessment with the Ventura County Cultural Heritage Board and therefore the impacts to significant historic resources, if any, are unknown; therefore, the Planning Commission is not able to determine if the Project is Categorically Exempt from the California Environmental Quality Act ("CEQA") (italic formatting added by City staff).

California Public Resources Code ("PRC") Section 21084.1 states:

"A project that may cause a substantial adverse change in the significance of an historical resource is a project that may have a significant effect on the environment. For purposes of this section, an historical resource is a resource listed in, or determined to be eligible for listing in, the California Register of Historical Resources."

CEQA Guideline 15064.5(a)(3) defines historical resource as:

"(3) Any object, building, structure, site, area, place, record, or manuscript which a lead agency determines to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California may be considered to be an historical resource, provided the lead agency's determination is supported by substantial evidence in light of the the whole record (emphasis added). Generally, a resource shall be considered by the lead agency to be "historically significant" if the resource meets the criteria for listing on the California Register of Historical Resources (Pub. Res. Code 5024.1, Title 14 CCR, Section 4852) including in the following:

CPC states that they are unable to determine a Categorical Exemption is valid because the Property is potentially a historic resource. As the lead agency, the City is tasked with determining if the Property is a historic resource. As demonstrated above, for the Property to be designated a historic resource there must be substantial evidence in light of the whole record. The Property has not been listed in any local, state, or federal register and there has been no substantial evidence submitted before the Hearing or at the Hearing to demonstrate that the Property is a historic resource. Moreover, City Staff did not determine that the resource may be a historical resource. CPC Commissioners based their decision that the building was a potentially historic resource on nothing. During deliberation, Chair Frank's stated that "this architect is a significant architect". This statement was not supported by any evidence, and there was no evidence presented at the Hearing to support a historical determination. Therefore, based on all available evidence, the Property is not a historic resource and a Categorical Exception is appropriate.

b. Pursuant to City Council Resolution No. 11,896. The proposed use is likely to create or significantly aggravate police problems within 1,000 feet of the location for which the special use permit is applied. The following are CPC's findings based on City Council Resolution No. 11,896 and reasons they were made in error (italic formatting added and bold formatting removed by City staff).

Section 1.2.A The Project will create or significantly aggravate police problems within 1,000 feet of the location for which the special use permit is requested because the Project site is located in a corner of a major City intersection where there would be more patrons due to more merchandise choices, including gas (italic formatting added by City staff).

The answers to Section 1.1.A, 1.1.B, and 1.1.C are hereby incorporated. No substantial evidence was presented at the Hearing to support this finding. As noted above, police testimony at the Hearing as well as the OPD Report demonstrate that the police prefer moving the Existing Operation to the Property. The Existing Operation's legal nonconforming rights allow the Existing Operation to sell alcohol without an SUP. Therefore, the Existing Operation is not subject to any conditions. All evidence strongly demonstrate that SUP conditions will allow the OPD and the City to better control the Property and Project. As mentioned above, the Property is located in a C-2 zone and can have a convenience store located there by right. The amount of merchandise provided does not matter. Therefore, the finding that the Project will create or significantly aggravate police problems is not based on substantial evidence.

Section 1.2.B - These patrons include the homeless, who loiter and panhandle and consume the alcoholic beverage they buy outside the store in public. The Project provides a larger facility with a new fuel station on a prominent corner lot with more visibility, and through those combination of factors, the Planning Commission finds the problems of crime, loitering, and panhandling by the homeless are not expected to improve in part due to the inability of the Applicant to manage these problems at the existing store location (italic formatting added by City staff).

The answer to Section 1.1.A, 1.1.B and 1.1.C are hereby incorporated. This finding is inaccurate because the Operator is not the Applicant, therefore the Applicant is not responsible for the Existing Operation's surrounding. Also, the Operator does not have control over many factors within the Existing Operation's building because the Existing Operation is part of a building complex. Operator's testimony at the hearing demonstrated that the Operator is not directly responsible for managing the problems cited at the Existing Operation. However, the CPC found the Operator is responsible for problems the Operator has no control over. Vice-Chair Chua demonstrates his contempt for the Project when he states in the hearing that the Operator's solution to the problems he is having at the Existing Operation is to "run away and open another site". Police testimony earlier in the Hearing demonstrated that a new site with conditions is preferable to the OPD. Vice-Chair Chua directly disregarded all information that demonstrate the Operator currently has no control over the Existing Operation's building. As demonstrated, no substantial evidence was presented at the Hearing to support this erroneous finding. The evidence presented at the Hearing directly contradicts

this finding.

Section 1.1.C - The Project is likely to create or significantly aggravate police problems within 1,000 feet for which the special use permit is applied (italic formatting added by City staff).

The answer to Section 1.1.A, 1.1.B and 1.1.C are hereby incorporated. There was nothing presented at the Hearing that states the Project would likely aggravate police problems. In fact, as mentioned above, police testimony directly contradicts this finding. Sergeant Tim Kelley stated that the new location with conditions is preferable. Nowhere is that mentioned in the findings. The evidence presented at the Hearing directly contradict this finding.”

Staff Response to Appeal 2:

The Appellant’s assertion that a convenience store can be located in the C-2 zone by right is incorrect. As a statement of fact, a Special Use Permit is required for all of the uses included in the Project. Specifically, for the following uses within the C-2 General Commercial Zone, OCC Section 16-136(A) provides:

- (8) Convenience stores or mini-markets which may both serve packaged alcoholic beverages and dispense gasoline;
- (20) Sale of alcoholic beverages for consumption off-site;
- (21) Service stations except that sales of alcoholic beverages in connection with such use shall be prohibited;

Additionally, the OCC provides the City Council with authority to allow other uses per OCC Section 16-135(B): “No other uses shall be permitted in the C-2 zone without the approval of the City Council.”

The City’s responses to the Appellant’s statements for Ground of Appeal 2 are incorporated in the following three (3) responses:

1. Section 1.1.A, Section 1.1.B and (B) Section 1.1.A, 1.1.B, 1.1.C, 1.2A - Regardless of fault from either the “Existing Operation’s” or the proposed 7 Eleven business, there was substantial evidence presented to the Planning Commission by the Oxnard Police Department, City Staff, and the public testimony expressing significant operational problems within the existing 7 Eleven site located on 3280 Saviers Road as well as the Project’s proposed site on 2900 Saviers Road. During the hearing, the Planning Commission heard testimony from Sergeant Tim Kelley reaffirming the high crime and policing problems of the existing site and the proposed Project site. The Appellant further stated as part of the Appeal, the Oxnard Police Department was in favor of relocating the current business to the new proposed Project site, because it would allow for greater oversight and less problems due imposed conditions of approval on the site; however, because of the high crime rate outlined within the Police Report and public testimony provided during the public hearing, the Planning Commission determined the Project would be detrimental to public health, safety, and general welfare. Furthermore, the transfer of an alcohol license to the new Project location is still subject to all Findings of a new Special Use Permit, so the Planning Commission acted within its allowed discretion.
2. Section 1.1.C and (B) Section 1.2.B - The Appellant references “ No substantial evidence on the record supports the finding” outlined in Section 1.1.C; however the Police Report prepared by the Police Department provides professional comments and data outlining the current and foreseeable crime problems. The Police Report was part of the Record, and concluded with the following summary: “However, relocating the store at a busier intersection, in a large facility with a broader range of products the store, will undoubtedly expand customer traffic and the expansion of alcohol sales. This runs contrary to attempts to limit the expansion of alcohol sales in an area of the City which suffers from a significant crime rate, homeless issues, and alcohol related community problems.” Furthermore, the Police Report outlines the proposed Project location to have a crime rate 4.9 times higher than the average crime rate city wide and a 61% higher than the crime rate for commercially zoned properties citywide. Based on the Police Report’s summary, inclusion of crime statistics, and public opposition based on crime and vagrancy issues the Planning Commission had sufficient substantial evidence based on the

established record to deny the Appellant's Project request.

3. Section 1.1.D - During the review of the Project, the Appellant was asked to submit a historic preservation report by a qualified historic preservation consultant; however, the Applicant declined to provide such a report. To date, the Appellant has not provided a report by a qualified historic preservation consultant to determine if the current four-story late modern style building is or is not a significant historical resource. Based on the Commission's deliberation, the Commission could not make the appropriate CEQA exemption for a potential historic resource. Since the denial of the Project, staff received a letter on December 2, 2019, from the Long Beach Heritage Organization requesting the City Council deny the appeal and request the Appellant provide a detailed report by a qualified historic preservation consultant on the grounds that the Long Beach Heritage finds the existing Project building to be demolished as a possible historic resource because the building was designed by Frank Homolka, a notable Long Beach architect with a career from 1940 to 2008 (Attachment F). As the Appeal requires a de novo hearing, the City Council is able to consider the Long Beach Heritage letter. Given this new evidence, any proposal to demolish the structure on site should be referred to the Cultural Heritage Board to determine if this structure is a historic resource. However, as the recommendation is to Deny the project, thereby retaining the existing structure, the Project has not been referred to the Cultural Heritage Board by staff since receiving this information, nor has the Applicant requested for the demolition of the structure to be reviewed by the Cultural Heritage Board.

Ground of Appeal 3: “The CPC Commissioner's Deliberation During the Hearing Demonstrates the Decision to Reject the SUP was Made Arbitrarily and Capriciously.

As mentioned in the Gonzales Law Group (GLG) Letter, the CPC’s discretion in approving the SUP is narrow. The decision to approve or deny a conditional use permit, or in this case a special use permit, must be supported by findings of fact that are in turn supported by substantial evidence in the record before the decision maker at the time of the decision.

Commissioners abused their discretion and made their decision outside their scope of review as demonstrated by the CPC’s deliberation at the Hearing. The following are examples of statements by CPC Commissioners that suggest their decisions were made arbitrarily and capriciously.

- *Commissioner Chavez stated that the business would steal businesses from the neighboring market (italic formatting added by City staff).*

The C-2 zone allows convenience store uses by right. The effect the Project would have on nearby market sales is not part of the analysis for the SUP. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Chavez stated that homeless spend more time in front of 7-11 than any other business (italic formatting added by City staff).*

The homeless are mentioned several times in the Resolution. OPD stated during the hearing and in the OPD Report that there is already a problem with homelessness in the area. Commissioner Chavez cites only his personal experience near the Existing Operation. Therefore, the comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Chavez accused the petition supporting the 7-11 as having “duplicate signatures.” (italic formatting added by City staff)*

Commissioner Chavez did not cite to any specific signatures. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Meyer stated that the business would damage children’s health because of the junk food (italic formatting added by City staff).*

As mentioned above, the sale and consumption of junk food is permitted in the C-2 zone and would not require a special use permit. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Meyer asked where the Operator would see the “demand” for a convenience store (italic formatting added by City staff).*

As mentioned above, the sale and consumption of junk food is permitted in the C-2 zone and would not require a special use permit. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Meyer stated that the business would allow children “visual access” tobacco products (italic formatting added by City staff).*

The sale or display of tobacco product within a C-2 zone do not require a special use permit and can be done by right. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Dozier stated that he would prefer a business that created more jobs (italic formatting added by City staff).*

The findings required for the SUP was not based on the number of jobs it can bring. The number of jobs provided is not relevant to granting the SUP. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Fuhling stated that he did not think this is the right use for the Property and other development projects should be considered (italic formatting added by City staff).*

Commissioner Fuhling did not cite any traffic study, but from his own personal experience of the traffic in the area. Traffic studies were provided and blatantly disregarded during the deliberation. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Flores stated that the Project does not create jobs, and that the project will bring congestion to the area (italic formatting added by City staff).*

The findings required for the SUP are not based on the number of jobs it can bring. The number of jobs provided is not relevant to granting the SUP. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Vice Chair Chua stated that he thought conditions would actually allow the City to provide more oversight to the project (italic formatting added by City staff).*

However, Vice-Chair Chua then stated that there will be a negative effect in the area for crime. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.”

Staff Response to Appeal 3:

The Appellant’s assertion that a convenience store can be located in the C-2 zone by right is incorrect. As a statement of fact, a Special Use Permit is required for all of the uses included in the Project.

The Commission’s review of the Project must consider the purpose of a Special Use Permit. OCC Section 16-530(B) states: “Special Use Permits authorized by this chapter are granted for such time and upon such conditions and limitations as are deemed necessary to preserve the integrity and character of the zoning district, the utility and value of adjacent property and the general welfare of the neighborhood and the public.”

Additionally, certain Findings are required to be made by the Commission to grant a Special Use Permit for the proposed uses (OCC Section 16-531(A) through 16-531(D)) and the Commission must determine a project is in compliance with City Council Resolution No 11,896 to grant the Alcohol Special Use Permit.

The Commission had the authority to consider this Project's impact on the integrity and character of the zoning district, the utility and value of adjacent property, the general welfare of the neighborhood and the public, if a use would adversely affect or be materially detrimental to such adjacent uses, buildings or structures or to the public health, safety or general welfare, and if a use is likely to create or significantly aggravate police problems.

The Appellant's statements referencing the comments and opinions shared by individual Commissioners during the hearing do not represent the whole of the deliberations. The Commission is permitted, in the course of understanding the proposed Project and making the required Findings, to ask questions and make statements. The Commission formulated their reasoning for their decision to Deny the project based on the inability to make two specific Findings based on substantial evidence and testimony as documented within Resolution 2019-31. The Commission, as one body, voted to Deny the project with a 4-0 vote.

As of this staff report's publishing date, the Appellant's presentation (Attachment H) is expected to be available for viewing on July 23, 2020.

Conclusion:

The Appellant requests the Planning Commissions denial of the project be overturned based on the grounds the project findings did not include substantial evidence.

Based on the previous discussion (see above Analysis Section), the Commission's determination on September 19, 2019 and October 17, 2019 remains unchanged. Thus, staff recommends that City Council Find there is no merit to the Appellant's Grounds of Appeal, deny the Appeal and uphold the decision of the Planning Commission to Deny the project with the specific Findings outlined in Resolution 2020-31 (Attachment G). Pursuant to OCC Section 16-551, the decision of the City Council is final.

STRATEGIC PRIORITIES

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

FINANCIAL IMPACT

Denial of this request would retain the status quo of the project site, and consequently, there is no financial impact to the City's General Fund.

COMMITTEE OUTCOME

This item is a public hearing and was heard by the Planning Commission; therefore, this item did not originate in Committee.

Prepared by: Jose Coyotl, Associate Planner

ATTACHMENTS

1. Attachment A - Planning Commission Staff Report dated September 19, 2019 (with Attachments) and Approved Minutes of September 19, 2019.
2. Attachment B - Planning Commission Staff Report dated October 17, 2019 and Planning Commission Resolution No. 2019-31
3. Attachment C - Appeal 11-4-19
4. Attachment D - Appeal Appellant Letter Continuance 11-06-19
5. Attachment E - Applicant Appellant Letter Continuance 01-2-20
6. Attachment F - Long Beach Heritage Organization Letter 12-02-19

7. Attachment G - City Council Resolution
8. Attachment H - Appellant Presentation
9. Staff Presentation

Attachment A

Planning Commission Staff Report dated September 19, 2019 (with Attachments) and Approved Minutes of September 19, 2019.

Please visit the below link to view full attachment:

https://drive.google.com/file/d/13F98CImaJAp9ct_jUHFmJbo9hZuRWilG/view?usp=sharing

Attachment B

Planning Commission Staff Report dated
October 17, 2019 and Planning Commission
Resolution No. 2019-31

Please visit the below link to view full
attachment:

https://drive.google.com/file/d/1uKSYQcBtzsfGOZkE1kANUQaRyl_Ds8fQ/view?usp=sharing



REQUEST FOR APPEAL

Community Development Department

Use this form to request an appeal of a decision rendered on one of the following type of permits: Administrative Wireless Permit; Discretionary Development Permit decision rendered by the Community Development Director; or a Discretionary Development Permit decision rendered by the Planning Commission.

After paying the required appeal fee to the Planning Division, submit the original request for appeal and two (2) copies along with verification that the appropriate appeal fee has been paid to the City Clerk's Office. To determine your appeal fee go to: oxnard.org/planning and click on planning handouts and applications or contact the Planning Division at (805) 385-7858.

I, Greg Fick, am requesting an appeal of a decision made by
Print name
 City of Oxnard Planning Commission that was made on October 17, 2019 regarding
State decision making body Date
18-500-12
Specify PZ No.

Check one of the following:

- ☐ **Appeal of a Decision Rendered on a Wireless Permit.** Pursuant to Section No. 16-488 (C) of the Oxnard City Code, I am submitting an appeal to the Secretary of the Planning Commission and I am paying the necessary fees to the Planning Division. I am filing this appeal within 10 days of the Planning Manager's decision on a wireless communications facility permit. I am requesting that this appeal be considered by the Planning Commission.
- ☐ **Appeal of a Decision Rendered on a Discretionary Permit - Community Development Director.** Pursuant to Section No. 16-525 (B) of the Oxnard City Code, I am submitting an appeal to the City Clerk and I am paying the necessary fees to the Planning Division. I am filing this appeal within 10 days of the Community Development Director's decision on a discretionary permit. I am requesting that this appeal be considered by the Planning Commission.
- ☒ **Appeal of a Decision Rendered on a Discretionary Permit - Planning Commission.** Pursuant to Section 16-545/17-58(J) of the Oxnard City Code, I am submitting an appeal to the City Clerk and I am paying the necessary fees to the Planning Division. I am filing this appeal within 18 days / 10 working days of the Planning Commission's decision on a discretionary permit. I am requesting that this appeal be considered by the City Council.

State the grounds, facts, and if known the code sections supporting your request: (Provide additional sheets if necessary)

See Attachment A.

RECEIVED

NOV 04 2019

CITY OF OXNARD
DEVELOPMENT SERVICES

X

Appellant Signature

Date

cc: City Attorney
 Community Development Director
 Project Planner
 Applicant

OFFICE USE ONLY	
Date Received:	
Received By:	
Contacted Dept/Division Rep:	

ATTACHMENT A

APPEAL OF OXNARD PLANNING COMMISSION DECISION

PLANNING CASE NUMBER: PZ 18-500-12

BV Oxnard, LLC (“BVO”) is owner of that certain parcel of real property commonly referred to as 2900 Saviers Road (the “Property”) located in the City of Oxnard (“City”). The Property contains approximately 45,738 square feet of lot area. The Property is improved with a vacant multi-story building (the “Building”). The Building’s ground floor (5,870 square feet) was most recently occupied with a bank. The Building’s upper floors (21,580 square feet) were most recently occupied with office uses. BVO proposed to redevelop the Property with a new 3,000 square foot convenience store selling beer and wine for off-site consumption and a gas station (the “Project”). The Project would allow the existing 7-11 from 3280 Saviers Road (the “Existing Operation”), located less than a thousand feet away, to move to the Property. The Project is subject to approval of Special Use Permit Case No. PZ-18-500-12(SUP) (the “SUP”). The SUP application and various supporting documents was filed on September 6, 2018 and was processed by the Oxnard City Planning Department (“Planning Department”). Throughout the SUP process, there were concerns raised by various parties including the Planning Department and City residents. Gonzales Law Group (“GLG”) submitted a letter dated July 25, 2019 that addressed all issues raised by the Planning Department and the residents (the “GLG Letter”). The GLG Letter is hereby incorporated by reference and attached as Exhibit 1.

On September 19, 2019, a hearing (the “Hearing”) was held before the City’s Planning Commission (“CPC”) to consider the SUP. CPC’s discretion for approving the SUP is narrow, and CPC repeatedly abused their discretion. Throughout the Hearing, CPC demonstrated their denial of the SUP was not based on substantial evidence, but their own personal disdain for the Project. At the Hearing CPC voted to deny the SUP, contrary to City Staff’s recommendation. A resolution for denial was not before the CPC at the Hearing, therefore a subsequent hearing was held on October 17, 2019 to finalize the decision. On October 17, 2019, CPC considered the resolution to deny the Project (the “Resolution”) and denied the SUP.¹ There was no substantial evidence provided at the Hearing or in the Resolution to justify denial of the Project. The decision was made arbitrarily and capriciously.

I. No Substantial Evidence Was Presented at the Hearing to Support the CPC Findings

In the City a special use permit is a conditional use permit by another name. The law surrounding discretionary action on conditional use permits is clear. The City’s discretion in acting on a special use permit is narrow and a decision cannot be made arbitrarily or capriciously. Findings must be made by the quasi-judicial body as part of its determination of whether to grant or deny a conditional use permit, or in this case a

¹ A copy of the Resolution was delivered by email to Tait and Associates on October 25, 2019. The Resolution did not have a number and was unsigned.

special use permit.² The decision to approve or deny a special use permit, must be supported by findings of fact that are supported by substantial evidence in light of the entire record.³ The CPC's findings directly contradict the evidence in light of the entire record.

II. The Findings Outlined in the Resolution Directly Contradict the Entirety of the Evidence in the Record.

The Resolution states that the project should be denied because findings could not be made for Oxnard Municipal Code (the "OMC") Section 16-531(A) for a special use permits and findings could not be made pursuant to City Council Resolution No. 11,896 for alcohol related uses.

- a. **Pursuant to OMC Section 16-531, in addition to consistency with the 2030 Oxnard General Plan ("General Plan"), the following findings were made in the Resolution to deny a special use permit: "(A) the nature, condition and development of adjacent uses, buildings and structures shall be considered, and no proposed special use permit shall be granted if the approval body finds such use will adversely affect or be materially detrimental to such adjacent uses, buildings or structures or to the public health, safety or general welfare". The following are CPC's findings based on OMC Section 16-531(A) and the reasons they were made in error:**

Section 1.1.A – The proposed Project would be materially detrimental to the public health, safety, or general welfare because the Project will adversely impact the existing baseline conditions which consists of an undue concentration of alcohol outlets in the immediate area; a high crime rate in the neighborhood; continuous problems of vagrancy at the existing store seeking to relocate to the Project site; and the potentially significant historic resource located on the project site.

All evidence submitted at the Hearing demonstrates that the Project would not be materially detrimental to the public health, safety or general welfare of the surrounding community. As demonstrated multiple times during the Hearing, the Existing Operation's issues are caused by its location, not the business.⁴ The Existing Operation is one tenant in a larger structure. The Existing Operation's operator (the "Operator") has no control over the Existing Operation's building. Additionally, the Existing Operation is not subject to an SUP and therefore is not subject to any operational conditions.

Evidence at the hearing demonstrated that moving the Existing Operation to a single building would allow greater oversight and less problems. Moving the Existing Operation to the Property would also allow the City to exert control over the Project in the form of conditions. Oxnard Police Department ("OPD") representatives testified that

² *Breakzone Billiards v. City of Torrance*, 81 Cal. App. 4th 1205, 1244, 97 Cal. Rptr. 2d 467, 497 (2000)

³ *Id.*

⁴ Video of the Hearing can be accessed at <https://oxnardca.civicclerk.com/Web/Player.aspx?id=271&key=-1&mod=-1&mk=-1&nov=0>. Testimony from Sergeant Tim Kelley starts at approximately 1:04:30.

moving the Existing Operation to the Property would allow more oversight and be beneficial for safety purposes. Unfortunately, this reasoning was completely disregarded by the CPC in the deliberation, and absent in the findings.

It is also worth noting that the Existing Operation will be transferring their ABC license to the Property. A new license will not be added for purposes of the Project. The Property and the Existing Operation are located within the same census tract. Therefore, there will be no change in concentration of alcohol related businesses within the area. There is absolutely no evidence the Project will affect the baseline undue concentration of alcohol because the base line will not change.

Section 1.1.B – Data from the City Police Department provides information about the number of commercial establishments that sell alcohol in the Project vicinity, crime rate, and policing problems in the neighborhood. The report cites that within 1000 feet of the Project site, there are seven (7) alcohol outlets including the one proposing to relocate to the subject site. The 2017 crime rate in the area is 4.9 times higher than the average crime rate citywide and 1.6 times higher than the citywide commercial rate. There [sic] report also cites various problems with policing in the area including that the Applicant's existing store has continuous problems with loitering and panhandling by the homeless, which requires regular police patrol to address.

All evidence presented at the Hearing demonstrates that closing the Existing Operation and relocating to the Property allows the City to exert control over the Project by imposing operational conditions. As mentioned above, this is because the Existing Operation is not subject to an SUP and therefore not subject to conditions. OPD prepared a report dated February 14, 2019 (the "OPD Report") for the potential SUP that states in its conclusion the following: "The applicant's proposal to close one store and replace it with another more modern and better designed establishment to address the concentration and crime concerns is reasonable".⁵ Testimony by OPD Sergeant Tim Kelley at the Hearing demonstrated that moving the Existing Operation to the Property would be a "better situation" for the OPD.⁶ During the Hearing Sergeant Tim Kelley also stated that the Property's current problems with homelessness and loitering stem from the vacant Building.⁷ Sergeant Tim Kelley directly states that loitering is a problem with the Property because the Building is abandoned. Vice-Chair Chua responded to Sergeant Tim Kelley's expert opinion by stating his own opinion that loitering may still be a problem with the site if the Building was replaced with the Project.⁸ Sergeant Tim Kelley ends his testimony stating that the Project would result in a "better situation" for OPD.⁹ CPC ignored testimony by Sergeant Tim Kelley and OPD by finding the opposite of what the evidence supports. This evidence was neither considered in deliberation nor mentioned in the findings.

⁵ Oxnard Police Report dated February 14, 2019, Page 5.

⁶ Hearing video at 1:04:30.

⁷ *Id* at 1:07:00.

⁸ *Id* at 1:12:00.

⁹ *Id*.

Section 1.1.C - Relocation of the Applicant's existing store at 3280 Saviers to the subject site with a fuel station will not improve crime and homeless activity problems in the area as a larger facility with more merchandise choices and the fuel station aspect of the Project relocated to a prominent City intersection may bring more customers compared to the location of the existing store and reasonably increase the sale of alcoholic beverages to the homeless.

This finding is not based on substantial evidence and is irrelevant to the findings required for the SUP. The Project is located in a C-2 zone that allows convenience stores by right. The amount of merchandise being sold within the convenience store does not require a special use permit. Also, making a finding that a fuel station will allow more homelessness defies all logic. There is no evidence to suggest that more customers using a store would result in an increased sale of alcohol beverages to the homeless. Instead, evidence in the record demonstrates that the opposite would occur because the City would be allowed to impose conditions. At the Hearing, Sergeant Tim Kelley stated that it would be a benefit to move the Existing Operation to the Property where it can be better regulated.¹⁰ No substantial evidence on the record supported the above finding.

During deliberation, CPC commissioners directly disregarded evidence presented to them that conditions will allow the City to closely monitor the Property, and exert greater control over the Project than they have over the Existing Operation. CPC Chair Diedre Frank stated that she had gone to businesses with imposed conditions and sees violations all the time.¹¹ She does not cite any examples. Chair Frank then contradicted herself when she conceded that conditions "help".¹²

Section 1.1.D - Demolition of the existing building on the Project site may cause impacts to a potentially significant historical resource as the building was designed by a recognized and respected architecture firm, Frank Homolka & Associates. The Applicant did not undergo a Historical Resource Assessment with the Ventura County Cultural Heritage Board and therefore the impacts to significant historic resources, if any, are unknown; therefore, the Planning Commission is not able to determine if the Project is Categorically Exempt from the California Environmental Quality Act ("CEQA").

California Public Resource Code ("PRC") Section 21084.1 states:

"A project that may cause a substantial adverse change in the significance of an historical resource is a project that may have a significant effect on the environment. For purposes of this section, an historical resource is a resource listed in, or determined to be eligible for listing in, the California Register of Historical Resources."

CEQA Guideline 15064.5(a)(3) defines historical resource as:

¹⁰ *Id* at 1:13:00.

¹¹ *Id* at 1:13:00.

¹² *Id*.

“(3) Any object, building, structure, site, area, place, record, or manuscript which a lead agency determines to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California may be considered to be an historical resource, **provided the lead agency's determination is supported by substantial evidence in light of the whole record** (emphasis added). Generally, a resource shall be considered by the lead agency to be “historically significant” if the resource meets the criteria for listing on the California Register of Historical Resources (Pub. Res. Code, § 5024.1, Title 14 CCR, Section 4852) including the following:

- (A) Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
- (B) Is associated with the lives of persons important in our past;

(C) Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values; or

(D) Has yielded, or may be likely to yield, information important in prehistory or history.”

CPC states that they are unable to determine a Categorical Exemption is valid because the Property is potentially a historic resource. As the lead agency, the City is tasked with determining if the Property is a historic resource. As demonstrated above, for the Property to be designated a historic resource there must be substantial evidence in light of the whole record. The Property has not been listed in any local, state, or federal register and there has been no substantial evidence submitted before the Hearing or at the Hearing to demonstrate that the Property is a historic resource. Moreover, City Staff did not determine that the resource may be a historical resource. CPC Commissioners based their decision that the building was a potentially historic resource on nothing. During deliberation, Chair Frank's stated that “this architect is a significant architect”.¹³ This statement was not supported by any evidence, and there was no evidence presented at the Hearing to support a historical determination. Therefore, based on all available evidence, the Property is not a historic resource and a Categorical Exemption is appropriate.

- b. Pursuant to City Council Resolution No. 11,896. The proposed use is likely to create or significantly aggravate police problems within 1,000 feet of the location for which the special use permit is applied. The following are CPC's findings based on City Council Resolution No. 11,896 and the reasons they were made in error:**

Section 1.2.A - The Project will create or significantly aggravate police problems within 1,000 feet of the location for which the special use permit is requested because

¹³ *Id* at 2:59:00.

the Project site is located in a corner of a major City intersection where there would be more patrons due to more merchandise choices, including gas.

The answers to Section 1.1.A, 1.1.B and 1.1.C are hereby incorporated. No substantial evidence was presented at the Hearing to support this finding. As noted above, police testimony at the Hearing as well as the OPD Report demonstrate that the police **prefer** moving the Existing Operation to the Property. The Existing Operation's legal nonconforming rights allow the Existing Operation to sell alcohol without an SUP. Therefore, the Existing Operation is not subject to any conditions. All evidence strongly demonstrate that SUP conditions will allow the OPD and the City to better control the Property and Project. As mentioned above, the Property is located in a C-2 zone and can have a convenience store located there by right. The amount of merchandise provided does not matter. Therefore, the finding that the Project will create or significantly aggravate police problems is not based on substantial evidence.

Section 1.2.B - These patrons include the homeless, who loiter and panhandle and consume the alcoholic beverage [sic] they buy outside the store in public. The Project provides a larger facility with a new fuel station on a prominent corner lot with more visibility, and through those combination of factors, the Planning Commission finds the problems of crime, loitering, and panhandling by the homeless are not expected to improve in part due to the inability of the Applicant to manage these problems at the existing store location.

The answers to Section 1.1.A, 1.1.B and 1.1.C are hereby incorporated. This finding is inaccurate because the Operator is not the Applicant, therefore the Applicant is not responsible for the Existing Operation's surrounding. Also, the Operator does not have control over many factors within the Existing Operation's building because the Existing Operation is part of a larger building complex. Operator's testimony at the hearing demonstrated that the Operator is not directly responsible for managing the problems cited at the Existing Operation.¹⁴ However, the CPC found the Operator is responsible for problems the Operator has no control over. Vice-Chair Chua demonstrates his contempt for the Project when he states in the hearing that the Operator's solution to the problems he is having at the Existing Operation is to "run away and open another site".¹⁵ Police testimony earlier in the Hearing demonstrated that a new site with conditions is **preferable** to the OPD. Vice-Chair Chua directly disregarded all information that demonstrate the Operator currently has no control over the Existing Operation's building. As demonstrated, no substantial evidence was presented at the Hearing to support this erroneous finding. The evidence presented at the Hearing directly contradict this finding.

Section 1.1.C – The Project is likely to create or significantly aggravate police problems within 1,000 feet for which the special use permit is applied.

The answers to Section 1.1.A, 1.1.B and 1.1.C are hereby incorporated. There was nothing presented at the Hearing that states the Project would likely aggravate

¹⁴ *Id* at 1:18:00.

¹⁵ *Id* at 1:23:00.

police problems. In fact, as mentioned above, police testimony directly contradicts this finding. Sergeant Tim Kelley stated that the new location with conditions is preferable. Nowhere is that mentioned in the findings. Therefore, no substantial evidence was presented at the Hearing to support this finding. The evidence presented at the Hearing directly contradict this finding.

III. The CPC Commissioner's Deliberation During the Hearing Demonstrates the Decision to Reject the SUP Was Made Arbitrarily and Capriciously

As mentioned in the GLG Letter, the CPC's discretion in approving the SUP is narrow. The decision to approve or deny a conditional use permit, or in this case a special use permit, must be supported by findings of fact that are in turn supported by substantial evidence in the record before the decision maker at the time of the decision.¹⁶

Commissioners abused their discretion and made their decision outside their scope of review as demonstrated by CPC's deliberation at the Hearing. The following are examples of statements by CPC Commissioners that suggest their decisions were made arbitrarily and capriciously¹⁷:

- *Commissioner Chavez stated that the business would steal business from the neighboring market.*

The C-2 zone allows convenience store uses by right.¹⁸ The effect the Project would have on nearby market sales is not part of the analysis for the SUP. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Chavez stated that homeless spend more time in front of 7-11 than any other business.*

The homeless are mentioned several times in the Resolution. OPD stated during the hearing and in the OPD Report that there is already a problem with homelessness in the area. Commissioner Chavez cites only his personal experience near the Existing Operation. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Chavez accused the petition supporting the 7-11 as having "duplicate signatures".*

Commissioner Chavez did not cite to any specific signatures. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

¹⁶ *Krater v. City of Los Angeles*, 130 Cal. App. 3d 839, 181 Cal. Rptr. 923 (Ct. App. 1982).

¹⁷ Deliberation started at 2:30:00 of the Hearing video.

¹⁸ OMC Section 16-135.

- *Commissioner Meyer stated that the business would damage children's health because of the junk food.*

As mentioned above, the sale and consumption of junk food is permitted in the C-2 zone and would not require a special use permit. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Meyer asked where the Operator would see the "demand" for a convenience store.*

As mentioned above, the sale and consumption of junk food is permitted in the C-2 zone and would not require a special use permit. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Meyer stated that the business would allow children "visual access" tobacco products.*

The sale or display of tobacco product within a C-2 zone do not require a special use permit and can be done by right. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Dozier stated that he would prefer a business that created more jobs.*

The findings required for the SUP was not based on the number of jobs it can bring. The number of jobs provided is not relevant to granting the SUP. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Fuhring stated that he did not think this is the right use for the Property and other development projects should be considered.*

Commissioner Fuhring did not cite to any traffic study, but from his own personal experience of the traffic in the area. Traffic studies were provided and blatantly disregarded during the deliberation. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Commissioner Flores stated that the Project does not create jobs, and that the project will bring congestion to the area.*

The findings required for the SUP was not based on the number of jobs it can bring. The number of jobs provided is not relevant to granting the SUP. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

- *Vice Chair Chua stated that he thought conditions would actually allow the City to provide more oversight to the project.*

However, Vice-Chair Chua then stated that there will be a negative effect in the area for crime. Therefore, this comment demonstrates the findings are based on evidence irrelevant to the SUP.

IV. Conclusion

The evidence in light of the entire supports findings for approving the SUP. CPC's decision to deny the SUP was not based on substantial evidence. Accordingly, we urge this Commission to overturn the CPC decision and grant the SUP.

Exhibit 1



Gonzales Law Group, APC
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Michael Gonzales
 E-mail: mgonzales@gonzaleslawgroup.com

July 25, 2019

VIA EMAIL ONLY

City of Oxnard
 Community Development
 Planning Division
 214 South C Street
 Oxnard Ca, 93030
 Attn: Veronica Ortiz-De Anda

Re: CASE No. PZ-18-500-12(SUP)

To Whom it May Concern:

This firm represents BV Oxnard, LLC ("BVO") owner of that certain parcel of real property commonly referred to as 2900 Saviers Road (the "Property") located in the City of Oxnard ("City"). The Property contains approximately 45,738 square feet of lot area. The Property is improved with a vacant multi-story building (the "Building"). The Building's ground floor (5,870 square feet) was most recently occupied with a bank. The Building's upper floors (21,580 square feet) were most recently occupied with office uses. BVO proposes to redevelop the Property with a new 3,000 square foot convenience store selling beer and wine for off-site consumption and a gas station (the "Project"). The Project is subject to approval of Special Use Permit Case No. PZ-18-500-12(SUP) (the "SUP"). The SUP application and various supporting documents was filed on September 6, 2018 and is currently being processed by the Oxnard City Planning Department ("Planning Department").

The Planning Department recently provided us with various comment letters submitted by members of the public purportedly opposing the Project. The letters are full of factual errors, inaccuracies and speculative opinion. The letters contain no substantial evidence to support the

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assertions set forth therein. One of the letters is from a nearby Chevron gas station owner who fears economic rivalry and thus is motivated by possible declines in sales if the Project is implemented. Additionally, the letters fail to show that the Project cannot satisfy the findings for approval of the SUP as set forth in Oxnard Municipal Code ("OMC"). For the reasons set forth below, we respectfully request the City Planning Commission ("Commission") disregard the comments letters when considering the Project's SUP.

I. THE CITY'S DISCRETION IN APPROVING A SPECIAL USE PERMIT IS NARROW

In the City a special use permit is a conditional use permit by another name. The law surrounding discretionary action on conditional use permits is clear. The City's discretion in acting on a special use permit is narrow and cannot be arbitrary. The decision to approve or deny a conditional use permit, or in this case a special use permit, must be supported by findings of fact that are in turn supported by substantial evidence in the record before the decision maker at the time of the decision.¹

According to OMC Section 16-531, in addition to consistency with the 2030 Oxnard General Plan ("General Plan"), only the following findings are required to act on a special use permit: "(A) the nature, condition and development of adjacent uses, buildings and structures shall be considered, and no proposed special use permit shall be granted if the approval body finds such use will adversely affect or be materially detrimental to such adjacent uses, buildings or structures or to the public health, safety or general welfare; (B) the site that is subject to the special use permit shall be adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and items which may be required by section 16-532; (C) the site that is subject to the special use permit shall be served by highways adequate in width and improved as necessary to carry the kind and quantity of traffic such use would generate; and (D) the site that is subject to the special use permit shall be provided with adequate sewerage, water, fire protection and storm drainage facilities."

The Commission's action on a special use permit must be based on these findings of fact. The Commission findings of fact must be based on substantial evidence in the record. Similarly, denial of a special use permit must be based on an inability to make these findings or making the findings in the negative. OMC Section 16-530(A) provides that "an application for a special use permit shall be determined as provided in this article." Moreover, the Commission's action must be based on substantial evidence in the record before the City at the time the decision is made.² Put another way, the City's review authority is limited to the factual inquiry set forth in Section 16-531

¹ Krater v. City of Los Angeles, 130 Cal. App. 3d 839, 181 Cal. Rptr. 923 (Ct. App. 1982).

² California Code of Civil Procedure Section 1094.5(b) and (c).

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of the OMC. Failure to base findings on substantial evidence in the record is an abuse of discretion.³

The opposition letters submitted to the record do not support a conclusion that findings for approving the SUP cannot be made. The opposition letters, one of which is driven solely by fear of competition, are factually inaccurate and contain information irrelevant to the City's limited discretion in considering requests for special use permits. The opposition letters, therefore, should be disregarded.

II. THE PROJECT IS CONSISTENT WITH THE GENERAL PLAN

The Project is in conformance with the General Plan. The Property is designated Commercial General. The General Plan describes the Commercial General designation as containing "[r]etail centers and free-standing commercial uses along arterials, may also include office, residential uses up to 18 dwelling units per acre, live/work, work/live, and mixed uses."⁴ Floor area ratio ("FAR") is described as 0.35 to 1.⁵ The Property is zoned C-2, which is a general commercial zone that permits various commercial uses including pool halls, department stores, and retail stores. The C2 zone is expressly set forth as a corresponding zone to the Commercial General land use designation.⁶ A special use permit is required for "convenience stores or mini-markets which may both serve packaged alcoholic beverages and dispense gasoline."⁷ The required SUP does not render the Project inconsistent with or out of conformance with the General Plan. The Project is a commercial use along a major arterial with an FAR of 0.06 to 1. Accordingly, the Project is consistent with the General Plan. Moreover, none of the opposition letters assert inconsistency with the General Plan.

III. THE PROJECT WILL NOT ADVERSELY AFFECT OR BE MATERIALLY DETRIMENTAL TO ADJACENT USES, BUILDINGS OR STRUCTURES OR TO THE PUBLIC HEALTH, SAFETY OR GENERAL WELFARE

A. The Project will not Adversely Affect or be Materially Detrimental to Adjacent Uses Buildings or Structures

BVO proposes to redevelop the Property with a gas station and convenience store selling beer and wine. The Property is located at the southeast corner of Saviers Road and East Channel Islands Boulevard. The Property is bordered on all sides by public streets and does not immediately abut private property or any residential uses. There are nearby schools, daycare centers or other

³ Krater v. City of Los Angeles, 130 Cal. App. 3d 839, 181 Cal. Rptr. 923 (Ct. App. 1982); California Code of Civil Procedure Section 1094.5(b) and (c).

⁴ Oxnard 2030 General Plan Page 3-16.

⁵ *Id.*

⁶ Oxnard 2030 General Plan Page 3-19 Table 3.2.

⁷ OMC Section 16-136(A)(8).

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sensitive receptors. The Property's immediate vicinity is improved with commercial uses and is zoned either C1, C2 or COPD. A Chevron gas station is located west of the Property across Saviers Road. A Wells Fargo bank is located to the northwest, and a large grocery store anchored shopping center is north of the Property. The Saviers Road corridor is unquestionably commercial in nature.

Saviers Road is one of the only north south commercial corridors in South Oxnard, which is largely occupied by a US Naval Base. In the Property's vicinity, Saviers Road is a 6-lane major commercial corridor divided by a median. Convenience stores with gas stations are typically common along major commercial corridors. The only gas station in the Property's vicinity, however, is the Chevron gas station west across Saviers Road. The next closest gas stations are an Arco at the intersection of Saviers Road, South Oxnard Boulevard and West Wooley Road approximately 1.3 miles away, and a 76 gas station at the intersection of Saviers Road and East Yucca Street, approximately ½ mile away. The Project, therefore, would be a welcome addition to the many motorists who travel the Saviers Road corridor to reach the northern parts of the City.

B. The Project will not Increase, Cause or Create Additional Homelessness in the Property's Immediate Vicinity

Many of the opposition letters suggest that the Project will increase the number of homeless, the number of people asking for money and the level of criminal activity. These statements are opinion and are not supported by any evidence in the record. In fact, the Property is currently vacant and serves as a hideout for homeless and other nefarious activity because the Property lacks any activity. The Oxnard Police Department ("OPD") acknowledges this fact in a letter dated February 14, 2019 (the "OPD Letter").⁸ Improving the Property with the Project will increase activity in the area and will reduce the potential for homeless and nefarious activity. The increased pedestrian and vehicular traffic will add eyes to the currently dark Property. The letters suggest that developing the Property with some other use may somehow solve South Oxnard's homeless problem. This is simply false. The cause of homelessness cannot be attributed to any one type of development.

The letters repeatedly suggest that stores selling alcohol attract homeless but offer no evidence to support this assertion other than a few grainy photos of a nearby 7-Eleven store at 3280 Saviers Road. All photos were taken on the same night, May 11, 2019 and may have been taken by the same individual. This 7-Eleven, located in a multi-tenant shopping center that includes a large coin operated laundry, will close and relocate to the Property upon Project implementation. The 7-Eleven operator will have more control over the Property as the sole lessor and user of the Property. Moreover, the OPD is requesting the imposition of 40 conditions of approval on the SUP, including, but not limited to, limiting alcoholic beverage display space, limiting sales hours for alcoholic beverages, and prohibiting the sale of single cans and bottles of alcoholic beverages.⁹ The current

⁸ OPD Letter Page 4.

⁹ OPD Letter Attached Requested Conditions of Approval.

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7-Eleven operation is not subject to a special use permit and thus not subject to operational conditions.

The area's homeless problem cannot be attributed to any type of use or any single operation. Commercial corridors in many cities attract homeless activity in the evening hours when there are less eyes on the street. The Saviers Road corridor is no exception. Many issues associated with homeless populations, like loitering, pan handling and public intoxication can be addressed by responsible operators who adhere to the strict condition imposed on a special use permit. Again, approval of the SUP will have at least 40 conditions imposed at the request of OPD. Many of the letters assert that certain activity will occur but provide no evidence to support those assertions. Accordingly, the letters must be disregarded because the Project will not adversely affect or be materially detrimental to adjacent uses or buildings.

C. Food Sales will not Adversely Affect or be Materially Detrimental to the Public Health or General Welfare

One of the letters takes issue with the Projects proposal to sell fresh foods, including fresh fruit and sandwiches made daily. The letter contains an article criticizing 7-Eleven healthy food options as too expensive and offers no other evidence why selling healthy foods at a convenience store is problematic. The letter also points out that most convenience stores are associated with the sale of processed food-like products that are high in fat and carbohydrate content. The letter asserts that regular consumption of these foods predispose people to illness and disease. The letter, however, offers absolutely no evidence the Project's patrons will regularly consume processed food in general or from the Project in particular. Moreover, the Project will result in the relocation of the existing nearby 7-Eleven, which sells similar food products, to the Property. The Project is not the addition of a second 7-Eleven to the area. The opposition letters do not contain any substantial evidence that relocating the existing nearby 7-Eleven to the Property will adversely affect the public health or general welfare because of available food items.

D. Gas Station Operations are Heavily Regulated in California to Limit the Potential for Accidental Vapor Release

This same opposition letter asserts that the Project will release carcinogenic vapors into the atmosphere during gas station operations. The Project is subject to the jurisdiction of both the California Air Resources Board ("CARB") and the South Coast Air Quality Management District ("SCAQMD"). Both CARB and SCAQMD impose strict operational requirements on gas station operations to reduce the accidental release of carcinogenic vapors.¹⁰ The opposition letter, however, erroneously states that the Project will result in hazardous chemical exposure to nearby residents. The opposition letter offers a research paper dated September 24, 2018 from the Department of Environmental Health Sciences, Mailman School of Public Health, Columbia

¹⁰ California Health and Safety Code Section 41954 and 41960.2; SCAQMD Rule 461.

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University (the "Research Paper").¹¹ The Research Paper studied two gas stations. One gas station located in the Northwestern United States was studied in 2009. The second gas station located in the Midwestern United States was studied in 2015. The Research Paper did not study any other gas stations and none of the subject gas stations was in the California. The Research Paper does not indicate the age of the subject stations or the age of the equipment used by the subject stations. Moreover, the Research Paper states that "the peak vent emissions were partly due to non-compliant bulk fuel drops where the Stage I recovery system either was not correctly hooked up by the delivery driver or to hardware problems with piping and/or valves. Clearly the increased vapor emissions reflected in the Research Paper were caused by station specific issues and by specific human actors working those stations. Inferring that a newly constructed gas station that adheres to current CARB and SCAQMD is somehow like the subject stations studied in the Research Paper is more than a logical stretch, it is a complete non sequitur. Other than using environmental scare tactics to create a perception the Project will adversely affect or materially detriment the public health or general welfare, the opposition letter does not contain credible evidence.

IV. THE PROPERTY IS ADEQUATE IN SIZE AND SHAPE TO ACCOMMODATE THE YARDS, WALLS, FENCES, PARKING AND LOADING FACILITIES AND LANDSCAPING

The Property contains approximately 1.05 acres of lot area. The property is square in shape and is surrounded by public streets with access from Saviers Road, East Channel Islands Boulevard and Samuel Avenue. The Property is adequate in size and shape to accommodate the Project and the yards required in the C2 zone for commercial uses. All required parking and loading facilities can be accommodated on site. The Project adheres to all applicable development regulations. The Applicant is not requesting relief from any applicable development regulations. The opposition letters do not assert that this finding cannot be made. Accordingly, the Property is adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities and required landscaping.

V. THE PROPERTY IS SERVED BY HIGHWAYS ADEQUATE IN WIDTH AND IMPROVED AS NECESSARY TO CARRY THE KIND AND QUANTITY OF TRAFFIC SUCH USE WOULD GENERATE

The Property is served by fully improved highways that are adequate in width to accommodate the Project's protected traffic generation. According to the Focused Traffic Impact Assessment dated August 31, 2018 (the "Traffic Assessment") and submitted to the City on September 6, 2018, the Project is expected to generate a total of 1,120 net trips over the course of 24 hours. The Project, however, will generate 7 net less fewer trips in the AM peak hour and 28 less net trips in the PM peak hour when compared to the prior bank and offices uses contained in the

¹¹ The opposition letter also includes a summary of the Research Paper published by Science Daily and a print-out of what appears to be a blog titled Earth Talk.

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Building. In other words, the Project will generate less vehicle trips at the most congested hour of the morning and evening commute. Project implementation will result in less vehicles on the road during the peak hours.

As noted above, Saviers Road is a six-lane north south highway in the Property's vicinity. East Channel Islands Boulevard is a four-lane east west highway in the Property's vicinity. Both highways are adequate in width and improved to carry the projected Project generated traffic. A few of the opposition letters allege the Project will result in an unacceptable traffic increase and will increase the probability of accident and stress experienced by drivers. Other than speculative opinion, the opposition letters offer no evidence or empirical data to support these positions. The Applicant, on the other hand, has prepared the Traffic Assessment, which demonstrates the Project will result in reduced traffic during the AM and PM peak hours when compared to the prior office and bank uses. The Traffic Assessment was reviewed and approved by the City's Department of Transportation. While the Project will result in increased daily traffic generation, these trips will not put pressure on the adjacent intersections during the AM and PM peak hours when drivers experience most traffic congestion. The Project's trip generation will be spread throughout the day and will be less perceptible. If the Building was repopulated with bank and office uses, permitted by right in the C2 zone, AM and PM peak hour traffic impacts would be greater. Accordingly, the Project's trip generation can be adequately accommodated by the adjacent highways. The opposition letters do not contain a shred of substantial evidence to rebut the Traffic Assessment's empirical data. Accordingly, the opposition's speculative assertions that the Project will have traffic impacts must be disregarded.

VI. THE PROPERTY IS LOCATED IN A HIGHLY URBANIZED AREA AND IS ADEQUATELY SERVED BY SEWERAGE, WATER, FIRE PROTECTION AND STORM DRAINAGE

The Property is served by adequate sewerage, water, fire protection and storm drainage facilities. The Property is in an urbanized area adequately served by City utilities like sewer and water. Converting the Property from 27,450 square feet of bank and office uses will reduce the demand for both sewer and water services. Similarly, demolishing and replacing the 27,450 square foot multi-story Building with 3,000 square foot single story structure will not increase fire protection demands. The Project will not increase the amount of impervious surface and will not change drainage patterns because most of the Property is currently impervious. Finally, during multiple Development Advisory Committee meetings, City Staff did not raise material concerns with the adequacy of these utilities and services.

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July 25, 2019
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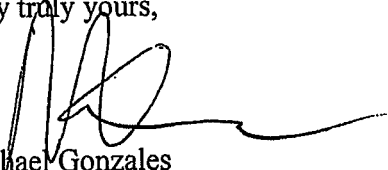
VII. THE PROJECT DOES NOT CHANGE THE CONCENTRATION OF ALCOHOLIC BEVERAGE LICENSES IN THE AREA

The Project will not add to the concentration of alcoholic beverage licenses in Census Tract 0040.00. As noted above, Project implementation will result in relocating the existing 7-11 at 3280 Saviers Road to the Property. The existing alcoholic beverage license will be also be transferred to the Property. Moreover, as noted above the existing 7-11 operates without conditions of approval. Transferring the existing alcoholic beverage license to the Property will result in the imposition of at least 40 conditions of approval requested by OPD. Taking the currently unregulated license and subjecting that license to stringent operational conditions is a positive outcome of the area. OPD is aware of this benefit stating that “establishing the business at the new location will allow the City the opportunity to condition the business through the Alcohol SUP.”¹² Therefore, the Project will not change the concentration of alcoholic beverage licenses.

VIII. CONCLUSION

The findings for approving the Project’s SUP can be made. The opposition letters do not contain any substantial evidence to the contrary. The opposition letters contain are full factual errors and inaccuracies. The opposition letters contain speculation and opinion regarding the Project’s effect. Additionally, the opposition letters rely on irrelevant data to draw parallels between accidental vapor release and the Project. Accordingly, we urge this Commission to disregard the opposition letters.

Very truly yours,



Michael Gonzales
Gonzales Law Group APC

¹² OPD Letter Page 5.



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Michael Gonzales
 E-mail: mgonzales@gonzaleslawgroup.com

November 6, 2019

VIA EMAIL ONLY

City of Oxnard
 Community Development
 Planning Division
 214 South C Street
 Oxnard Ca, 93030
 Attn: Jeffrey Lambert, Planning Director
 jeffrey.lambert@oxnard.org

RE: CASE No. PZ-18-500-12(SUP)

Dear Mr. Lambert:

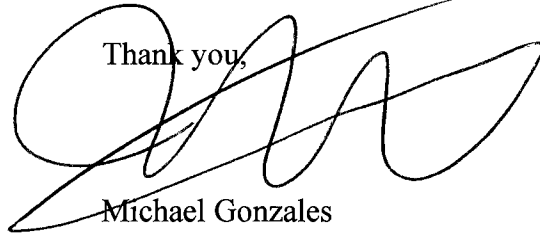
As you may know, we represent BV Oxnard, LLC ("BVO") owner of that certain parcel of real property commonly referred to as 2900 Saviers Road (the "BVO Property") located in the City of Oxnard ("City"). BVO proposes to redevelop the Property with a new 3,000 square foot 7-Eleven convenience store selling beer and wine for off-site consumption and a gas station (the "Project"). The Project was subject to approval of Special Use Permit Case No. PZ-18-500-12(SUP) (the "SUP"). On September 19, 2019, a hearing (the "Hearing") was held before the City's Planning Commission ("CPC") to consider the SUP. At the Hearing CPC voted to deny the SUP, contrary to City Staff's recommendation. A resolution for denial was not before the CPC at the Hearing, therefore a subsequent hearing was held on October 17, 2019 to finalize the decision. On October 17, 2019, CPC considered the resolution to deny the Project and denied the SUP (the "Denial").¹ Gregory Fick from Tait and Associates filed an appeal of the Denial on November 4, 2019 (the "Appeal").

¹ A copy of the Resolution was delivered by email to Tait and Associates on October 25, 2019. The Resolution did not have a number and was unsigned.

Jeffery Lambert
November 6, 2019
Page 2

We understand that the Appeal will be scheduled for a hearing on December 3, 2019. We would like to formally request a continuance of 60 days for the City Council to consider the Appeal. Please do not hesitate to call our office with any questions.

Thank you,

A handwritten signature in black ink, appearing to be 'Michael Gonzales', written over the 'Thank you,' text.

Michael Gonzales
Gonzales Law Group APC

cc: Greg Fick (Email Only)



GONZALES
LAW
GROUP, APC

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Christopher Manasserian
E-mail: chris@gonzaleslawgroup.com

January 2, 2020

VIA EMAIL ONLY

City of Oxnard
Community Development
Planning Division
214 South C Street
Oxnard Ca, 93030
Attn: Jeffrey Lambert, Planning Director
jeffrey.lambert@oxnard.org

RE: CASE No. PZ-18-500-12(SUP)

Dear Mr. Lambert:

As you may know, we represent BV Oxnard, LLC ("BVO") owner of that certain parcel of real property commonly referred to as 2900 Saviers Road (the "BVO Property") located in the City of Oxnard ("City"). BVO proposes to redevelop the Property with a new 3,000 square foot 7-Eleven convenience store selling beer and wine for off-site consumption and a gas station (the "Project"). The Project is subject to approval of Special Use Permit Case No. PZ-18-500-12(SUP). Pursuant to Oxnard Municipal Code ("OMC") Section 16-136(19), the sale of beer and wine for off-site consumption requires approval of a Special Use Permit ("SUP").

On September 19, 2019, a hearing (the "Hearing") was held before the City's Planning Commission ("CPC") to consider the SUP. At the Hearing CPC voted to deny the SUP, contrary to City Staff's recommendation. A resolution for denial was not before the CPC at the Hearing, therefore a subsequent hearing was held on October 17, 2019 to finalize the decision. On October 17, 2019, CPC considered the resolution to deny the Project and denied the SUP (the "Denial").¹ Appellant Gregory Fick from Tait and Associates ("TAIT") filed an appeal of the Denial on November 4, 2019 (the "Appeal"). The Appeal was scheduled for a hearing on December 3, 2019.

¹ A copy of the Resolution was delivered by email to Tait and Associates on October 25, 2019. The Resolution did not have a number and was unsigned.

Jeffery Lambert
January 2, 2020
Page 2

On November 6, 2019 we formally requested a continuance for the Appeal's consideration for 60 days after December 3, 2019 and the request was granted.

BVO is currently exploring alternative development options for the BVO Property. Since the Denial, BVO has been working diligently with City Staff to address concerns from the City and nearby community. Exploring these alternatives requires further examination that includes: feasibility studies, community outreach, discussions with lenders, discussions with potential tenants, and legal analysis. Although progress has been made, BVO requires additional time to understand if an alternative project is feasible.

We understand that the Appeal will be scheduled for a hearing on February 4, 2020. To fully understand if an alternative development is achievable, we would like to formally request a second continuance for the Appeal's consideration to be determined at a later date. The additional time will allow BVO to work with the City to reach an agreeable solution for the development of the BVO Property. Please let us know if this request can be granted.

Thank you,



Christopher Manasserian
Gonzales Law Group APC

cc: Greg Fick (Email Only)



POST OFFICE BOX 92521 LONG BEACH CA 90809
562.493.7019 LBHERITAGE.ORG

December 2, 2019

City of Oxnard
Planning Division
214 South C Street
Oxnard, CA 93030

To Whom It May Concern:

Thank you for the opportunity to comment on item no. 18-500-12 on the City Council agenda for December 3, 2019. Long Beach Heritage has been in communication with the City of Oxnard's Planning Department since May 2019 regarding the proposed demolition of California Federal Bank, located at 2900 South Saviers Road. We join local advocates in the City of Oxnard and Ventura County to request that City Council uphold the Planning Commission's decision to deny the project. A qualified historic preservation consultant should evaluate the property to determine its eligibility as an historical resource and explore preservation alternatives that rehabilitate the existing building for a use that would better serve the neighborhood.

The former California Federal Bank building was designed by Frank Homolka, Jr., a notable Long Beach architect with a career that began in the 1940s and continued until 2008. Frank Homolka and Associates was established in 1968 and the firm designed a range of property types, including a significant body of work for California Federal Savings, Home Savings of America, and other financial institutions throughout California.

Additional context and evaluation of the property at 2900 South Saviers Road is needed before any demolition or significant alteration to the building and its surrounding mature landscape elements. The building appears to be in fair condition and retains many character-defining features that reflect the Late Modern style and association with Homolka and Associates. We ask that you deny the appeal and explore rehabilitation of this property to serve the community and preserve the character of this unique building.

Sincerely,

A handwritten signature in cursive script, reading "Cheryl Perry".

Cheryl Perry
President

A handwritten signature in cursive script, reading "Louise Ivers".

Louise Ivers
Vice President, Advocacy

A handwritten signature in cursive script, reading "Sarah Locke".

Sarah Locke
Executive Director

RECEIVED

DEC 02 REC'D 2019

PLANNING DIVISION
CITY OF OXNARD

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD DENYING THE APPEAL AND UPHOLDING PLANNING COMMISSION DENIAL OF PLANNING AND ZONING PERMIT NO. 18-500-12 (SPECIAL USE PERMIT) TO DEMOLISH AN EXISTING FOUR-STORY 27,450 SQUARE-FOOT OFFICE BUILDING AND CONSTRUCT A GAS FUELING FACILITY WITH SIX FUEL DISPENSER STATIONS AND 12 PUMPS; CONSTRUCT A 3,000 SQUARE-FOOT ONE-STORY CONVENIENCE STORE (7-ELEVEN) OPERATING 24-HOURS A DAY; PERMIT A TYPE 20 ALCOHOL LICENSE FOR THE SALE OF BEER AND WINE FOR OFF-SITE CONSUMPTION DURING THE HOURS OF 7:00 A.M. THROUGH 12:00 A.M.; STREET DEDICATION OF 3.5 FEET ALONG SAVIERS ROAD; STREET DEDICATION OF 1.5 FEET ALONG CHANNEL ISLAND BOULEVARD; AND CONSTRUCT ASSOCIATED PARKING AND LANDSCAPING IMPROVEMENTS ON A 1.05 ACRE (45,738 SQUARE FEET) SITE LOCATED AT 2900 SAVIERS ROAD (A.P.N. 219-0-018-035), SUBJECT TO CERTAIN FINDINGS AND CONDITIONS. FILED BY GREG FICK OF TAIT AND ASSOCIATES, ON BEHALF OF BV OXNARD LLC, PROPERTY OWNER, 6400 SOUTH FIDDLERS GREEN CIRCLE, SUITE 1820, GREENWOOD VILLAGE, CO 80111.

WHEREAS, on September 6, 2018, Greg Fick, (the “**Applicant**”), submitted a request to demolish a four-story 27,450 square-foot office building and construct a gas fueling facility with six fuel dispenser stations with 12 pumps and a 3,000 square-foot, 24-hour convenience store with a type 20 alcohol license allowing the sale of beer and wine for off-site consumption, and associated on-site improvements (collectively, the “**Project**”); and

WHEREAS, on September 19, 2019, the Planning Commission of the City of Oxnard (“**Planning Commission**”) conducted a duly noticed public hearing and received public testimony to consider the application for Planning and Zoning Permit No. 18-500-12 (Special Use Permit) associated with the Project in accordance with Oxnard City Code Sections 16-530 through 16-553 of the Oxnard City Code and City Council Resolution No. 11,896; and

WHEREAS, on September 19, 2019, the Planning Commission also reviewed all of the information provided in the staff report and considered the testimony given at the public hearing, including all written communications to the Planning Commission, as well as other pertinent information; and

WHEREAS, on September 19, 2019, the Planning Commission deliberated the merits of the Project and made a motion of intent to deny the Project, subject to the preparation of a written resolution of denial to be considered at the Planning Commission meeting on October 17, 2019; and

WHEREAS, on October 10, 2019, the Planning Commission voted 4-0, with three Commissioners absent, to adopt Resolution No. 2019-13 to deny the project; and

Resolution No.
PZ 18-500-12 (Special Use Permit)
July, 29, 2020
Page 2

WHEREAS, on November 4, 2019, the Applicant filed a timely Appeal application with the City of the decision of the Planning Commission's denial of Planning and Zoning Permit No. 18-500-12 within 18 days after the Planning Commission action pursuant to Sections 16-544 and 16-545 of the Oxnard City Code ("OCC"); and

WHEREAS, on November 6, 2019, the Appellant / Applicant submitted a request that the Appeal hearing be continued for 60 days; and

WHEREAS, on December 3, 2019, the City Council conducted a duly noticed public meeting with a recommendation that the City Council continue the Appeal hearing for this project to February 4, 2020, and the request was granted by the City Council; and

WHEREAS, on January 2, 2020, the Appellant / Applicant submitted a request that the Appeal hearing be continued to a date uncertain in order to reevaluate project alternatives; and

WHEREAS, on February 4, 2020, the City Council conducted a duly noticed public meeting with a recommendation that the City Council continue the Appeal hearing for this project to a date uncertain, and the request was granted by the City Council; and

WHEREAS, on June 1, 2020, the Appellant / Applicant formally requested their Appeal to be heard at the next available City Council Hearing. The Appeal was scheduled to be heard on July 29, 2020.

WHEREAS, on July 29, 2020, the City Council conducted a duly noticed public hearing to consider the Appellant's Appeal of the Planning Commission's decision to Deny Planning and Zoning Permit No. 18-500-12 (Special Use Permit) in accordance with Oxnard City Code Sections 16-530 through 16-553 of the Oxnard City Code and City Council Resolution No. 11,896; and

WHEREAS, on July 29, 2020, the City Council also reviewed all of the information provided in the staff report and considered the testimony given at the public hearing, including all written communications to the Planning Commission, as well as other pertinent information; and

WHEREAS, on July 29, 2020, the City Council deliberated the merits of the Project and Appeal and made a motion to Deny the Appeal and uphold Planning Commission Denial of Planning and Zoning Permit No. 18-500-12.

NOW THEREFORE, THE CITY COUNCIL OF THE OXNARD OF OXNARD HEREBY RESOLVES AS FOLLOWS:

SECTION 1. Based on the entire record before the City Council and all written and oral evidence presented, including the City Council and Planning Commission Staff Reports and all attachments thereto, the City Council finds:

- (1) **Oxnard City Code Section 16-531(A). The nature, condition, and development of adjacent uses, buildings, and structures shall be considered, and no proposed**

Resolution No.
PZ 18-500-12 (Special Use Permit)
July, 29, 2020
Page 3

special use permit shall be granted if the approval body finds such use will adversely affect or be materially detrimental to such adjacent uses, buildings or structures or to the public health, safety or general welfare.

A. The proposed Project will be materially detrimental to the public health, safety or general welfare because the Project will adversely impact the existing baseline conditions which consists of an undue concentration of alcohol outlets in the immediate area; a high crime rate in the neighborhood; continuous problems of vagrancy at the existing store seeking to relocate to the Project site; and the potentially significant historic resource located on the project site.

B. Data from the City Police Department provides information about the number of commercial establishments that sell alcohol in the Project vicinity, crime rate, and policing problems in the neighborhood. The report cites that within 1000 feet of the Project site, there are seven (7) alcohol outlets including the one proposing to relocate to the subject site. The 2017 crime rate in the neighborhood is 4.9 times higher than the average crime rate citywide and 1.6 times higher than the citywide commercial rate. The report also cites various problems with policing the area including that the Applicant's existing store has continuous problems with loitering and panhandling by the homeless, which requires regular police patrol to address.

C. Relocation of the Applicant's existing store at 3280 Saviers to the subject site with a fuel station will not improve crime and homeless activity problems in the area as a larger facility with more merchandise choices and the fuel station aspect of the Project relocated to a prominent City intersection may bring more customers compared to the location of the existing store and reasonably increase the sale of alcoholic beverages to the homeless.

D. Demolition of the existing building on the Project site may cause impacts to a potentially significant historical resource as the building was designed by a recognized and respected architecture firm, Frank Homolka & Associates. The Applicant did not undergo a Historical Resource Assessment with the Ventura County Cultural Heritage Board and therefore the impacts to significant historic resources, if any, are unknown; therefore, the Planning Commission is not able to determine if the Project is Categorically Exempt from the California Environmental Quality Act.

(2) City Council Resolution No. 11,896. The proposed use is likely to create or significantly aggravate police problems within 1,000 feet of the location for which the special use permit is applied.

A. The Project will create or significantly aggravate police problems within 1,000 feet of the location for which the special use permit is requested because the Project site is located in a corner of a major City intersection where there would be more patrons due to more merchandise choices, including gas.

Resolution No.
PZ 18-500-12 (Special Use Permit)
July, 29, 2020
Page 4

B. These patrons include the homeless, who loiter and panhandle and consume the alcoholic beverage they buy outside the store in public. The Project provides a larger facility with a new fuel station on a prominent corner lot with more visibility, and through those combination of factors, the Planning Commission finds the problems of crime, loitering, and panhandling by the homeless are not expected to improve in part due to the inability of the Applicant to manage these problems at the existing store location.

C. The Project is likely to create or significantly aggravate police problems within 1,000 feet of the location for which the special use permit is applied.

SECTION 2. The City Council, based on the findings set forth above, each of which provides a separate and distinct basis for denial, the City Council hereby upholds the denial of Planning and Zoning Permit No. 18-500-12 (Special Use Permit) as the Planning Commission was unable to make all of the Findings required by Oxnard City Code Section 16-531 and City Council Resolution No. 11,896 in order to grant a Special Use Permit.

SECTION 3. The City Council, in accordance with the California Environmental Quality Act (CEQA), determines that the Project is Statutorily Exempt pursuant to CEQA Guidelines Section 15270 ("Projects Which are Disapproved") because the proposed Project is denied.

SECTION 4. The decision of the City Council shall be final.

SECTION 5. The City Clerk shall certify the adoption of this Resolution.

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*Resolution No.
PZ 18-500-12 (Special Use Permit)
July, 29, 2020
Page 5*

PASSED AND ADOPTED by the City Council of the City of Oxnard on the 29th day of July 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

Attachment H Placeholder

Appeal of the Planning Commission's Decision to Deny Planning and Zoning Permit No. 18-500-12 (Special Use Permit) Regarding Property at 2900 Saviers Road - 7-Eleven (APN 219-018-035), Subject to Certain Findings and Conditions.

Appellant Presentation

Will be uploaded upon receipt before 07/29/2020

Appeal of the Planning Commission's Decision to Deny Special Use Permit No. 18-500-12 for 2900 Savier Road

Jeffrey Lambert, Community Development Director
Jose Coyotl, Associate Planner
Community Development Department

City Council
July 29, 2020



Planning Commission Denied Project Description

A Request for a Special Use Permit to:

- Demolish an existing 4-story office building and construct a 3,000 square-foot 1-story convenience store to operate 24-hours a day, with a fuel station consisting of 12 pumps along with new parking and landscaping improvements;
- Allow the proposed business to sell beer and wine for offsite consumption during the hours of 7 a.m. to 12 a.m.
(Type 20 Alcohol License - Beer & Wine);
- Accept an offer of street dedication of 3.5 feet wide along Saviers Road and 1.35 feet wide along Channel Islands Boulevard.

Project Location & Surrounding Land Uses

PZ 18-500-12, 2900 Saviers Road

ITEM #L-1



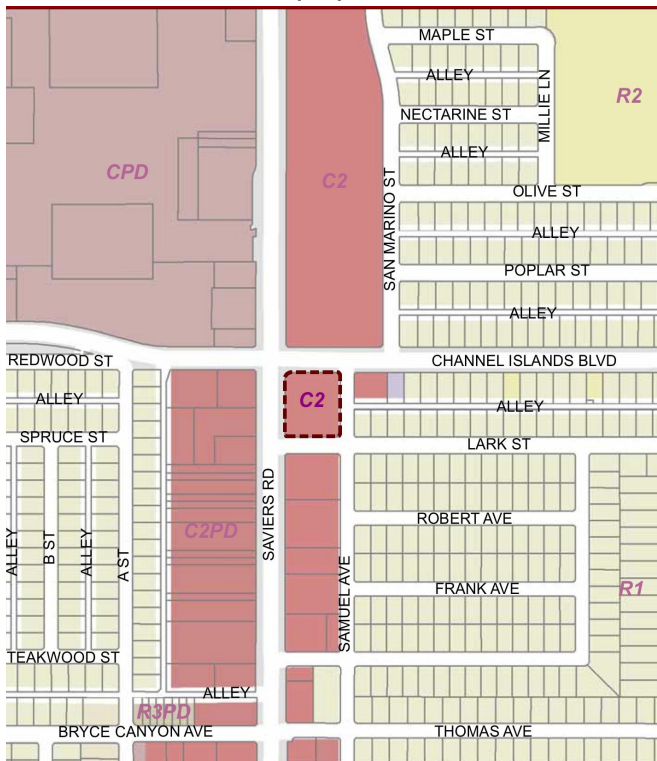
3

Zoning & General Plan

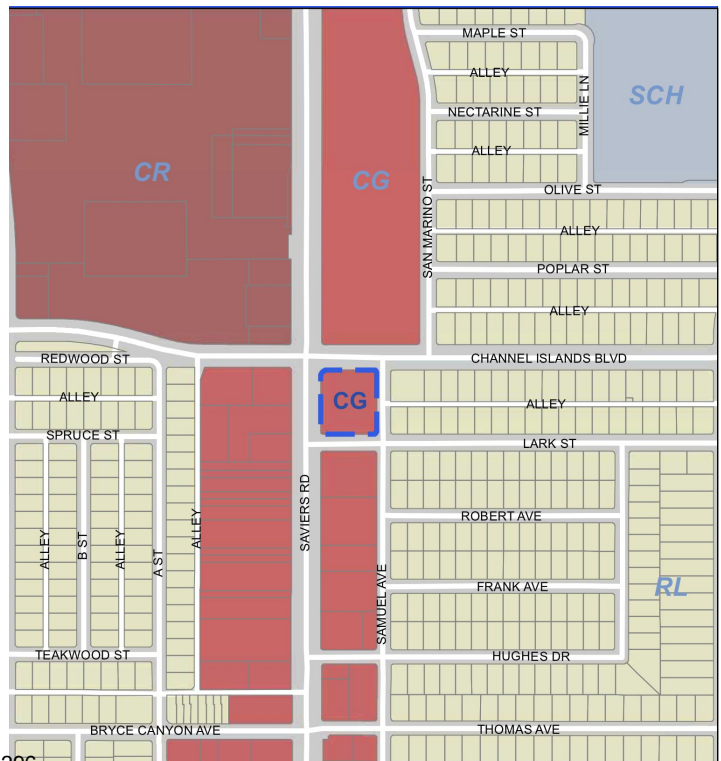
PZ 18-500-12, 2900 Saviers Road

Zoning Designation:
General Commercial (C2)

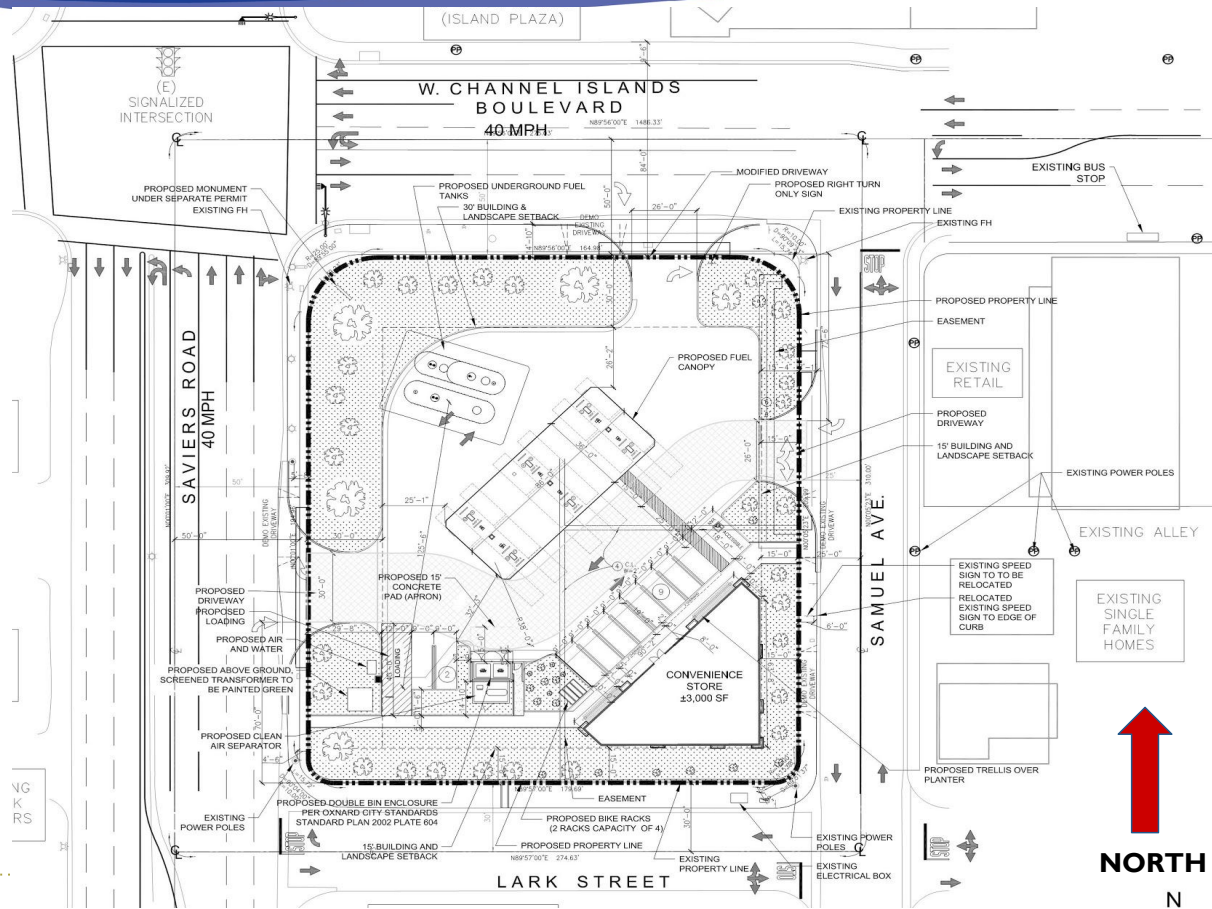
2030 General Plan:
General Commercial (CG)



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Background: Planning Commission Hearings

September 19, 2019:

- Public hearing held to consider Planning & Zoning Permit No. 18-500-12 requesting approval of a Special Use Permit.
- Staff recommended approval.
- At the public hearing, the Commission heard public testimony, deliberated, and made a Motion of Intent to Deny the project as they could not make all of the Findings required to grant the Special Use Permit. The Commission continued the project to October 17, 2019 to ratify the directed action.

October 17, 2019:

- The Commission voted 4-0, with three Commissioners absent, to adopt a Resolution to Deny the project

November 4, 2019

- The Applicant filed a timely Appeal application with the City.

November 6, 2019

- The Appellant / Applicant submitted a request that the Appeal hearing be continued for 60 days.

December 3, 2019

- The City Council continued the Appeal hearing for this project to February 4, 2020.

January 2, 2020

- The Appellant / Applicant submitted a request that the Appeal hearing be continued to a date uncertain in order to reevaluate project alternatives

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Background: Planning Commission Hearings (Cont.)

February 4, 2020

- The City Council continued the Appeal hearing for this project to a date uncertain.

June 1, 2020

- The Appellant / Applicant formally requested their Appeal to be heard at the next available City Council Hearing.

- The Applicant for this request is the same operator of the 7-Eleven convenience store located at 3280 Saviers Road. The store operates a Type 21 Alcohol License (Beer, Wine & Spirits) without a Special Use Permit (legal non-conforming use).
- The Applicant seeks to close that business and relocate to 2900 Saviers Road and transfer the alcohol license.
 - The new SUP would regulate the proposed land use and alcohol aspect of the Project.
 - The applicant offered to and agrees to cease the sale of alcohol products for 6-months at 3280 Saviers Road (Condition No. 123).

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Applicant's Grounds of Appeal 1

Ground of Appeal 1: "No Substantial Evidence Was Presented at the Hearing to Support the City Planning Commission (CPC) Findings"

1. The Commission made a deliberate decision which was neither arbitrary nor capricious and the denial of the project was needed to protect public health, safety and general welfare.
2. Substantial evidence/testimony was provided during the Commission's public hearing by the Police Report, 42 written and / or verbal public comments and public testimony which highlighted issues of high crime in the immediate area.
3. The Commission found the project did not meet all of the required Findings of Oxnard City Code (OCC) Section 16-531 or City Council Resolution No. 11,896.

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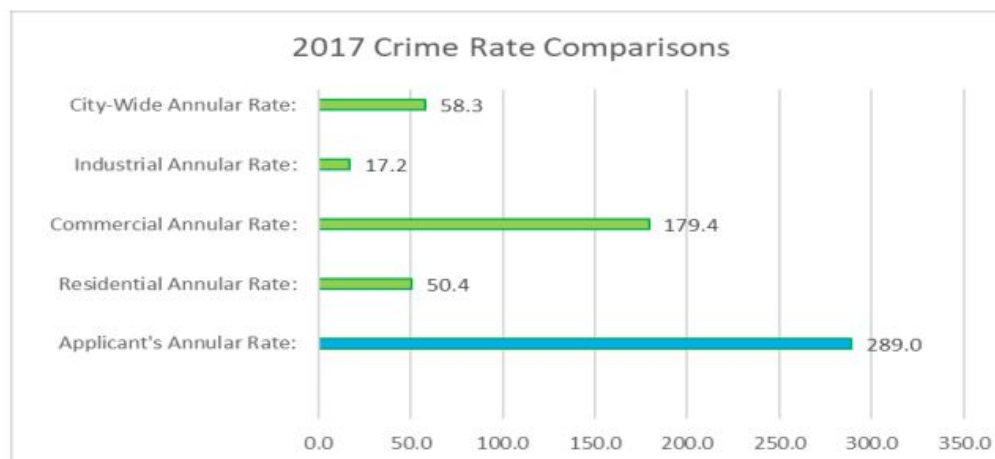
Applicant's Grounds of Appeal 2

Ground of Appeal 2: "The Findings Outlined in the Resolution Directly Contradict the Entirety of the Evidence in the Record."

1. The Appellant's assertion that a convenience store can be located in the C-2 zone by right is incorrect. As a statement of fact, a Special Use Permit is required for all of the uses included in the Project.
2. Regardless of fault from either the "Existing Operation's" or the proposed 7 Eleven business, there was substantial evidence presented to the Planning Commission by the Oxnard Police Department, City Staff, and the public testimony expressing significant operational problems within the existing 7 Eleven site located on 3280 Saviers Road as well as the Project's proposed site on 2900 Saviers Road.
3. The Police Report outlines the proposed Project location to have a crime rate 4.9 times higher than the average crime rate city wide and a 61% higher than the crime rate for commercially zoned properties citywide.

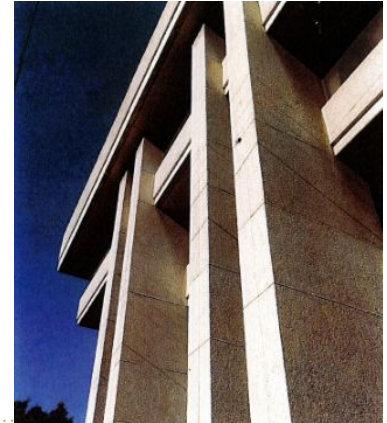
13

Staff's Response - Ground of Appeal 2



4. During the review of the Project, the Appellant was asked to submit a historic preservation report by a qualified historic preservation consultant; however, the Applicant declined to provide such a report. The Commission could not make the appropriate CEQA exemption for a potential historic resource.
5. Since the denial of the Project, staff received a letter from the Long Beach Heritage Organization requesting the City Council deny the appeal and request the Appellant provide a detailed report by a qualifying historic preservation consultant.

LONG BEACH
HERITAGE



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Staff's Response - Ground of Appeal 2

As the Appeal requires a de novo hearing, the City Council is able to consider the Long Beach Heritage letter.

As the recommendation is to Deny the Appeal, and save the building:

- A. The project has not been referred to the Cultural Heritage Board by staff.
- B. The Appellant / Applicant has not requested for the demolition of the structure to be reviewed by the Cultural Heritage Board.

Ground of Appeal 3: "The CPC Commissioner's Deliberation During the Hearing Demonstrates the Decision to Reject the SUP was Made Arbitrarily and Capriciously."

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Staff's Response - Ground of Appeal 3

1. The Commission's review of the Project must consider the purpose of a Special Use Permit:

"Special Use Permits authorized by this chapter are granted for such time and upon such conditions and limitations as are deemed necessary to preserve the integrity and character of the zoning district, the utility and value of adjacent property and the general welfare of the neighborhood and the public." OCC Section 16-530(B)

2. The Commission must make Special Use Permit Findings pursuant to:

- OCC 16-531(A):

The nature, condition and development of adjacent uses, buildings and structures shall be considered, and no proposed special use permit shall be granted if the approval body finds such use will adversely affect or be materially detrimental to such adjacent uses, buildings or structures or to the public health, safety or general welfare.

- City Council Resolution No 11,896:

The proposed use is likely to create or significantly aggravate police problems within 1,000 feet of the location for which the special use permit is applied.

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Staff's Response - Ground of Appeal 3

3. The Commission formulated their reasoning for their decision to Deny the project based on the inability to make two specific Findings based on substantial evidence and testimony as documented within Resolution 2019-31. The Commission, as one body, voted to Deny the project with a 4-0 vote.

- The Appellant's statements referencing the comments and opinions shared by individual Commissioners during the hearing do not represent the whole of the deliberations.
- The Commission is permitted, in the course of understanding the proposed Project and making the required Findings, to ask questions and make statements.

That the City Council:

- 1) Find the Project to be Statutorily Exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15270 (Projects Which Are Disapproved), and
- 2) Adopt a resolution denying the appeal and upholding the Planning Commission's denial of Planning and Zoning Permit No. 18-500-12 (Special Use Permit) because the record does not contain the evidence necessary to make all of the Findings required by Oxnard City Code Section 16-531 and City Council Resolution No. 11,896 in order to grant a Special Use Permit.

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Discussion



CITY COUNCIL AGENDA REPORT

PUBLIC HEARINGS AGENDA ITEM NO. L.2

DATE: July 29, 2020

TO: City Council

FROM: Jeffrey Lambert, Community Development Director, (805) 385-7882, jeffrey.lambert@oxnard.org

SUBJECT: Implementation of Monitoring Contract for Short-Term Rentals and Resolution Establishing Fees. (10/10/5)

RECOMMENDATION

That the City Council:

1. Authorize the City Manager to enter into a contract with Host Compliance (Agreement No. A-8232) to assist in the implementation of, and ensure compliance with, Short-Term Rental (STR) regulations;
2. Hold a public hearing on proposed new STR fees recommended by staff for services related to the issuance of STR Permits and Business Licenses and adopt a Resolution establishing the new STR fees; and
3. Approve the budget appropriation of \$30,367 in FY 20-21 for the agreement with Host Compliance, which will recognize and appropriate STR Permit fee revenue and does not impact fund balance.

BACKGROUND

On June 26, 2018, City Council established financial management policies with the adoption of the budget. Subsection B of Section III requires that the full cost of providing services for private benefit be recovered through user fees and charges.

On December 17, 2019, the City Council passed Ordinances 2969 (Non-Coastal), 2970 (Coastal), and 2971 (Fines) to establish fines for violations of the STR Ordinance, and establish Coastal and Non-coastal Ordinances for the permitting and regulation of STRs in the City of Oxnard. The STR Ordinances included a provision for the City to hire a third party compliance company to monitor STRs within the City of Oxnard, ensure that they are compliant, and assist in enforcing the regulations established by the new STR Ordinances. The STR Non-Coastal and Fee Ordinances went into effect 30-days after their adoption. The California Coastal Commission (CCC) reviewed Oxnard's STR Coastal Ordinance on July 10, 2020 and voted unanimously to approve the STR Coastal Ordinance with three modifications suggested by Coastal Commission Staff. The City Council will now need to decide at a future hearing whether to accept the Coastal Commission's recommended modifications. This City Council hearing is likely to occur in the fall. The Ordinance is not anticipated to be effective until the end of the 2020 calendar year.

On November 6, 2019 a Request for Proposal was published asking for proposals from companies capable of assisting the City with implementation, monitoring and enforcement of the newly adopted STR Ordinances. The submission window closed on December 6, 2019. The City received three proposals which were then screened and scored separately by a panel of 7 City staff from multiple departments. Host Compliance was rated highest on all the staff score cards and thus was selected. The attached Services Agreement (Attachment A) was negotiated between Host Compliance and the City Attorney's Office. As of the publication date of this staff report, the contract is under final review. The contract will be posted to the staff report prior to the City Council Meeting.

DISCUSSION

Host Compliance Scope of Work

Host Compliance will create a mobile enabled webpage that provides information to residents regarding STRs in the City of Oxnard. The webpage will include links to the ordinances, summary of the requirements (i.e. permits, business license, and payment of TOT tax), a 24/7 hotline for reporting problems with STRs, and a link to start an application for a new STR.

The phone number provided for the 24/7 hotline will be monitored by Host Compliance staff. These staff members will have access to the permitted STRs nuisance response plan. When a call is received a case file will be opened and all necessary steps to resolve the issue will be taken. On demand the City can receive reports about issues arising from STRs.

The application link on the webpage will take the applicant to an online application submittal portal. This portal will walk the applicant through the steps necessary to complete their application and will time stamp when they have submitted their application.

Host Compliance monitors on-line STR platforms and identifies addresses of STRs operating in the City. They ensure that the advertisements meet code requirements and identify STRs operating with and without permit. They then reach out to anyone that is not code compliant and notify them of their non-compliance and corrective actions to take. When the STR operator fails to comply, Host Compliance turns the entire case file, including copies of webpages, customer reviews, and other compiled evidence over to the City Code Compliance Division for revocation or citations. In the event that legal action must be taken the City will have an effective case against the operator from the evidence compiled by Host Compliance.

Annually, Host Compliance will send reminders to permitted STRs regarding their requirement to renew their permit. Additionally, they will monitor rental activity which will enable the City to ensure compliance with TOT payments. All of these services will assist the City and staff with ensuring compliance, monitoring STRs, permitting STRs, and collecting TOT.

Fees

The adopted STR Ordinances required that a fee be established for the issuance of STR Permits. Under State law, cities are entitled to recover the costs (fees for service) associated with providing certain services, as long as the amount of a fee does not exceed the reasonable estimated cost of providing the service. The STR fees include permit issuance as well as implementing regulations established by the STR Ordinances such as an inspection of the property and recovery of the contract costs for the third-party compliance company.

The establishment and implementation of the STR Fee is a necessary component of the development and maintenance of the STR program. Staff has calculated a STR fee that is intended to result in full cost recovery for issuance of permits, continued monitoring and enforcement. Staff proposes that the issuance of STR permits be a two part process, a pre-qualification portion and a permit issuance portion.

Part I - Pre-qualification: As mentioned, Host Compliance will create a website for STR applicants to submit their applications and upload the necessary documentation. The website will time stamp the applications submittals and will not accept applications that do not include all of the necessary document uploads.

Staff is recommending that there be a Part I STR Pre-qualification fee of \$280.00 which is non-refundable. This fee is based on estimated time spent by staff in the STR Pre-qualification process (See Attachment B - STR Fee Calculation).

Part II - STR Permit Issuance: At this stage of implementation it has been determined that the property is qualified for a STR permit. The applicant must now submit Floor Plans, a Nuisance Response Plan, Compliance Agreement

Certifications, Proof of Insurance, schedule an inspection and pay the second round of fees.

The fees for Part II will fully recover the cost of staff time associated with the development and maintenance of the STR program, a compliance recuperation fee to cover the Host Compliance contract, and a noticing fee to cover the cost of the STR Ordinances' required public notification (see Attachment B). To accomplish the full cost recovery policy, staff recommends a fee of \$1,315.00. In addition, the applicant at this stage will have to provide proof of registration to pay Transient Occupancy Tax and provide a business license number. Staff recommends that the business license fee for a STR be \$283.00 for the first three bedrooms and an additional \$20.00 per bedroom above three. This fee is comparable to what is charged to other transient living accommodations in the City.

Finally, per the approved STR Ordinances, the STR permit is issued for one year and must then be renewed annually. Staff recommends that the annual renewal fee be \$810.00. The renewal fee is less than the establishment fee as it requires less staff time to review as many items (i.e. the nuisance response plan) do not need review and the third party contractor will be able to provide compliance reports. However, this fee does include an inspection by staff to ensure the property is still code compliant and in good repair. Staff recommends that the annually issued STR renewal permit will be effective from January 1 to December 31 of each calendar year, and that applicants applying for a permit after January of a calendar year have the STR program development and maintenance fee and compliance recuperation fee portions be prorated for the remainder of the year.

The following table breaks down the staff recommended fees:

Part I - Pre-qualification	\$280.00
Part II - Permit issuance	\$1,315.00
Business License Fee	\$283.00 for first 3 bedrooms + \$20.00 per bedroom > 3
Annual renewal	\$810.00

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 1. Improve community safety and quality of life through a combination of prevention, intervention, and suppression efforts that address crime and underlying issues.

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

This agenda item supports the Economic Development strategy. The purpose of the Economic Development strategy is to develop and enhance Oxnard's business climate, promote the City's fiscal health, and support economic growth in a manner consistent with the City's unique character. This item supports the following goals and objectives:

Goal 1. Create vibrant and economically sustainable commercial, industrial and retail industries throughout the City.

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

Goal 2. Increase transparency with Council, community and staff related to the City's budget and financial management

processes.

FINANCIAL IMPACT

The proposed fees will impact the amount of revenue the City will bring in, however, the additional revenue is dependent upon actual demand for services, which is difficult to predict. The fees have been estimated to cover associated costs of the new services established by the Short-Term Rental Ordinance. The cost of the agreement with Host Compliance will be paid for using STR permit fee revenue. STR permit fee revenue will be recognized and appropriated annually during the budget process to cover the cost of the agreement, if renewed by the City for additional terms. A budget appropriation is being requested for FY 20-21 to recognize STR permit fee revenue and appropriate funds to Account no. 101-4101-804-8209, to cover the cost of the agreement.

COMMITTEE OUTCOME

City Council 's previous approval of the City's STR regulations included clear expectations and direction to staff to develop a robust monitoring and enforcement program prior to issuing STR permits. This item did not originate in Committee as it implements this previous City Council direction through the Host Compliance contract and application fees.

Prepared by: Paul McClaren, Associate Planner

ATTACHMENTS

1. Attachment A - Host Compliance Agreement No. A-8232
2. Attachment B - STR Fee Calculations
3. Attachment C - Resolution
4. Attachment D - Budget Appropriation
5. Presentation - STR 07.29.20

Attachment A Placeholder

Implementation of Monitoring Contract for Short-Term Rentals and Resolution Establishing Fees.

As of the publication date of this staff report, the contract is under final review. The contract will be posted to the staff report on or before July 23, 2020.

Short Term Rental Program Development Recovery and Maintenance Cost								
Year	Title	Rate	Hours				Total	Total Cost
			Research	Reports	Meetings	Support		
2016	Community Development Director	\$120.83			1	5	6	\$724.98
	Planning Manager	\$89.11			2	5	7	\$623.77
	Assistant City Attorney	\$108.38			2	2	4	\$433.52
	GIS Tech	\$57.36				3	3	\$172.07
	Office Assistant II	\$34.01			2	5	7	\$238.07
	Associate Planner	\$67.19	80	80	5		165	\$11,086.06
							Total Staff Cost	\$13,278.47
2017	Community Development Director	\$123.85			1	3	4	\$495.40
	Planning Manager	\$91.34			2	3	5	\$456.70
	Police	\$83.63				2	2	\$167.26
	Assistant City Attorney	\$111.09			1	3	4	\$444.36
	GIS Tech	\$58.79				3	3	\$176.37
	Office Assistant II	\$34.86			2	3	5	\$174.30
	Associate Planner	\$59.76	50	80	3		133	\$7,948.08
							Total Staff Cost	\$9,862.47
2018	Planning Manager	\$93.23	10				10	\$932.30
	Associate Planner	\$60.99	100				100	\$6,099.00
							Total Staff Cost	\$7,031.30
2019	City Manager	\$170.05				12	12	\$2,040.60
	Assistant City Manger	\$157.69			9	12	21	\$3,311.49
	Community Development Director	\$128.38			9	15	24	\$3,081.12
	Planning Manager	\$94.68			20	15	35	\$3,313.80
	Police	86.68				2	2	\$189.36
	Assistant City Attorney	\$115.15			9	15	24	\$2,763.60
	GIS Tech	\$60.97				3	3	\$182.91
	Office Assistant II	\$36.13			12	15	27	\$975.51
	Associate Planner	\$61.94	160	240	15		415	\$25,705.10
							Total Staff Cost	\$41,563.49
Current 2020	City Manager	\$174.28				4	4	\$697.12
	Assistant City Manger	\$161.61			2	4	6	\$969.66
	Community Development Director	\$131.57			4	4	8	\$1,052.56
	Planning Manager	\$97.03			7	5	12	\$1,164.36
	Police	\$88.84				2	2	\$177.68
	Treasurer	\$102.45				6	6	\$614.70
	Assistant City Attorney	\$118.01			2	3	5	\$590.05
	GIS Tech	\$62.49				6	6	\$374.94
	Office Assistant II	\$37.03			5	3	8	\$296.24
	Associate Planner	\$63.48	20	120	3		143	\$9,077.64
							Total Staff Cost	\$15,014.95
Anticipated 2020	City Manager	\$174.28				3	3	\$522.84
	Assistant City Manger	\$161.61			1	3	4	\$646.44
	Community Development Director	\$131.57			2	4	6	\$789.42
	Planning Manager	\$97.03			4	4	8	\$776.24
	Treasurer	\$102.45				4	4	\$409.80
	Assistant City Attorney	\$118.01			2	4	6	\$708.06
	GIS Tech	\$62.49				3	3	\$187.47
	Office Assistant II	\$37.03			3	4	10	\$370.30
	Associate Planner	\$63.48			60	5	65	\$4,126.20
							Total Staff Cost	\$8,536.77
							Est. 2020 Cost	\$23,551.72
							Total Program Development Cost	\$95,287.45

Short Term Rental Permit Recovery Cost						
Part I - Pre-Qualification						
Title	Rate	Hours	Total Cost			
Police	\$88.84	1.5	\$133.26			
Planner	\$63.48	1.5	\$95.22			
Code Enforcement	\$75.88	0.5	\$37.94			
		Total Staff	\$266.42			
		5% surcharge	\$279.74		280	
Part II - Permit Issuance						
Title	Rate	Hours	Total Cost			
Planning Manager	\$97.03	0.5	\$48.52			
Office Assistant II	\$37.03	1	\$37.03			
Planner	\$63.48	4	\$253.92			
Code Enforcement	\$75.88	3	\$227.64			
		Total Staff	\$567.11			
		5% surcharge	\$595.46			
Compliance Recuperation Fee				\$121.47		
Program Dev & Maint. Fee				\$190.57	(Assumes 250 STRs and two year recovery period).	
Mailing List				\$404.25		
		Fees	\$716.29			
		Permit Fee	\$1,311.75		1315	
Short Term Permit Annual Renewal Fee*						
Title	Rate	Hours	Total Cost			
Planning Manager	\$97.03	0.25	\$24.26			
Police	\$88.84	0.5	\$44.42			
Office Assistant II	\$37.03	3	\$111.09			
Planner	\$63.48	1	\$63.48			
Code Enforcement	\$75.88	3	\$227.64			
		Total Staff	\$470.89			
		5% surcharge	\$494.43			
Compliance Recuperation Fee				\$121.47		
Program Dev & Maint. Fee				\$190.57		
		Fees	\$312.04			
		Permit Fee	\$806.47		810	

Summary of Fees	
Part I - Pre-qualification	\$280.00
Part II - Permit issuance	\$1,315.00
Business License Fee	\$283.00 for first 3 bdrms + \$20.00 per bdrm > 3
Annual renewal	\$810.00

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
OXNARD ESTABLISHING FEES FOR SHORT-TERM
RENTAL PERMITS AND BUSINESS LICENSES

WHEREAS, on June 30, 2020, the City Council adopted financial management policies ("the policies") to be followed in the development and implementation of the City budget; and

WHEREAS, Subsection B of Section III of the policies requires activities supported by user fees and charges to determine a cost sufficient to recover actual costs, including the impact of inflation; and

WHEREAS, on December 17, 2019, the City Council adopted Ordinances 2969 (Fines), 2970 (Coastal) and 2971 (Non-Coastal) which establish regulations and permit requirements for Short-Term Rentals (STRs) in the City of Oxnard.

WHEREAS, said STR Ordinances required the adoption of STR fees to recover the full costs of implementing the STR Ordinances.

WHEREAS, the recommended STR fees included in this Resolution will provide full cost recovery to the Community Development Department (Planning and Code Enforcement Divisions) and Public Safety (Police) as well as cover the contractual cost of a third party compliance contract with Host Compliance; and

WHEREAS, the adoption of this Resolution is exempt from the California Environmental Quality Act (CEQA) as the establishment of fees for the purpose of meeting operating expenses, including employee wage rate and fringe benefits are not a "Project" as defined by the CEQA (Public Resources Code § 21065); and

WHEREAS, notice was given of the proposed adoption of this Resolution and a public hearing was held thereon, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OXNARD:

SECTION 1. The recitals of this Resolution are hereby adopted into the operative provisions of this Resolution by this reference.

SECTION 2. The City Council of the City of Oxnard finds that the fees adopted by this Resolution are for the purpose of meeting operating expenses, including employee wage

rates and fringe benefits, and contractual obligations.

SECTION 3. The City Council, in accordance with the California Environmental Quality Act (CEQA), determines that establishment of permit and business license fees for STR Permits and Business Licenses is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4) (“Project”) because action only establishes a government funding mechanism or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

NOW, THEREFORE, the City Council of the City of Oxnard resolves: The STR fees in Exhibit A are adopted, with the STR fees taking immediate effect. The STR fees are incorporated into the Planning Division Fee Schedule by reference.

PASSED AND ADOPTED this 29th day of July, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Ascencion, City Clerk

Stephen Fischer, City Attorney

EXHIBIT A

Summary of Fees	
Part I - Pre-qualification	\$280.00
Part II - Permit issuance	\$1,315.00
Business License Fee	\$283.00 for first 3 bdrms + \$20.00 per bdrm > 3
Annual renewal	\$810.00

REQUEST FOR BUDGET APPROPRIATION - **FY20-21**Department: Community DevelopmentDate: July 29, 2020

Project/Program

Manager: Jeffrey LambertPhone: 385-7868**Reason for Appropriation:**

To recognize and appropriate Short Term Rental (STR) permit fee revenue and appropriate funds for the STR implementation and compliance services agreement with Host Compliance.

Accounts and Descriptions**AMOUNT**Fund: **GENERAL FUND (101)****Revenues/Transfers In****Planning**

101-4101-555.73-**50** SHORT TERM RENTAL PERMIT FEES 30,367

Sub-total Revenues 30,367

Expenditures/Transfers Out**Planning**

101-4101-804.82-09 SVCS-OTHER/PROF CONTRACT 30,367

Sub-total Expenditures 30,367

Net Change to Fund Balance **0**

Net Appropriation Change **30,367**

Approvals

Department Director _____

Chief Financial Officer _____

City Manager _____

Short Term Rental Implementation of Monitoring Contract and Establishment of Fees

Paul McClaren, Associate Planner
Jeffrey Lambert, Community Development Director
Community Development Department

City Council
July 29, 2020



Background

- On June 26, 2018, City Council established financial management policies that require full cost recovery through user fees and charges for services provided for private benefit.
- On December 17, 2019, the City Council passed Ordinances to establish Coastal and Non-coastal regulations regarding STRs in the City of Oxnard and to establish fines for violations of the STR Ordinances.
 - Ordinance 2969 (Non-Coastal)
 - Ordinance 2970 (Coastal)
 - Ordinance 2971 (Fines)

- The STR Ordinances included a provision for the City to hire a third party compliance company to monitor STRs, ensure compliance, & assist with enforcement.
 - November 6, 2019, a Request for Proposal was published.
 - December 6, 2019, the submission window closed.
 - Three proposals were received. Host Compliance was rated highest on all staff score cards.
 - A Services Agreement was negotiated between Host Compliance and the City Attorney's Office.

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Analysis & Discussion

Host Compliance - Scope of Work

- Oxnard STR Webpage (includes information, 24/7 Hotline number, application portal).
- 24/7 hotline, monitored by Host Compliance staff trained to resolve & document calls.
- Portal allows applicants to submit applications online.
 - Will require all documents be uploaded or application will not be accepted.
 - Timestamps when applications are submitted.
- Monitors on-line STR platforms.
- Identify addresses of all STRs operating in the City.
- Create case files for non-compliant STRs and unresolved complaints. Provided to Code Enforcement for further action if necessary.
- Monitor rental activity thus ensuring compliance with TOT payments.

Staff recommends that permit issuance, and the associated fees, be a two part process with fees paid at each step of the process.

- Part I - Pre-qualification - \$280.00
 - Properties that pass pre-qualification are placed on a list in the order in which their applications are received.
 - The Host Compliance submission website will time stamp all applications.
- Part II - Permit Issuance - \$1,315

Permits are issued on a first come first serve basis.

Additionally, a Business License is needed.

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Part II - Permit Issuance

For Part II the applicant submits for review and approval:

- Floor Plans
- Nuisance Response Plan
- Compliance Agreement Certifications
- Proof of Insurance
- Proof of TOT registration
- Proof of Business License (\$283.00 for 3 bdrm +\$20 for ea. bdrm > 3)
- Pay \$1,315.00

An inspection of the property is conducted.

Once everything has been approved and the property has passed inspection the permit is issued and notice is sent out to property owners within 300 feet.

This portion of the fee includes:

- Staff processing time
- Property Inspection
- Host Compliance contract recuperation
- Program development and maintenance
- Noticing costs

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Summary of Fees

Summary of Fees*	
Part I - Pre-qualification	\$280.00
Part II - Permit Issuance	\$1,315.00
Business License Fee	\$283.00 for first 3 bdrms + \$20 per bdrm > 3
Annual renewal	\$810.00

*These fees have been set based on a detailed analysis of expected staff time. After the first year of permit issuance, staff will evaluate these fees and the actual time spent and if necessary seek Council review of a fee adjustment

That the City Council:

1. Authorize the City Manager to enter into a contract with Host Compliance (Agreement No. A-8232) to provide access to their database, algorithms, and personnel to assist in the implementation of, and ensure compliance with, Short-Term Rental (STR) regulations;
2. Hold a public hearing on proposed new STR fees recommended by staff for services related to the issuance of STR Permits and Business Licenses and adopt a Resolution establishing the new STR fees; and
3. Approve the budget appropriation of \$30,367 in FY 20-21 for the agreement with Host Compliance, which will recognize and appropriate STR Permit fee revenue and does not impact fund balance.

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Discussion



CITY COUNCIL AGENDA REPORT
REPORTS
AGENDA ITEM NO. M.1

DATE: July 29, 2020

TO: City Council

FROM: Jeffrey Lambert, Community Development Director, (805) 385-7882, jeffrey.lambert@oxnard.org

SUBJECT: Microenterprise Home Kitchen Operations. (10/10/10)

RECOMMENDATION

That the City Council receive a report on Microenterprise Home Kitchen Operations (MEHKO) and provide direction to City Manager to prepare a letter for the Mayor's signature recommending that the Ventura County Board of Supervisors "opt out" of the MEHKO program. (Housing and Economic Development Committee approved 2-1)

BACKGROUND

In 2018, Assembly Bill (AB) 626 established microenterprise home kitchen operations (MEHKO) as a new category of residential retail food facilities. The provisions of AB 626 were later refined in 2019 by AB 377. A MEHKO is defined as a food facility (i.e home-based restaurant) operated by a resident in a private home (an owned or rented, single-family or multi-family dwelling) where food is stored, handled, prepared, and served to consumers.

The intent of the legislation is to "... authorize the use of home kitchens for small scale, direct food sales by home cooks to consumers, providing appropriate flexibility in food types and appropriate health and sanitation standards." The findings of the legislation also state that "Small-scale, home-cooking operations can create significant economic opportunities for Californians that need them most – often women, immigrants, and people of color" and that "entry into the restaurant business is difficult and expensive." Further, the State finds that the legislation promotes the use of locally sourced foods and legalization of existing operations, while providing additional training for food safety.

MEHKOs may operate within counties where the Board of Supervisors (BOS) has specifically passed an ordinance to 'opt-in' to the program. Pursuant to AB 377, if a county authorizes the permitting of MEHKO, all cities and the unincorporated areas within that county, regardless of any existing city ordinance or prohibition of MEHKOs, cannot opt-out of the County's MEHKO permitting program. The Ventura County BOS has not taken action on this issue, and no ordinance is currently in effect in Ventura County that would allow a MEHKO to be permitted. The BOS will be considering whether to opt into the program at a future meeting. In anticipation of this discussion, County staff has requested input from the Ventura County cities in order to reflect local feedback in their report to the Board. Two Ventura County cities have considered a position regarding the County's consideration to opt in or opt out of the MEHKO process. Both the City of Moorpark and the City of Thousand Oaks Councils have taken a position to ask the County to opt out of the MEHKO program.

DISCUSSION

The purpose of this report is to provide the issues for consideration by the City of Oxnard in preparation for providing testimony to the Council Board of Supervisors when they consider the MEHKO issue later this year. The MEHKO

legislation does include some limited operational standards:

- Food facility operated by a resident in a private home;
- Food must be prepared, cooked and served on the same day;
- Food can only be consumed on-site, picked up, or delivered;
- Direct sales only;
- Limited to no more than 30 meals per day or 60 meals per week;
- No more than \$50,000 in gross annual sales;
- No more than one employee;
- Must have a permit to operate from the Environmental Health Department (EHD);
- One scheduled routine inspection per year allowed; and
- Additional inspections allowed for response to a complaint.

Since one of the intents of the MEHKO legislation was to limit local control, it specifically includes several key limitations on local authority:

1. A MEHKO shall be considered a residence for all purposes of State Uniform Building Standards Code and Local building and fire codes;
2. Use of a residence for the purpose of a MEHKO shall not constitute a change in occupancy; and
3. A city or county shall not impose any restriction on MEHKOs related to land use, parking, and other zoning standards, as well as requirements of the retail food code related to hand-washing facilities, plan review, exhaust hoods, and other commercial kitchen standards.

In essences, MEHKOs are considered a residential use with no local control. The law designates the local health agency as the enforcement agency with jurisdiction over food facilities for the permitting and enforcement of MEHKOs. A permit from the health agency is required to operate. The Ventura County Environmental Health Division (VCEHD) provides permitting and other health services related to food facilities, and therefore, VCEHD would be the sole permitting authority of MEHKO if the program is adopted within Ventura County.

ANALYSIS

There are two perspectives from which to view the MEHKO proposal. One, if Ventura County adopts this program, the City will have no way of controlling businesses within our boundaries nor any way to add specific performance standards or conditions to limit the potential impact these businesses may have on our residential neighborhoods. Second, access to food preparation and to customers with limited up front capitalization may be just the policy that allows struggling Oxnard families to succeed. The ability to operate a MEHKO could provide a much needed financial boost to families. However, the potential for neighborhood disruption and lack of local control seems to outweigh the undetermined potential economic benefit to the Oxnard community. Staff is recommending that the City request that the County "opt out" of the MEHKO program for the following reasons:

Local Control

The State regulations continue to limit local control, both from an inclusive "opt in" by the County and eliminating the City's ability to regulate the use. The City would not be able to require a Home Occupation Permit (HOP) as currently required by City Code. Therefore our HOP standards could not be imposed, which causes an unfair business advantage and potentially creating negative residential impacts. Our HOP standards establish hours of operation, limiting visitors to the home, off-site parking, and storage of materials. These safeguards are non-enforceable under the current MEHKO legislation, in favor of a "one-size fits all" approach to statewide regulation. A relevant frame of reference is the City's Home Occupancy Operating Standards described in Attachment 1 to this report.

Neighborhood Impacts

MEHKOs introduce traditionally commercial uses into residential areas. While local interest in a MEHKO program is unknown at this time, the use could result in significant impacts to sanitation, traffic congestion, parking, and building and fire safety. As an example, residential plumbing systems may not be sufficient to accommodate unfiltered

commercial food waste and grease discharged by the proposed uses (up to 30 meals per day or 60 meals per week). Residential communities may also be unduly impacted by commercial traffic, loading, and parking impacts associated with MEHKOs.

Enforcement

Inspections would be done by the County with no reporting or unaccountably to the City for the operations. Examples of MEHKO standards that would be difficult to enforce include determining if food is being prepared and served on the same day and the number of meals served on a single day or week.

Exemption of Building Standards

The law's exemption from building and fire safety requirements also present potential life safety risks, as fire alarm and suppression systems, exhaust systems, and existing requirements will not apply. Exempting Uniform Building Standards, as MEKHO does, would potentially exempt home businesses from disability standards, making such locations inaccessible to many residents. In addition, commercial cooking equipment is installed pursuant to specific safety standards meant for commercial purposes. By exempting commercial installation standards, Uniform Building Standards, and fire codes, unregulated installation of equipment creates a potential hazard to persons and properties. Residential cooking equipment is not meant for commercial purposes.

Entrepreneurship

The City's economic development partner The Economic Development Collaborative (EDC) recently completed a report "Enabling Ventura County's Entrepreneurial Eco-System 2018." This report highlights several key strategies, one specifically is relevant to this discussion. In short, the report explains:

"Every new restaurant, every corporate spin-off, every startup dream nurtured in a community college classroom or retirement seminar is part of the ecosystem. The capacities of people in the region to do real work are like the DNA of the ecosystem. The ability to combine and recombine those productive capacities into new goods and services—including ones that are new to the region or new to a neighborhood, even if not new to the world—is the essence of the entrepreneurial process."

One of seven strategies in this report is "Increasing the accessibility of commercial kitchen space." This would "unleash scalability for local cottage industries with commercial kitchens and build on local partnerships with food systems, restaurateurs, cities, etcetera." As this report highlights, food and food systems are key strengths of Ventura County and in particular of the City of Oxnard.

Conclusion

Although adding MEHKOs could enhance this focused area, the uncertain interest and the potential for neighborhood nuisance on balance do not justify the City's support for this program at this time. The City could support other initiatives such as the pursuit of a shared commercial kitchen to serve food entrepreneurs. For the reasons stated above staff recommends the City recommend that the Ventura County Board of Supervisors "opt out" of the MEHKO program.

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 1. Improve community safety and quality of life through a combination of prevention, intervention, and suppression efforts that address crime and underlying issues.

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

Objective 3a. Create a renewed focus on establishing a positive outlook and orientation of our City, neighborhoods and overall community.

FINANCIAL IMPACT

As this agenda item seeks City Council recommendation in formulating the City's position on the MEHKO proposal, no direct financial impacts are expected. However, if the County adopts the MEHKO program, the City could experience an increase in complaints to Code Enforcement.

COMMITTEE OUTCOME

The Housing and Economic Development Committee voted 2-1 on July 14, 2020 to approve the staff recommendation and to forward the item for Council approval. Two Committee members had concerns about the neighborhood impacts while Chair Madrigal acknowledged that some home based food establishments already exist and it will be challenging to eliminate them given the food and economic value they provide.

Prepared by: Jeffrey Lambert, Community Development Director, Rosie Ornelas, Economic Development Manager, Scott Kolwitz, Planning Manager

ATTACHMENTS

1. MEHKO FAQs
2. Home Operating Standards
3. Draft Letter of Opposition – Ventura County Microenterprise Home Kitchen Operations Program (MEHKO)

**Microenterprise Home Kitchen Operations (MEHKO)
Frequently Asked Questions**

1.) Will MEHKOs be allowed in both the Coastal Zone and Inland Zones?

Answer: Yes, there are no geographic limitations.

2.) Will MEHKOs be allowed in multi-family residential and ADUs or limited to single family homes?

Answer: It is anticipated MEHKOs would be allowed in all residential units (including multi-family). Only signs and noise limitations would apply.

3.) Can the County or the City introduce a separation requirement between MEHKOs to not overwhelm residential neighborhoods?

Answer: No. The County can not impose separation restrictions.

4.) Can the County or the City identify a maximum number of customers that can be at the property at any one time (5 to 10 was suggested as a "normal" residential size gathering)?
Require a reservation to limit lines out the door?

Answer: No. The County cannot limit the number of customers.

5.) Will any parking standards apply to MEHKOs?

Answer: No. Only residential parking standards apply.

6.) Will grease interceptors be required for “restaurant” like uses or will this only be at the discretion of the Building Official? Will Environmental Health be reviewing MEHKOs?

Answer: Environmental Health will review and determine if further improvements are necessary to comply with MEHKO regulations

7.) Will signage be allowed?

Answer: Signage is not allowed.

Home Occupancy Operating Standards

Should the County adopt a MEHKO ordinance, the City will not be able to adopt any specific standards or regulations to implement this ordinance. As MEHKOs are to be subject to the same type of standards which regulate residences, it is relevant to offer the following operational standards patterned on the City of Oxnard's Home Occupation Operating Standards (Oxnard City Code Section 16-403) for the County to consider. Although it is not possible for the County to impose these standards should they opt-in to this program, if future legislation allows these improved operational standards, the City could reconsider its position:

- The operation of a MEHKO shall not alter the appearance of the dwelling unit by the use of colors, materials, lighting, signs or exterior alterations not compatible with the surrounding area. No structural alterations shall be permitted within the dwelling to separate any area used for a home occupation from the principal dwelling space.
- A MEHKO permit shall only be approved for a resident of the subject property. No area used for a home occupation shall be subleased or rented to another party.
- There shall be no on- or off-site advertising that identifies the MEHKO by street address, except as may be required by State law, Ventura County or by city business licensing requirements.
- The MEHKO shall be conducted indoors and confined completely within a dwelling or accessory building. The area used for a MEHKO shall not exceed 25% of the gross area of one floor of the dwelling or accessory building.
- Use of a garage for MEHKO purposes shall not interfere with the permanent maintenance of off-street parking spaces, including required garage spaces.
- Activities conducted by and equipment or material used in the MEHKO shall not change the fire safety or occupancy classifications of the dwelling or accessory building, or use utility or solid waste services in amounts greater than normally provided for the residential use.
- The applicant for a permit for a MEHKO that is to be conducted on rental property shall submit the property owner's written authorization for the proposed use prior to the issuance of a MEHKO.
- The MEHKO shall not involve the interior or exterior use or storage of material or mechanical equipment which is not part of a normal household or hobby use.
- MEHKOs shall be conducted only between the hours of 7:00 a.m. and 9:00 p.m.
- The MEHKO shall not create more noise, light, vibration, smoke, odor, humidity, heat, cold, glare, dust or dirt, electrical interference, pedestrian activity, vehicular traffic, or television or radio interference, than is customary in the residential area in which the MEHKO is located.
- Deliveries to a MEHKO shall not involve types of vehicles or more frequent deliveries than are customary for a residential area.
- The applicant is responsible for complying with all city, county, State and federal requirements including business license requirements and local zoning laws.
- Payment of the business license tax is not an endorsement of the business or verification of competency or reliability.

Tim Flynn
Mayor



Office of the Mayor
300 West Third Street
Oxnard, CA 93030
(805) 385-7430
Fax (805) 385-7595

July 30, 2020

Board of Supervisors
County of Ventura Government Center, Hall of Administration
800 South Victoria Avenue
Ventura, California 93009

Submitted Electronically

Subject: Letter of Opposition – Ventura County Microenterprise Home Kitchen Operations Program (MEHKO)

Dear Honorable Board of Supervisors:

We understand that the Board intends to consider whether Ventura County should establish a local Microenterprise Home Kitchen Operations (MEHKO) program pursuant to Assembly Bills 626 (2018) and 377 (2019). The County serves as the local health agency and the Board's decision on this matter will determine whether these uses can occur within the City of Oxnard. This decision will have a direct impact on our City. If the Board decides to "opt in", the City would not have any recourse to address potential concerns associated with the use.

The City Council evaluated this topic at their July 29, 2020 meeting and recommends that the Board not establish a local MEHKO program until the legislation allows for local amendments to the MEHKO program necessary to address potential impacts. Within the City of Oxnard these potential impacts are expected to include:

1. Sanitation: MEHKO operations within single-family and multi-family structures may result in significant sanitation impacts associated with the discharge of unfiltered commercial food waste and grease, odors from refuse, pests, and inadequate sewer capacity. In multi-family settings, sewer blockages resulting from MEHKO operations could be particularly impactful, as numerous residents rely on one point of service. These factors could impact adjacent residents and the public at-large. The state legislation does not sufficiently address these impacts.

Letter of Opposition – Ventura County Microenterprise Home Kitchen Operations Program (MEHKO)
July 15, 2020
Page 2 of 2

2. Building and Fire Safety: The current legislation does not sufficiently mitigate potential building and fire safety issues related to MEHKO operations. These include provisions for safe kitchen facilities, exhaust systems, fire alarm and suppression systems, exiting, and disabled access.
3. Neighborhood Impacts such as Parking and Traffic Congestion: The current legislation does not sufficiently address parking and traffic congestion concerns related to commercial loading and customer parking, particularly in denser, multi-family areas.

The City Council acknowledges the potential benefits of a MEHKO program to economic development, micro businesses, and developing entrepreneurs in our community. The City strongly supports economic development and local business opportunities. Unfortunately, the one-size-fits-all approach to the legislation removes local tools necessary to ensure that these uses will not present a hazard to the operators, adjacent properties, and public welfare. The City would welcome the opportunity to work collaboratively with the County and other Ventura County cities to explore commercial kitchen opportunities that would provide a place for food entrepreneurs to expand their businesses and serve our communities with healthy food choices.

For these reasons, the City of Oxnard recommends that the Ventura County Board of Supervisors "opt-out" of the MEHKO program as currently proposed. We thank the Board for your consideration in this matter and Ventura County Environmental Health Division Director Charles Genkel for his outreach and engagement with our staff on this issue.

Sincerely,

Tim Flynn
Mayor



CITY COUNCIL AGENDA REPORT
REPORTS
AGENDA ITEM NO. M.2

DATE: July 29, 2020

TO: City Council

FROM: Rosemarie Gaglione, Public Works Director, (805) 385-8055, rosemarie.gaglione@oxnard.org

SUBJECT: Purchase Order with Famcon Pipe & Supply for Essential and Critical Spare Parts and Supplies for the Water Division. (5/5/5)

RECOMMENDATION

That the City Council approve and authorize the Mayor to execute Purchase Order No. 7732 with Famcon Pipe & Supply (Famcon) for \$367,282.19 for essential and critical water distribution and treatment spare parts and supplies for the Water Division during COVID-19 pandemic period.

BACKGROUND

In March 2020, during the onset of the COVID 19 crisis, the Water Division was notified by multiple vendors that parts supplies and deliveries could be impacted as the State of California moved to close down many businesses. The Water Division immediately conducted an inventory of essential and critical water distribution and treatment spare parts and supplies. Critical spare parts had been mostly depleted and the stock on hand would only last a few weeks.

In addition, on March 17, 2020, the California's State Water Resources Board advised all water systems to be prepared for potential impacts from COVID-19. Water systems were advised of their duty to maintain consumer confidence in tap water quality during this outbreak and that water system management should ensure that they have essential items on hand to maintain drinking water quality.

DISCUSSION

In order to mitigate any potential impacts to operations from COVID-19, the Water Division replenished essential and critical spare parts and supplies. Such spare parts included utility hardware, piping, electrical parts, and water testing kits. The Water Division purchased spare parts from seven (7) vendors, including Famcon, CED/Royal Industrial Solutions, J.L. Wingert, USA Bluebook, Harrington, Hach and Saf-T-Flo.

Normally, the Water Division stores minimal spare parts and supplies, and relies on local suppliers as a warehouse source.

In view of the urgent nature of these events, staff relied upon the City's Purchasing Ordinance that allows the regular bidding process to be bypassed to buy directly from a selected vendor capable of meeting City requirements. In doing so, staff completed the mandated Negotiated Single/Sole Source support forms for each respective vendor. Council approval is required for any and all purchases that exceed \$200,000.

The Water Division purchased small to large diameter (4" to 45") pipes, small to large diameter (4" to 45") valves, fire hydrants, and pipe repair clamps from Famcon. The total purchase amount is \$367,282.19 which will require Council approval.

All other related purchases from other vendors fell within the purchasing authority of the Purchasing Agent. The following is a summary of essential and critical spare parts and supplies purchased in FY 2019-20 starting from the onset of the COVID pandemic.

Vendor	Spare Parts & Supplies	Purchase Cost
Famcon	-45" diameter concrete reinforced mortar coated steel pipe, -45" butterfly valve, welded steel tapping sleeves, 45 x 20 tapping sleeves and valves -Fire Hydrants -residential and commercial -Brass, copper and plastic ¾"-4" water service material -Water main repair clamps 4"-10" -Water main lines valves 4"-10" -Water main pipe material 4"-24"	\$367,282.19
CED/Royal Industrial Solutions	-Electrical instrumentation and programmable logic control switches, network programmed cards and communication parts	\$20,373.20
J.L. Wingert	-Sodium hydroxide backup chemical pump for RO Desalter	\$8,347.13
USA Bluebook	-Chlorine standby pumps and repair kits	\$20,860.95
Harrington Plastics	-Chemical skid pulsation dampeners, pressure relief valves PVC fitting and PVC pipe	\$7,068.40
Hach	-Water treatment analyzer reagents -Water treatment analyzer repair and calibration kits	\$6,035.16
Saf-T-Flo	-Chemical injectors for all blending stations #1 and #3	\$7,112.54

Currently with the recent purchases, the Water Division has enough inventory for maintenance and operations to last an estimated four (4) to six (6) months.

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

The total cost for this Purchase Order with Famcon is \$367,282.19 and will be paid from funds remaining and available in Fiscal Year 2019-20, when the purchases occurred, from the Water Operating Fund (Account 601-6010-843.81-04).

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Omar Castro, Water Division Manager, Thien Ng, Assistant Public Works Director

ATTACHMENTS

1. PO 7732 FAMCON
2. Famcon NSS
3. CSWRB March 17, 2020 Email Letter
4. Famcon Presentation



PURCHASE ORDER
CITY OF OXNARD
300 WEST 3RD STREET
OXNARD, CA 93030

**PURCHASE
ORDER NO.
007732**

DATE: 7/13/2020

VENDOR PHONE: (805)485-4350

VENDOR FAX: () -

VENDOR #: 1819

VENDOR ADDRESS: FAMCON PIPE & SUPPLY INC.
200 LAMBERT ST.
OXNARD, CA 93036

SHIP TO: WATER DIVISION
251 S. HAYES AVENUE
OXNARD, CA 93030

Our P.O. # MUST Appear on ALL Invoices, Packages and Correspondence

DELIVER BY		REQUISITION #	REQUISITION DATE	CONFIRMED BY	
06/30/2020		0000004953	06/01/2020	DON ISLEY	
FOB		ACCOUNT NUMBER		AUTHORIZED BY	
		60160108438104		DANIEL WILLHITE	
ITEM #	QUANTITY/ UNIT	DESCRIPTION ARTICLE OR SERVICE		UNIT COST	EXTENDED COST

1	COVID 19 PURCHASES	53,310.39 / DL	1.0000	53,310.39
2	COVID 19 PURCHASES	48,681.45 / DL	1.0000	48,681.45
3	COVID 19 PURCHASES	74,886.25 / DL	1.0000	74,886.25
4	COVID 19 PURCHASES	15,031.13 / DL	1.0000	15,031.13

By acceptance of this purchase order, you agree to the attached terms and conditions of the City of Oxnard

PURCHASE ORDER
CITY OF OXNARD
300 WEST 3RD STREET
OXNARD, CA 93030

**PURCHASE
ORDER NO.
007732**

DATE: 7/13/2020

VENDOR PHONE: (805)485-4350

VENDOR FAX: () -

VENDOR #: 1819

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 OXNARD, CA 93036

SHIP TO: WATER DIVISION
 251 S. HAYES AVENUE
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DELIVER BY		REQUISITION #	REQUISITION DATE	CONFIRMED BY	
06/30/2020		0000004953	06/01/2020	DON ISLEY	
FOB		ACCOUNT NUMBER		AUTHORIZED BY	
		60160108438104		DANIEL WILLHITE	
ITEM #	QUANTITY/ UNIT	DESCRIPTION ARTICLE OR SERVICE		UNIT COST	EXTENDED COST

5	COVID 19 PURCHASES				
	47,190.00 /			1.0000	47,190.00
	DL				

6	COVID 19 PURCHASES				
	48,120.07 /			1.0000	48,120.07
	DL				

7	COVID 19 PURCHASE				
	48,139.47 /			1.0000	48,139.47
	DL				

8	COVID 19 PURCHASE				
	10,255.25 /			1.0000	10,255.25
	DL				

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PURCHASE ORDER
CITY OF OXNARD
300 WEST 3RD STREET
OXNARD, CA 93030

**PURCHASE
ORDER NO.
007732**

DATE: 7/13/2020

VENDOR PHONE: (805)485-4350

VENDOR FAX: () -

VENDOR #: 1819

VENDOR ADDRESS: FAMCON PIPE & SUPPLY INC.
 200 LAMBERT ST.
 OXNARD, CA 93036

SHIP TO: WATER DIVISION
 251 S. HAYES AVENUE
 OXNARD, CA 93030

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06/30/2020		0000004953	06/01/2020	DON ISLEY	
FOB		ACCOUNT NUMBER		AUTHORIZED BY	
		60160108438104		DANIEL WILLHITE	
ITEM #	QUANTITY/ UNIT	DESCRIPTION ARTICLE OR SERVICE		UNIT COST	EXTENDED COST

9	COVID 19 PURCHASE		1.0000	10,704.62
	10,704.62 /			
	DL			

10	COVID 19 PURCHASE		1.0000	10,963.56
	10,963.56 /			
	DL			

ADMIN BA SUBMITTED TO BUDGET TO FUND NSS PURCHASE
 21 00003419 EXP 4/30/21*PW
 PER. DEPT., PURCHASE IN ANTICIPATION OF SUPPLIES
 SHORTAGE DUE TO COVID; PURCHASES ARE NOT DIRECTLY
 COVID COSTS. DEPT. REQUEST TO SHIFT \$700K FROM
 CAPITAL EQUIP. TO SHOP & FIELD TO FUND PURCHASE IN
 FY19-20. TO COUNCIL JULY FOR APPROVAL AFTER THE
 FACT*DAN

By acceptance of this purchase order, you agree to the attached terms and conditions of the City of Oxnard

PURCHASE ORDER
CITY OF OXNARD
300 WEST 3RD STREET
OXNARD, CA 93030

**PURCHASE
ORDER NO.
007732**

DATE: 7/13/2020

VENDOR PHONE: (805)485-4350

VENDOR FAX: () -

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DELIVER BY		REQUISITION #	REQUISITION DATE	CONFIRMED BY	
06/30/2020		0000004953	06/01/2020	DON ISLEY	
FOB		ACCOUNT NUMBER		AUTHORIZED BY	
		60160108438104		DANIEL WILLHITE	
ITEM #	QUANTITY/ UNIT	DESCRIPTION ARTICLE OR SERVICE		UNIT COST	EXTENDED COST

TOTAL PURCHASE AMOUNT

\$367,282.19

In order to receive payment, email all invoices to:
invoices@oxnard.org

In the subject line, reference the Purchase
 Order number above.

AUTHORIZED SIGNATURE. _____

Tim Flynn, Mayor

By acceptance of this purchase order, you agree to the attached terms and conditions of the City of Oxnard

PURCHASE ORDERS
TERMS AND CONDITIONS

The City Purchasing Officer and the Vendor agree as follows:

1. Vendor shall furnish to City the labor, materials, equipment, supplies and/or services described in the Purchase Order preceding this page.
2. City shall pay to Vendor the price, or prices, specified in the Purchase Order upon delivery of the labor, materials, equipment, supplies and/or services, and acceptance thereof by the City Purchasing Officer, or upon the completion of the services to be performed and acceptance thereof.
3. If the Purchase Order is continuing in nature, City shall pay to Vendor the amount due Vendor for labor, materials, equipment or supplies furnished, or services completed and accepted.
4. Vendor shall deliver the labor, materials, equipment or supplies, or cause the services to be performed, within the time and in the manner specified in the Purchase Order. Vendor shall be excused in performance for delays resulting from causes beyond the control of Vendor.
5. If services are performed or labor furnished to City under the Purchase Order, Vendor agrees to indemnify, hold harmless and defend City, its City Council, and each member thereof, and every officer, employee, representative or agent of City, from any and all liability claims, demands, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from any acts or omissions related to this Agreement performed by Vendor or its agents, employees, subcontractors, consultants and other persons acting on Vendor's behalf. This agreement to indemnify, hold harmless and defend shall apply whether such acts or omissions are the product of active negligence, passive negligence, willfulness or acts for which Vendor or its agents, employees, subcontractors, consultants and other persons acting on Vendor's behalf would be held strictly liable. Vendor's obligation to defend shall arise when a claim, demand or action is made or filed, whether or not such claim, demand or action results in a determination of liability or damages as to which Vendor is obligated to indemnify and hold harmless.
6. Insurance
 - a) Vendor shall obtain and maintain during the performance of any services under this Agreement the following insurance coverage 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 coverage.
 - i. Commercial general liability insurance, including a contractual liability endorsement, 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 CG0001ED, November 1988);
 - ii. 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 Auto Liability Insurance Services Office coverage (Occurrence Form CA000TED, June 1992) covering Code No. 1, "any auto";
 - iii. Workers' compensation insurance in compliance with the laws of the State of California, including employer's liability insurance in an amount not less than \$1,000,000 per claimant.
7. Vendor, in the performance of any services or the furnishing of any labor under this Purchase Order, shall be considered an independent contractor, and Vendor and Vendor's agents and employees shall not be considered officers or employees of the City.
8. Vendor, without the written consent of the City Purchasing Officer, shall not:
 - a) Assign the Purchase Order, or any interest therein, or any money due thereunder; or
 - b) Make any changes, alterations or variations in the terms of the Purchase Order.
9. The cost of inspection on deliveries, or offers to make deliveries that do not meet specifications, will be paid by Vendor or deducted by City from amounts due Vendor.
10. Vendor shall indemnify and hold harmless City, its officers and employees, from liability, claims, loss or expense of any kind or nature on account of any copyrighted or uncopyrighted composition, patented or unpatented process or invention, article or appliance furnished or used under this Purchase Order.
11. Vendor shall comply with all applicable federal, state and local ordinance, laws and regulations and shall obtain and pay for all required licenses and permits, including a City of Oxnard business license.
12. Return or exchange of materials, equipment or supplies will not be permitted without written approval by the City Purchasing Officer.
13. All materials, supplies and equipment furnished under the Purchase Order shall, where applicable, be in full compliance with the Safety Orders and Regulations of the Division of Industrial Safety of the State of California and the Williams-Steiger Federal Occupational Health and Safety Act of 1970.
14. City may terminate this Purchase Order at any time by giving written notice of termination to Vendor. If termination is for cause, termination shall become effective on the date of the notice or at a later date, specified in the notice. If termination is without cause, termination shall become effective five days after the date of the notice or at a later date specified in the notice.
15. Vendor shall comply with all applicable equal employment opportunity requirements of the California Department of Fair Employment and Housing in performing or contracting for any services under this Purchase Order.
16. For public projects, Vendor shall pay prevailing wages in accordance with Labor Code Sections 1720 et seq.

ADDITIONAL REQUIREMENTS FOR GRANT-FUNDED PROJECTS

17. The following requirements apply to any Purchase Order funded in whole or in part by federal grant funds.
 - a) Upon expiration of the time specified on the reverse side, this Purchase Order shall terminate unless City and Vendor have mutually agreed in writing to an extension of time.
 - b) If legal action is brought by either party because the other has failed to comply with terms or conditions of this Purchase Order, the prevailing party shall be awarded its attorney's fees and costs in addition to its damages and/or equitable relief.
 - c) Vendor shall comply with all applicable requirements of Executive Order 11246 as amended by Executive Order 11375 and the regulations adopted pursuant thereto (41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex or national origin.
 - d) Vendor shall insure that the grantee (City), the Federal Grantor Agency, the Comptroller General of the United States, or any duly authorized representative, shall have access to any books, records, documents and papers, specifically relating to this Purchase Order, for the purpose of making audit, examination, excerpts and transcriptions for not less than three years after completion of the project and/or until the completion of the final project audit as required by the Federal Grants Agency.

Purchasing Department
Purchasing Procedure

Negotiated Contract
Sole/Single (NSS Form)

Purchasing requires written justification from the requesting department within the department explaining why this is the only source for the requirement. Please check the applicable box.

Definition

- ☐ **Negotiated Contract:** When no bids or no responsive bids are received/obtained, the purchasing manager is authorized to negotiate for written proposals without a formal solicitation process for a city contract.

Formal/informal solicitation with one bid/proposal response received (Bid # and Close date):

- ☐ **Confidential agreement** for City Attorney and/or Chief of Police (backup docs may be redacted)
- ☐ **Sole Source:** Unique materials, supplies, equipment or services, which can be obtained from only one known source, proprietary equipment/technology, copyright, singular characteristics or performance capabilities or which have exclusive compatibility components with existing City products.
- ☐ **Single Source:** A procurement decision whereby purchases are directed to one source because of standardization, warranty, or other factors, even though other competitive sources may be available.
- ☐ **Urgent:** Informal or formal solicitations for supplies, equipment or services (except Public Projects) shall not apply in a situation in which, at the City Manager's discretion, does not permit obtaining price quotations or bids and public interest and necessity demand the immediate expenditure of public money to avoid harm to or safeguard life, health or property or to mitigate severe economic expenses. Provide the supporting documentation with a completed NSS form to the Purchasing Division of the urgent products/services with the City Manager's signature.

WRITTEN JUSTIFICATION

The below information is provided in support of my Department requesting approval for a negotiated or sole/single source (NSS form). *(Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.)*

1. Vendor Legal Business Name: Famcon
2. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide to include: (Please check one or more of the options below)
 - ☐ Unique: e.g. Feature(s) that make the item/service unique and why you need this uniqueness.
 - ☐ Compatibility: e.g. Compatibility with or component of, an existing item; provide enough detail to demonstrate that compatibility is necessary.
 - ☐ Territory: Provide a letter from the Manufacturer that its' supplier/reseller holds a service contract and must supply parts to accomplish a contract.
 - ☒ Emergency order: No other supplier available at the time. (Must be declared by the City Manager/City Council).
 - ☒ Urgent: City Manager approves waiving the formal competitive solicitation, over \$200,000
 - ☐ Proprietary purchase: No other supplier available. Provide verified evidence that the purchasing is truly proprietary. I.E. letter from manufacturer that their product is proprietary and that no other product on the open market exists.
3. The basis upon which the price/cost was determined to be fair and reasonable. The price justification to include: (Please check one or more of the options below)
 - ☐ Comparison to product catalog.
 - ☐ Comparison to similar product/service.
 - ☐ Published price lists.
 - ☐ Prices quoted are less than or equal to, that quoted to other governmental agencies.
 - ☐ Records of previously bid items that were similar.
 - ☐ Proven industry standard.



Purchasing Department
Purchasing Procedure

Negotiated Contract
Sole/Single (NSS Form)

4. Provide a brief written explanation for this product/services.

As a result of the COVID-19 crisis, the Water Division conducted an inventory of essential water distribution parts required to ensure continuous delivery of potable water in the distribution system. The parts ordered will supply the Water Division sufficient parts for approximately 4-6 months.

5. Identify all costs for this requested purchase:

Product/Service Description:	Fiscal Year:	Fiscal Year:	Fiscal Year:	Fiscal Year:
One-Time Costs (Describe):	367,282.19			
Ongoing Costs (Describe):				
Annual Total Costs: Add the total by year				

6. Period of Performance:

From:		To:		Or One-Time Purchase	☒
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I HEREBY CERTIFY THAT:

- 1) I am an approved department representative, and am aware of the City's requirements for competitive bidding, as well as, the criteria for justification for negotiated contract/sole/single source purchase.
- 2) There is justification for a negotiated contract/sole/single source purchase noted above as it meets the City's criteria.

Department: Public Works - Water

Requestor Name (Print Name): Omar Castro

Please print

Authorized Department Director or designee:

Please print/sign name

Date:

Below to be processed by Purchasing:

☐

Approved or

☐

Denied

Notes:

Purchasing Buyer:

Under \$25,000

Please Sign

Date:

Purchasing Manager: Daniel Willhite

Up to \$100,000

Please Sign

Date:

City Manager: Alexander Nguyen

\$100,001 to \$200,000

Please Sign

Date:

Mayor: Tim Flynn



Purchasing Department
Purchasing Procedure

Negotiated Contract
Sole/Single (NSS Form)

\$200,001 +

Please Sign

Date:

Tracking number assigned by the Purchasing Department only.

Tracking #		Not to Exceed Amount:	\$	FY:	
------------	--	-----------------------	----	-----	--

----- Forwarded message -----

From: Densmore, Jeff@Waterboards <Jeff.Densmore@waterboards.ca.gov>

Date: Tue, Mar 17, 2020 at 4:58 PM

Subject: COVID-19 DDW: District 6 Update

To:

Cc: Chen, Kam@Waterboards <Kam.Chen@waterboards.ca.gov>, Kealoha L. Ghiglia <klghiglia@co.slo.ca.us>, Huy, Belinda <Belinda.Huy@sbcphd.org>, O'Keefe, Jeff@Waterboards <Jeff.OKeefe@waterboards.ca.gov>, Souza, Kurt@Waterboards <Kurt.Souza@waterboards.ca.gov>, Cunningham, Jason@Waterboards <Jason.Cunningham@waterboards.ca.gov>, Karinja, Patrick@Waterboards <Patrick.Karinja@waterboards.ca.gov>, Mendoza, Ellen@Waterboards <Ellen.Mendoza@waterboards.ca.gov>, Salazar, Ingrid@Waterboards <Ingrid.Salazar@waterboards.ca.gov>, Singer, Teagan@Waterboards <Teagan.Singer@waterboards.ca.gov>, Lustig, Rebecca <Rebecca.Lustig@ventura.org>, Bassiri, Ramesh <Ramesh.Bassiri@ventura.org>, Starkey, Carolyn@Waterboards <Carolyn.Starkey@waterboards.ca.gov>

Hello Everyone,

Hopefully you are already in the middle of planning for potential impacts from the Coronavirus outbreak. The Division of Drinking Water's Santa Barbara District Office is offering our staff work-from-home options and will also maintain some staff at the office during normal business hours. As usual, please don't hesitate to contact us via the usual channels. We are all still available in one form or another, however, email is probably the most effective at this time. Please refer to your emergency notification plan for after-hours emergencies. My emergency/after-hours cell phone number is 805.570.7830.

Here are a few things to consider while preparing for potential impacts from the Coronavirus outbreak:

- **Consumer concerns with their tap water:** The Division of Drinking Water is committed to maintaining consumer confidence in tap water during this outbreak. Existing drinking water regulations are protective against viruses including the coronavirus. Association of State Drinking Water Administrators (ASDWA) has information related to COVID-19 and tap water to help answer consumer questions about the safety of their tap water. <https://www.asdwa.org/covid19/>.
- **Continuity of operation plan:** Water systems should be concerned with the possibility of reduced staffing and essential services. Water systems need to plan ahead to ensure they have ample operations staff to operate and monitor water system facilities and take required water quality samples. You should consider the possibility that essential items, for example water treatment chemicals, may be harder to obtain due to impacts by the Coronavirus. Mutual aid agreements, such as with CalWarn (<http://www.calwarn.org/>), are strongly encouraged. Additionally, there may be opportunities for additional support from your neighboring water system. Please consider talking with them about the possibility of assisting if necessary. Knowing where to go for assistance before your water utility is impacted is very important to maintaining a healthy water supply to your customers.
- **Lab Capacity:** Consideration should be given to your lab's ability to continue to operate or maintain normal capacity. Having a list of alternative lab options is recommended. ELAP has a list of certified labs located here: <https://www.arcgis.com/apps/webappviewer/index.html?id=bd0bd8b42b1944058244337bd2a4ebfa>
- **Compliance monitoring and reporting:** Every effort needs to be made to ensure water system compliance is maintained and demonstrated with all the required monitoring and reporting. If you feel your water system might have difficulty meeting regulatory monitoring and reporting requirements due to impacts from the Coronavirus, please contact our office immediately to discuss the next steps.

Please let me know if you have any questions or concerns.

Jeff Densmore, P.E.

District Engineer

[Division of Drinking Water](#)

Santa Barbara District

1180 Eugenia Place, Suite 200

Carpinteria, CA 93103

Purchase Order with Famcon Pipe & Supply for Essential and Critical Spare Parts and Supplies for the Water Division

City Council
July 29, 2020

Omar Castro
Water Division Manager



RECOMMENDATION

That the City Council approve and authorize the Mayor to execute a Purchase Order with Famcon Pipe & Supply (Famcon) for \$367,282.19 for essential and critical water distribution and water treatment spare parts and supplies for the Water Division during COVID-19 pandemic period.

BACKGROUND

- Water Division maintains:
 - approximately 563 miles of water main ranging from 4" to 45"
 - 5,787 fire hydrants
 - 6 blending stations
 - 1 groundwater desalter treatment facility
- Adequate repair and supply parts are needed to ensure uninterrupted operation and maintenance of the City's water system
- Provide safe and reliable potable water and fire protection
- Water Division historically utilized local vendors as a warehouse source

DISCUSSION

Onset of COVID-19 Pandemic (March 2020):

- Notification from several local vendors that critical repair parts, supplies, and services may be impacted due to closures set forth by the State Governor's Office
- Notification from the California State Water Resources Control Board:
 - Water systems to maintain quality during outbreak
 - Should have essential item to maintain water system to be prepared for potential impacts from COVID-19 pandemic

DISCUSSION

Water Division purchased spare parts and supplies from 7 vendors:

- Famcon
- CED/Rpyal Industrial Solutions
- J.L. Wingert
- USA Bluebook
- Harrington
- Hach
- Saf-T-Flo

DISCUSSION

Vendor	Spare Parts & Supplies	Purchase Cost
Famcon	Pipes, valves, tapping sleeves, fire hydrants, water service materials, repair clamps	\$367,282.19
CED/Royal Industrial Solutions	Programmable logic control switches, network programmed cards, communication parts	\$20,373.20
J.L. Wingert	Sodium hydroxide pump and control system for desalter	\$8,327.13
USA Bluebook	Chlorine pumps, repair kits	\$20,860.95
Harrington Plastics	Pulsation dampeners, relief valves, pipes	\$7,068.40
Hach	Analyzer repair reagents, repair kits, calibration kit	\$6,035.16
Saf-T-Flo	Chemical injectors	\$7,112.54

FINANCIAL IMPACT

- Total cost of Purchase Order with Famcon Pipe & Supply is \$367,282.19
- Funds are appropriated and available in Water Operating Fund (601), account 601-6010-843.81-04 for Fiscal Year 2019-20

QUESTIONS?

**CITY COUNCIL AGENDA REPORT****REPORTS
AGENDA ITEM NO. M-3**

DATE: July 29, 2020
TO: City Council
FROM: Phillip Molina, City Treasurer, (805) 385-7808, phillip.molina@oxnard.org
SUBJECT: Monthly Investment Report for the period ending June 30, 2020. (10/5/5)

RECOMMENDATION

That the City Council receive and file the report.

DISCUSSION

The City of Oxnard's June, 2020 investment report will be brief this reporting period. This report is submitted to the City Council pursuant to California Government Code section 53646 and the Investment Policy adopted by the City Council.

But first, I wish to give a special thanks to Martha Guerra and Eden Alomeri, of the City Treasurer's Department without whose assistance this report could not be generated.

This report does not show the fund balances, nor disbursements, nor total receipts of the City of Oxnard, because Oxnard Municipal Code identifies which the Oxnard Finance Department is charged with producing that information. This report does reflect the monthly investment information in the similar format that has been presented in previous months along with the amounts in the Bank statements as of June 30, 2020. The following are defined data is not in order of presentation.

First, it is our intention to show the public, the Mayor, and City Council the amounts in each city bank account so that you can see the percentage of available cash to the amount actually invested. You will notice the large build up of cash in the bank account for the city's general business. This is the result of 2 future events: 1. The anticipated \$21 million bill from CalPERS for the unfunded liability portion of retirement benefits; and 2. The expectation of rate changes in the next 7 months.

Next, we will show you in a bar chart the amounts invested separated by their maturity date or year. This will allow you to see the ladder or spread of the investments in order to generate a higher return.

Third, we identify the cash flows over the last 15 months so you can judge the management of the cash and determine whether there are periods during the year when more money is available for a short period overnight investments versus 2, 3, 4, or 5 year maturities.

Fourth, we will show you the daily cash position for June 30, 2020 so that you can see how the Treasurer's department reviews our cash balances each and every day to assure that the city has sufficient liquidity to cover its obligations.

And next, we provide you and the public with the detailed list of every investment that the city currently holds as of the last day of June, 2020.

This information is being provided to you using both charts and graphs. The charts are presented so that the Mayor, Council and the public can begin to learn the actual amounts in the city's accounts. The graphs are created in order to show trends, and relationships that are best understood in that method of presentation.

So while this report is brief in the number of pages, we hope to respond to any questions of you may have.

FINANCIAL IMPACT

The City's total amount invested as of June 30, 2020 at market value was \$189,548,110 million at a cost of \$189,194,757.31. Because of the fluctuation in the market rates yield on new instruments going up and down again, the City's current investments have a lower value than they cost, resulting in a net market gain of \$353,352.69 if we had to sell them in the market today (one month ago).

ITEM	June 2020	May 2020
Cost of investments (book value)	\$189,194,757.31	\$197,456,640.00
Par or face value	\$189,195,000.00	\$197,460,000.00
Market value as estimated	\$189,548,110.00	\$197,918,180.00
Gain/Loss if forced to sell today	\$353,352.69	\$461,540.00

Cash balances on the 30th day of June 2020 in each authorized city bank account with Bank of America are:

City Treasurer's bank accounts	June 2020	May 2020
City's General Fund bank account	\$87,013,365.26	\$ 77,196,388.86
Successor Agency bank account	\$7,631,548.96	\$6,776,244.44
W/C (workers compensation) account	\$103,641.64	\$171,885.10
Parking Citations	\$30,857.22	\$41,791.00
TOTAL CASH IN BANK ACCOUNTS	\$94,779,413.08	\$84,186,309.40

(Per Bank Statements as of June 30, 2020)

The investments have a par value of \$189,195,000 with a current market value of \$189,548,110 were purchased months ago. We see that "total net earnings" for this month is \$240,159.59. To provide greater return we tried diminishing the amount in LAIF and spreading that over the 2,3,4, and 5 year terms. Recently however, LAIF is now generating an average return that is lower than the City's average portfolio return. LAIF's June average rate was 1.21% but now higher than the rates on current GSEs (government sponsored enterprises) rates. So the current strategy is to provide the maximum earnings short term and position the city's portfolio to be ready when the upswing starts again. The purpose for buying shorter term if a recession hits, the time span for recent recessions is between 11 month to 3.5 years. We want to be able to purchase at higher rates when the predicted recession ends.

So now the cost of the investments, the face value, and the market value as of June 30, 2020 is provided so that at a glance you can see the summary of the entire portfolio, the risk, and the earnings with the current yield on a 365 day basis of 1.582% and compare that to the prior month.

ITEM	June 2020	May 2020
Cost of investments (book value)	\$189,194,757.31	\$197,456,640.00
Par or face value	\$189,195,000.00	\$197,460,000.00
Market value as estimated	\$189,548,110.00	\$197,918,180.00
Total Earnings per period	\$240,159.59	\$284,966.17
Earned interest Yield this month	1.58%	1.63%
Gain/Loss if forced to sell today	\$353,352.69	\$461,540.00

Next you will see the daily cash position report used to determine how much to invest each day.

DAILY CASH POSITION WORKSHEET - GENERAL ACCOUNT		
DATE:07/01/20		
	CREDIT ESTIMATE	DESCRIPTION
Collected/Closing Avail Bal	86,172,232.36	As of 06/30/20
1 Day Float	771,044.51	As of 06/30/20
Credit Cards-C2G	51,748.14	As of 06/30/20
Credit Cards-One Point	77,022.85	As of 06/30/20
Auto Pay	68,447.47	
TOTAL CREDITS	\$ 87,140,495.33	
	DEBIT ESTIMATE	
Accounts Payable to Clear	200,000.00	
TOTAL DEBITS	\$ 200,000.00	
GENERAL ACCOUNT BALANCE	\$ 86,940,495.33	
SUCCESSOR AGENCY	\$ 7,631,548.96	
LAIF	\$ 75,000,000.00	

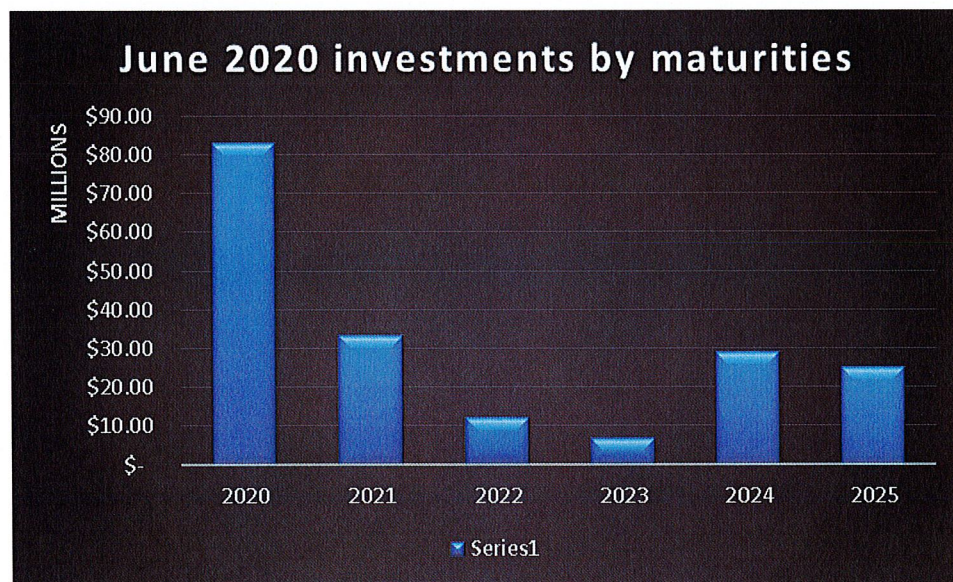
When we look back at the monthly cash flows of over 15 months we found that the month with the highest cash outflow was August 2018 with an outflow of \$37.4 million. And the fact that we had \$75 million invested in LAIF, which can be drawn down within one day, means there should be no normal condition that would require the Treasurer to sell investments before their maturity.

Before we reveal the details, we want to know the level of efficiency in our investment team. So we look to see how much cash is available, how much cash is invested to determine the efficiency of the team. The goal is to invest 100% of available cash, and we know that for normal operations we should retain \$3 million in the bank accounts. So when we look at the detail we see that the city is investing at a rate of as a percent 68% of total available cash. This morning the President informed the public he plans on making more market improvements by lowering even more the rate of Treasury instruments,

which are currently locked down at below .20%. Bank of America provides a return of .2%. The strategy is to hold for the November election to see if the President will once again allow the Treasury rates to be set by the open market rates:

City Treasurer's bank accounts	June 30, 2020
City's General Fund bank account	\$87,013,365.26
Successor Agency bank account	\$0.00
W/C (workers compensation) account	\$103,641.64
Parking Citations	\$30,857.22
TOTAL CASH IN BANK ACCOUNTS	\$87,147,864.12
TOTAL INVESTED	\$189,194,757.31
total available	\$276,342,621.43
% invested	68%

The bar chart below, shows the maturities of City's investment portfolio and reflects the fact that as our older instruments are being called early we find the need to acquire shorter term notes unless we can guarantee a rate of 1.9% or higher as explained above.



Prepared by Phillip Molina, City Treasurer

ATTACHMENTS:

Attachment A: Inventory by Market Value as of June 30, 2020



INVESTMENT INVENTORY WITH PREMIUM/DISCOUNT REPORT

ITEM #M-3

As Of Date: 06/30/2020

Run: 07/14/2020 04:59:21 PM

Reporting Currency: Local

City of Oxnard

Inv No.	Description	Purch Date Mat Date	CUSIP CPR/PSA	Coupon YTM TR	Sch Bk Price Duration	Original Face Notional Face	Unamort Premium Unamort Discount	Current Par Current Book	Amort Premium Amort Discount	Accrued Interest
Mat Date: 7/27/2020										
17079	FHLB	07/27/2017	3130ABVU7	1.62500	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	13,902.78
		07/27/2020	0.00	1.62500	.07400	0.00	0.00	2,000,000.00	0.00	
17047	FHLMC	04/27/2017	3134GBHW5	1.62500	100.00000	1,000,000.00	0.00	1,000,000.00	0.00	2,888.89
		07/27/2020	0.00	1.62500	.07400	0.00	0.00	1,000,000.00	0.00	
17048	FHLMC	04/27/2017	3134GBHW5	1.62500	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	5,777.78
		07/27/2020	0.00	1.62500	.07400	0.00	0.00	2,000,000.00	0.00	
			Subtotal	1.62500	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	22,569.45
				1.62500	.07400	0.00	0.00	5,000,000.00	0.00	
Mat Date: 11/30/2020										
17039	FNMA	03/30/2017	3135G0F73	1.50000	99.89943	2,000,000.00	0.00	2,000,000.00	0.00	2,583.33
		11/30/2020	0.00	1.70800	.41900	0.00	2,011.50	1,997,988.50	12,728.50	
			Subtotal	1.50000	99.89943	2,000,000.00	0.00	2,000,000.00	0.00	2,583.33
				1.70800	.41900	0.00	2,011.50	1,997,988.50	12,728.50	
Mat Date: 4/1/2021										
17230	MUNI	03/27/2020	13063CP87	1.50000	100.19676	2,000,000.00	3,935.14	2,000,000.00	64.86	7,500.00
		04/01/2021	0.00	1.30000	.74900	0.00	0.00	2,003,935.14	0.00	
			Subtotal	1.50000	100.19676	2,000,000.00	3,935.14	2,000,000.00	64.86	7,500.00
				1.30000	.74900	0.00	0.00	2,003,935.14	0.00	
Mat Date: 4/4/2021										
17227	MUNI	03/19/2020	13063DAC2	2.62500	101.10582	1,000,000.00	11,058.16	1,000,000.00	421.84	6,562.50
		04/04/2021	0.00	1.51000	.75500	0.00	0.00	1,011,058.16	0.00	
			Subtotal	2.62500	101.10582	1,000,000.00	11,058.16	1,000,000.00	421.84	6,562.50
				1.51000	.75500	0.00	0.00	1,011,058.16	0.00	
Mat Date: 5/10/2021										
17102	FFCB	05/10/2018	3133EJNS4	2.70000	100.00000	1,000,000.00	0.00	1,000,000.00	0.00	3,825.00
		05/10/2021	0.00	2.70000	.85400	0.00	0.00	1,000,000.00	0.00	
17101	CD	03/10/2018	61747MX63	2.90000	100.00000	245,000.00	0.00	245,000.00	0.00	1,002.53
		05/10/2021	0.00	2.90000	.85400	0.00	0.00	245,000.00	0.00	
			Subtotal	2.73936	100.00000	1,245,000.00	0.00	1,245,000.00	0.00	4,827.53
				2.73936	.85400	0.00	0.00	1,245,000.00	0.00	
Mat Date: 6/23/2021										
17233	FFCB	06/23/2020	3133ELN67	.21000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	233.33
		06/23/2021	0.00	.21000	.98000	0.00	0.00	5,000,000.00	0.00	
			Subtotal	.21000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	233.33



INVESTMENT INVENTORY WITH PREMIUM/DISCOUNT REPORT

ITEM #M-3

As Of Date: 06/30/2020

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City of Oxnard

Inv No.	Description	Purch Date Mat Date	CUSIP CPR/PSA	Coupon YTM TR	Sch Bk Price Duration	Original Face Notional Face	Unamort Premium Unamort Discount	Current Par Current Book	Amort Premium Amort Discount	Accrued Interest
				.21000	.98000	0.00	0.00	5,000,000.00	0.00	
Mat Date: 9/24/2021										
17238	FAMCA	06/24/2020	31422BF70	.25000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	243.06
		09/24/2021	0.00	.25000	1.23100	0.00	0.00	5,000,000.00	0.00	
			Subtotal	.25000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	243.06
				.25000	1.23100	0.00	0.00	5,000,000.00	0.00	
Mat Date: 11/29/2021										
17018	FHLB	12/30/2016	3130AABG2	1.87500	99.81652	2,000,000.00	0.00	2,000,000.00	0.00	3,333.33
		11/29/2021	0.00	2.00400	1.40000	0.00	3,669.62	1,996,330.38	8,350.38	
17019	FHLB	12/30/2016	3130AABG2	1.87500	99.77653	2,000,000.00	0.00	2,000,000.00	0.00	3,333.33
		11/29/2021	0.00	2.03200	1.40000	0.00	4,469.48	1,995,530.52	10,170.52	
			Subtotal	1.87500	99.79652	4,000,000.00	0.00	4,000,000.00	0.00	6,666.66
				2.01800	1.40000	0.00	8,139.10	3,991,860.90	18,520.90	
Mat Date: 12/23/2021										
17234	FFCB	06/23/2020	3133ELN75	.23000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	255.56
		12/23/2021	0.00	.23000	1.47900	0.00	0.00	5,000,000.00	0.00	
17235	FFCB	06/23/2020	3133ELN75	.23000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	255.56
		12/23/2021	0.00	.23000	1.47900	0.00	0.00	5,000,000.00	0.00	
17236	FFCB	06/23/2020	3133ELN75	.23000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	255.56
		12/23/2021	0.00	.23000	1.47900	0.00	0.00	5,000,000.00	0.00	
			Subtotal	.23000	100.00000	15,000,000.00	0.00	15,000,000.00	0.00	766.68
				.23000	1.47900	0.00	0.00	15,000,000.00	0.00	
Mat Date: 5/23/2022										
17062	FHLB	05/23/2017	3130ABCF1	2.50000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	5,277.78
		05/23/2022	0.00	2.50000	1.87500	0.00	0.00	2,000,000.00	0.00	
			Subtotal	2.50000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	5,277.78
				2.50000	1.87500	0.00	0.00	2,000,000.00	0.00	
Mat Date: 5/24/2022										
17063	CD	05/24/2017	1404203A6	2.40000	100.00000	245,000.00	0.00	245,000.00	0.00	604.15
		05/24/2022	0.00	2.40000	1.86500	0.00	0.00	245,000.00	0.00	
17064	CD	05/24/2017	14042RFW6	2.40000	100.00000	245,000.00	0.00	245,000.00	0.00	604.15
		05/24/2022	0.00	2.40000	1.86500	0.00	0.00	245,000.00	0.00	
			Subtotal	2.40000	100.00000	490,000.00	0.00	490,000.00	0.00	1,208.30
				2.40000	1.86500	0.00	0.00	490,000.00	0.00	



INVESTMENT INVENTORY WITH PREMIUM/DISCOUNT REPORT

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City of Oxnard

Inv No.	Description	Purch Date Mat Date	CUSIP CPR/PSA	Coupon YTM TR	Sch Bk Price Duration	Original Face Notional Face	Unamort Premium Unamort Discount	Current Par Current Book	Amort Premium Amort Discount	Accrued Interest
Mat Date: 5/26/2022										
17070	CD	05/26/2017	87165EMK0	2.40000	100.00000	245,000.00	0.00	245,000.00	0.00	571.93
		05/26/2022	0.00	2.40000	1.87100	0.00	0.00	245,000.00	0.00	
			Subtotal	2.40000	100.00000	245,000.00	0.00	245,000.00	0.00	571.93
				2.40000	1.87100	0.00	0.00	245,000.00	0.00	
Mat Date: 5/31/2022										
17076	CD	05/31/2017	38148PKJ5	2.40000	100.00000	245,000.00	0.00	245,000.00	0.00	475.28
		05/31/2022	0.00	2.40000	1.88100	0.00	0.00	245,000.00	0.00	
17073	CD	05/31/2017	20033AUB0	2.35000	100.00000	245,000.00	0.00	245,000.00	0.00	7.95
		05/31/2022	0.00	2.35000	1.87500	0.00	0.00	245,000.00	0.00	
			Subtotal	2.37500	100.00000	490,000.00	0.00	490,000.00	0.00	483.23
				2.37500	1.87800	0.00	0.00	490,000.00	0.00	
Mat Date: 6/23/2022										
17237	FAMCA	06/23/2020	31422BF21	.35000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	388.89
		06/23/2022	0.00	.35000	1.97500	0.00	0.00	5,000,000.00	0.00	
			Subtotal	.35000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	388.89
				.35000	1.97500	0.00	0.00	5,000,000.00	0.00	
Mat Date: 10/7/2022										
17231	FHLMC	04/08/2020	3134GVJP4	1.12500	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	5,187.50
		10/07/2022	0.00	1.12500	2.24200	0.00	0.00	2,000,000.00	0.00	
17232	FHLMC	04/08/2020	3134GVJP4	1.12500	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	5,187.50
		10/07/2022	0.00	1.12500	2.24200	0.00	0.00	2,000,000.00	0.00	
			Subtotal	1.12500	100.00000	4,000,000.00	0.00	4,000,000.00	0.00	10,375.00
				1.12500	2.24200	0.00	0.00	4,000,000.00	0.00	
Mat Date: 6/26/2023										
17109	CD	06/26/2018	02589AAM4	3.30000	100.00000	245,000.00	0.00	245,000.00	0.00	99.73
		06/26/2023	0.00	3.30000	2.87000	0.00	0.00	245,000.00	0.00	
			Subtotal	3.30000	100.00000	245,000.00	0.00	245,000.00	0.00	99.73
				3.30000	2.87000	0.00	0.00	245,000.00	0.00	
Mat Date: 6/27/2023										
17110	CD	06/27/2018	254673QR0	3.30000	100.00000	245,000.00	0.00	245,000.00	0.00	77.58
		06/27/2023	0.00	3.30000	2.87300	0.00	0.00	245,000.00	0.00	
			Subtotal	3.30000	100.00000	245,000.00	0.00	245,000.00	0.00	77.58
				3.30000	2.87300	0.00	0.00	245,000.00	0.00	



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City of Oxnard

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Mat Date: 6/28/2023										
17111	CD	06/28/2018	17312QN96	3.30000	100.00000	245,000.00	0.00	245,000.00	0.00	55.43
		06/28/2023	0.00	3.30000	2.87600	0.00	0.00	245,000.00	0.00	
			Subtotal	3.30000	100.00000	245,000.00	0.00	245,000.00	0.00	55.43
				3.30000	2.87600	0.00	0.00	245,000.00	0.00	
Mat Date: 6/29/2023										
17113	CD	06/29/2018	05580ANG5	3.30000	100.00000	245,000.00	0.00	245,000.00	0.00	33.28
		06/29/2023	0.00	3.30000	2.87800	0.00	0.00	245,000.00	0.00	
			Subtotal	3.30000	100.00000	245,000.00	0.00	245,000.00	0.00	33.28
				3.30000	2.87800	0.00	0.00	245,000.00	0.00	
Mat Date: 11/7/2023										
17220	FHLMC	02/25/2020	3134GU7G9	1.70000	100.08500	3,000,000.00	2,550.00	3,000,000.00	0.00	20,400.00
		11/07/2023	0.00	1.70000	3.27800	0.00	0.00	3,002,550.00	0.00	
17118	CD	11/07/2018	90348JFQ8	3.50000	100.00000	245,000.00	0.00	245,000.00	0.00	552.16
		11/07/2023	0.00	3.50000	3.15800	0.00	0.00	245,000.00	0.00	
			Subtotal	1.83590	100.07858	3,245,000.00	2,550.00	3,245,000.00	0.00	20,952.16
				1.83579	3.26894	0.00	0.00	3,247,550.00	0.00	
Mat Date: 11/14/2023										
17221	FHLMC	02/26/2020	3134GVCM8	1.75000	100.05833	2,500,000.00	1,458.33	2,500,000.00	0.00	16,649.30
		11/14/2023	0.00	1.75000	3.29500	0.00	0.00	2,501,458.33	0.00	
			Subtotal	1.75000	100.05833	2,500,000.00	1,458.33	2,500,000.00	0.00	16,649.30
				1.75000	3.29500	0.00	0.00	2,501,458.33	0.00	
Mat Date: 9/16/2024										
17160	FFCB	09/16/2019	3133EKN93	1.96000	99.84703	2,000,000.00	0.00	2,000,000.00	0.00	11,433.33
		09/16/2024	0.00	1.99600	4.04000	0.00	3,059.44	1,996,940.56	340.56	
17161	FFCB	09/16/2019	3133EKN93	1.96000	99.80204	2,000,000.00	0.00	2,000,000.00	0.00	11,433.33
		09/16/2024	0.00	2.00600	4.04000	0.00	3,959.28	1,996,040.72	440.72	
			Subtotal	1.96000	99.82453	4,000,000.00	0.00	4,000,000.00	0.00	22,866.66
				2.00100	4.04000	0.00	7,018.72	3,992,981.28	781.28	
Mat Date: 9/23/2024										
17163	FHLMC	09/23/2019	3134GUBQ2	2.10000	99.93701	2,000,000.00	0.00	2,000,000.00	0.00	11,433.33
		09/23/2024	0.00	2.11500	4.04800	0.00	1,259.77	1,998,740.23	140.23	
			Subtotal	2.10000	99.93701	2,000,000.00	0.00	2,000,000.00	0.00	11,433.33
				2.11500	4.04800	0.00	1,259.77	1,998,740.23	140.23	



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Mat Date: 10/2/2024										
17169	FHLB	10/02/2019	3130AH7F4	2.00000	100.00000	1,000,000.00	0.00	1,000,000.00	0.00	4,944.44
		10/02/2024	0.00	2.00000	4.08100	0.00	0.00	1,000,000.00	0.00	
17170	FFCB	10/02/2019	3133EKV86	2.00000	99.97752	2,000,000.00	0.00	2,000,000.00	0.00	9,888.89
		10/02/2024	0.00	2.00500	4.08100	0.00	449.64	1,999,550.36	50.36	
Subtotal				2.00000	99.98501	3,000,000.00	0.00	3,000,000.00	0.00	14,833.33
				2.00333	4.08100	0.00	449.64	2,999,550.36	50.36	
Mat Date: 10/15/2024										
17172	FHLMC	10/15/2019	3134GUJV3	2.00000	100.00000	4,000,000.00	0.00	4,000,000.00	0.00	16,888.89
		10/15/2024	0.00	2.00000	4.10600	0.00	0.00	4,000,000.00	0.00	
Subtotal				2.00000	100.00000	4,000,000.00	0.00	4,000,000.00	0.00	16,888.89
				2.00000	4.10600	0.00	0.00	4,000,000.00	0.00	
Mat Date: 10/16/2024										
17173	FHLB	10/16/2019	3130AHD67	2.00000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	8,333.33
		10/16/2024	0.00	2.00000	4.12000	0.00	0.00	2,000,000.00	0.00	
Subtotal				2.00000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	8,333.33
				2.00000	4.12000	0.00	0.00	2,000,000.00	0.00	
Mat Date: 11/18/2024										
17191	FHLMC	11/18/2019	3134GURZ5	2.03000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	4,849.44
		11/18/2024	0.00	2.03000	4.20700	0.00	0.00	2,000,000.00	0.00	
17190	FHLMC	11/18/2019	3134GUQT0	2.00000	100.00000	5,000,000.00	0.00	5,000,000.00	0.00	11,944.44
		11/18/2024	0.00	2.00000	4.19800	0.00	0.00	5,000,000.00	0.00	
Subtotal				2.00857	100.00000	7,000,000.00	0.00	7,000,000.00	0.00	16,793.88
				2.00857	4.20057	0.00	0.00	7,000,000.00	0.00	
Mat Date: 12/11/2024										
17200	FHLB	12/11/2019	3130AHP31	2.00000	100.00000	3,000,000.00	0.00	3,000,000.00	0.00	3,333.33
		12/11/2024	0.00	2.00000	4.27300	0.00	0.00	3,000,000.00	0.00	
Subtotal				2.00000	100.00000	3,000,000.00	0.00	3,000,000.00	0.00	3,333.33
				2.00000	4.27300	0.00	0.00	3,000,000.00	0.00	
Mat Date: 12/30/2024										
17210	FHLB	12/30/2019	3130AHSS3	2.00000	99.93255	2,000,000.00	0.00	2,000,000.00	0.00	111.11
		12/30/2024	0.00	2.01600	4.32600	0.00	1,348.93	1,998,651.07	151.07	
17205	FHLMC	12/30/2019	3134GUH60	2.00000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	111.11
		12/30/2024	0.00	2.00000	4.32600	0.00	0.00	2,000,000.00	0.00	
Subtotal				2.00000	99.96628	4,000,000.00	0.00	4,000,000.00	0.00	222.22



INVESTMENT INVENTORY WITH PREMIUM/DISCOUNT REPORT

ITEM #M-3

As Of Date: 06/30/2020

Run: 07/14/2020 04:59:21 PM

Reporting Currency: Local

City of Oxnard

Inv No.	Description	Purch Date Mat Date	CUSIP CPR/PSA	Coupon YTM TR	Sch Bk Price Duration	Original Face Notional Face	Unamort Premium Unamort Discount	Current Par Current Book	Amort Premium Amort Discount	Accrued Interest
				2.00800	4.32600	0.00	1,348.93	3,998,651.07	151.07	
Mat Date: 1/6/2025										
17211	FHLB	01/08/2020	3130AHU92	2.05000	100.02139	2,000,000.00	427.78	2,000,000.00	0.00	19,930.56
		01/06/2025	0.00	2.04800	4.29400	0.00	0.00	2,000,427.78	0.00	
			Subtotal	2.05000	100.02139	2,000,000.00	427.78	2,000,000.00	0.00	19,930.56
				2.04800	4.29400	0.00	0.00	2,000,427.78	0.00	
Mat Date: 1/10/2025										
17212	FHLMC	01/15/2020	3134GUW22	2.00000	100.02778	2,000,000.00	555.56	2,000,000.00	0.00	19,000.00
		01/10/2025	0.00	2.00000	4.31100	0.00	0.00	2,000,555.56	0.00	
			Subtotal	2.00000	100.02778	2,000,000.00	555.56	2,000,000.00	0.00	19,000.00
				2.00000	4.31100	0.00	0.00	2,000,555.56	0.00	
Mat Date: 1/21/2025										
17214	FHLB	01/21/2020	3130AHWB5	2.00000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	17,777.78
		01/21/2025	0.00	2.00000	4.34100	0.00	0.00	2,000,000.00	0.00	
17215	FHLB	01/21/2020	3130AHWB5	2.00000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	17,777.78
		01/21/2025	0.00	2.00000	4.34100	0.00	0.00	2,000,000.00	0.00	
17216	FHLMC	01/21/2020	3134GU4M9	2.00000	100.00000	4,000,000.00	0.00	4,000,000.00	0.00	35,555.56
		01/21/2025	0.00	2.00000	4.34100	0.00	0.00	4,000,000.00	0.00	
			Subtotal	2.00000	100.00000	8,000,000.00	0.00	8,000,000.00	0.00	71,111.12
				2.00000	4.34100	0.00	0.00	8,000,000.00	0.00	
Mat Date: 1/24/2025										
17217	FNMA	01/24/2020	3135G0X57	2.00000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	17,444.44
		01/24/2025	0.00	2.00000	4.35000	0.00	0.00	2,000,000.00	0.00	
17218	FNMA	01/24/2020	3135G0X57	2.00000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	17,444.44
		01/24/2025	0.00	2.00000	4.35000	0.00	0.00	2,000,000.00	0.00	
			Subtotal	2.00000	100.00000	4,000,000.00	0.00	4,000,000.00	0.00	34,888.88
				2.00000	4.35000	0.00	0.00	4,000,000.00	0.00	
Mat Date: 1/29/2025										
17219	FHLMC	01/29/2020	3134GU5U0	2.00000	100.00000	4,000,000.00	0.00	4,000,000.00	0.00	33,777.78
		01/29/2025	0.00	2.00000	4.36400	0.00	0.00	4,000,000.00	0.00	
			Subtotal	2.00000	100.00000	4,000,000.00	0.00	4,000,000.00	0.00	33,777.78
				2.00000	4.36400	0.00	0.00	4,000,000.00	0.00	
Mat Date: 2/28/2025										
17223	FHLMC	02/28/2020	3134GVEF1	1.75000	100.00000	3,000,000.00	0.00	3,000,000.00	0.00	17,937.50
		02/28/2025	0.00	1.75000	4.47600	0.00	0.00	3,000,000.00	0.00	



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City of Oxnard

Inv No.	Description	Purch Date Mat Date	CUSIP CPR/PSA	Coupon YTM TR	Sch Bk Price Duration	Original Face Notional Face	Unamort Premium Unamort Discount	Current Par Current Book	Amort Premium Amort Discount	Accrued Interest
Subtotal				1.75000	100.00000	3,000,000.00	0.00	3,000,000.00	0.00	17,937.50
				1.75000	4.47600	0.00	0.00	3,000,000.00	0.00	
Mat Date: 3/25/2025										
17228	FFCB	03/25/2020	3133ELUK8	1.20000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	6,400.00
		03/25/2025	0.00	1.20000	4.60400	0.00	0.00	2,000,000.00	0.00	
Subtotal				1.20000	100.00000	2,000,000.00	0.00	2,000,000.00	0.00	6,400.00
				1.20000	4.60400	0.00	0.00	2,000,000.00	0.00	
Mat Date: 6/30/2030										
17090	VENTURA COUNTY INVE	01/24/2018		1.22000	100.00000	0.00	0.00	1,000,000.00	0.00	29,714.52
		06/30/2030	0.00	1.22000	9.47500	0.00	0.00	1,000,000.00	0.00	
16434	LOCAL AGENCY INVEST	07/01/2002		1.25188	100.00000	0.00	0.00	75,000,000.00	0.00	237,335.13
		06/30/2030	0.00	1.25200	8.84800	0.00	0.00	75,000,000.00	0.00	
Subtotal				1.25146	100.00000	0.00	0.00	76,000,000.00	0.00	267,049.65
				1.25158	8.85625	0.00	0.00	76,000,000.00	0.00	
Grand Total		Count 55		1.38543	99.99987	113,195,000.00	19,984.97	189,195,000.00	486.70	672,925.61
				1.38387	5.24912	0.00	20,227.66	189,194,757.31	32,372.34	