Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the Library, 251 South "A" Street and the City Clerk's Office, 305 West Third Street during customary business hours. The agenda reports are on the City of Oxnard web site at www.ci.oxnard.ca.us.

CITY OF OXNARD CALIFORNIA

AGENDA

OXNARD CITY COUNCIL
*OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY
*OXNARD FINANCING AUTHORITY
*OXNARD HOUSING AUTHORITY
Regular Meetings
City Council Chambers, 305 West Third Street, Oxnard
October 1, 2013
5:00 P.M. Closed Session

A. ROLL CALL/POSTING OF AGENDA

*** The Oxnard Community Development Commission Successor Agency, the Oxnard Financing Authority and the Oxnard Housing Authority will not meet because there are no items requiring consideration on this date.**

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 (Please see page 4 for a description of closed session items)

D. OPENING CEREMONIES – 6:00 P.M.

Pledge of allegiance to the flag of the United States.

E. CEREMONIAL CALENDAR

1. SUBJECT: Presentation of Proclamation Designating October 2013 as "Multicultural Month"

2. SUBJECT: Presentation of Proclamation Designating October 2013 as "Community Planning Month"

3. SUBJECT: Employee of the Third Quarter.

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

City of Oxnard internet address: www.ci.oxnard.ca.us.

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA (30 Minutes)

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. A person not able to address the legislative body at this time because the thirty minutes expires may do so just prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take any 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. The presiding officer shall limit public comments to three minutes.

G. TRANSMITTAL OF INFORMATION ONLY ITEMS

H. INFORMATION/CONSENT PUBLIC HEARINGS

I. PUBLIC HEARINGS

J. APPOINTMENT ITEMS: 6:30 P.M.

1. SUBJECT: First Amendment to Agreement for Waste Disposal at Toland Road Landfill between the Ventura Regional Sanitation District (VRSD) and the City of Oxnard. (001)
RECOMMENDATION: Approve and authorize the Mayor to execute the First Amendment to the Agreement for Waste Disposal at the Toland Road Landfill between VRSD and the City (A-5903).
Legislative Body: CC Contact: Todd Housley Phone: 890-3153

2. SUBJECT: Agreement for Waste Disposal at the Simi Valley Landfill between the City of Oxnard and Waste Management of California, Incorporated. (027)
RECOMMENDATION: Approve and authorize the Mayor to execute an Agreement for Waste Disposal at the Simi Valley Landfill with Waste Management of California, Incorporated (A-7618).
Legislative Body: CC Contact: Todd Housley Phone: 890-3153

K. REPORTS

City Treasurer Department

1. SUBJECT: Investment Policy and Annual Report of Investment Activity. (063)
RECOMMENDATION: 1) Approve the Investment Policy for the City of Oxnard; and 2) Adopt a resolution delegating investment authority to the City Treasurer.
Legislative Body: CC Contact: Danielle M. Navas Phone: 385-7810

Public Works Department

2. SUBJECT: Del Norte Facility Business and Transition Plan. (097)
RECOMMENDATION: Approve the Del Norte Facility Business and Transition Plan and authorize staff to implement the plan for the City Management, Operation and Maintenance of the Facility.
Legislative Body: CC Contact: Rob Roshanian Phone: 385-7682

3. SUBJECT: Ventura County Watershed Protection District Verbal Update on Three Major Flood Protection Projects in Oxnard (SCR-1 and SCR-3 Levee Rehab and J-Street Drain).
RECOMMENDATION: Receive the report.
Legislative Body: CC Contact: Rob Roshanian Phone: 385-7682

L. PUBLIC COMMENTS ON REPORTS

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

M. 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.

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

1. SUBJECT: Unlicensed Group Homes (Mayor Flynn)

O. STUDY SESSION

P. PUBLIC COMMENTS ON STUDY SESSION

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

Q. 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.

R. 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.

S. INFORMATION/CONSENT AGENDA

City Clerk Department

1. SUBJECT: Minutes of the Regular Meetings of the Oxnard City Council for September 10 and 17, 2013; and Minutes of the Special Meeting of the Oxnard City Council for September 17, 2013. (145)
RECOMMENDATION: Approve.
Legislative Body: CC Contact: Daniel Martinez Phone: 385-7803

City Manager Department

2. SUBJECT: Agreements for City Council Review. (157)
RECOMMENDATION: Pursuant to Ordinance 2835 and Resolution 13,932, approve and authorize the Interim City Manager, to execute the attached agreements/contracts and change orders/amendments in amounts more than $25,000 but less than $250,000.
Legislative Body: CC Contact: Karen Burnham Phone: 385-7430

Planning Department

3. SUBJECT: Second reading of Ordinance No. 2872 Approving Planning & Zoning Permit No. 13-570-03 (Zone Change); and Second Reading of Ordinance No. 2873 Amending Chapter 16 (Zoning) of the City Code. (159)
RECOMMENDATION: Second reading and adoption.
Legislative Body: CC Contact: Brian Foote Phone: 385-8312

C. CLOSED SESSION - (Continued from page 1)

1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION.

CC On the advice of the Acting City Attorney, based on existing facts and circumstances, the City Council shall decide whether to initiate litigation in 8 potential cases, pursuant to Government Code section 54956.9(d)(4).

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

T. ADJOURNMENT

CITY OF OXNARD CALIFORNIA

Meeting Date: 10/01/13

ACTION	TYPE OF ITEM
☐ Approved Recommendation	☐ Info/Consent
☐ Ord. No(s). _____	☐ Report
☐ Res. No(s). _____	☐ Public Hearing
☐ Other _____	☒ Other

Prepared By: Grant Dunne, Management Analyst III GD Agenda Item No. ____ J-1

Reviewed By: City Manager ____ City Attorney SMF Finance ____ Public Works

DATE: September 11, 2013

TO: City Council

FROM: Rob Roshanian, Interim Public Works Director RR
Public Works Department

SUBJECT: **First Amendment to Agreement for Waste Disposal at Toland Road Landfill between the Ventura Regional Sanitation District (VRSD) and the City of Oxnard (Agreement No. A-5903)**

RECOMMENDATION

That City Council approve and authorize the Mayor to execute the First Amendment to the Agreement for Waste Disposal at the Toland Road Landfill between VRSD and the City (Agreement No. A-5903).

BACKGROUND

VRSD is a public waste management agency that was organized in 1970 pursuant to the County Sanitation District Act of the California Health and Safety Code Section 4700. VRSD is overseen by a nine-member Board of Directors who represent eight cities including Oxnard and eight special districts that receive services from VRSD. In 1972 VRSD added solid waste management to its services by assuming operation of Ventura County's publicly owned landfills. Currently, VRSD owns and operates the Toland Road Landfill that is located at 3500 Toland Road in the unincorporated area of Ventura County east of Santa Paula off Highway 126. The Landfill is permitted to receive up to 1,500 tons of refuse per day from the Western County wasteshed.

DISCUSSION

On November 14, 2000, the City Council approved the Golf Course Lease and Landfill (Bailard Landfill) Postclosure Maintenance Agreement between VRSD and the City. Exhibit E of the Golf Course Lease Agreement represents the Agreement for Waste Disposal at the Toland Road Landfill. The Toland Road Landfill Agreement is a 'put-or-pay' arrangement which commits the City to deliver a minimum of 200 tons of refuse per day or 48,000 tons per year to the Landfill for a current disposal fee of $31.00 per ton. The Landfill Agreement expires on November 14, 2020.

Since 2008, waste tonnage has been declining due to a weak economy and increased recycling. This has resulted in the reduction of waste tonnage and disposal fee revenues being received at the Toland Road Landfill making it financially challenging for VRSD to meet daily operational expenses and required reserve levels. With the current economic conditions and efforts toward waste diversion, VRSD has not

enforced the "put-or-pay" provision of the Agreement and charges the City on actual tonnage delivered to the Landfill. Oxnard currently delivers approximately 150 tons per day or 41,000 tons per year.

In order to generate additional revenue to meet its operational expenses, VRSD is proposing to receive additional waste tonnage from the City at the Toland Road Landfill. The First Amendment to the Agreement commits the City to deliver 48% of all its waste collected to the Toland Road Landfill effective October 1, 2013. This equates to approximately 120,000 tons per year or 460 tons per day. In return, the disposal fee at the Toland Road Landfill is reduced by $2.50 per ton from $31.00 per ton to $28.50 effective October 1, 2013. If the First Amendment is not approved, VRSD has approved a scheduled fee increase to $34.00 to be effective on October 1, 2013. This tonnage along with tonnage that is currently delivered by the other member cities of the VRSD Board enables the Toland Road Landfill to operate at its permitted daily tonnage capacity of 1,500 tons per day. The term of the Agreement remains through November 14, 2020.

The First Amendment allows the disposal fee to be adjusted based on a percentage of an annual Consumer Price Index. The First Amendment also allows for fee adjustments in the event of new or increased regulatory taxes, fees and charges and changes in law. The Amendment removes all City tonnage obligations relating to the "put-or-pay" provisions in the Agreement.

Additional fee adjustments are allowable under Section 6(e) of this Amendment that include operational changes to address significant declines in revenue due to significant reductions in tonnage delivered to the Landfill, natural phenomenon, unexpected property casualty incidents or other unforeseen operational conditions. The Amendment provides the City an option, at its sole discretion, to terminate the Agreement to avoid such additional fee adjustments.

The Simi Valley Landfill, located at 2801 Madera Road in Simi Valley is owned and operated by Waste Management, Incorporated and is the only other landfill operated within Ventura County. Tonight's City Council agenda includes a recommendation by staff to enter into an agreement with Waste Management to deliver the remaining 52% (or 130,000 tons per year) of the City's waste to the Simi Valley Landfill at a disposal fee of $28.82 per ton through the term of November 14, 2020.

Over the last several months staff has been negotiating with VRSD and Waste Management. Throughout negotiations, staff's primary goal was to maintain the cost of disposal fees between the two landfills so that a disposal pass-through rate adjustment to Oxnard utility rate payers would not be necessary. The following tables provide the current landfill disposal and haul cost compared to the proposals being recommended:

CURRENT DISPOSAL AND HAUL COST

Landfill	Delivered Tonnage	Disposal Rate Per Ton	Haul Cost Per Ton	Total Disposal and Haul Cost
Simi Valley	205,000 (82%)	$27.07	$7.31 (82%)	$7,047,900
Toland Road	45,000 (18%)	$34.10 (*Oct. 1)	$6.52 (18%)	$1,827,900
	250,000	$28.34 (Avg.)	$7.17 (Avg.)	**$8,875,800**

* VRSD alternate rate effective October 1, 2013 if First Amendment is not approved by City.

PROPOSED DISPOSAL AND HAUL COST

Landfill	Delivered Tonnage	Disposal Rate Per Ton	Haul Cost Per Ton	Total Disposal and Haul Cost
Simi Valley	130,000 (52%)	$28.82	$7.31 (52%)	$4,696,900
Toland Road	120,000 (48%)	$28.50	$6.52 (48%)	$4,202,400
	250,000 (100%)	$28.67 (Avg.)	$6.93 (Avg.)	**$8,900,000**

Staff's analysis indicates a cost increase of approximately $25,000 when comparing the current and proposed disposal arrangements with both landfills. This is a nominal operational cost increase with no immediate impact to Oxnard utility rate payers.

In calendar year 2012, the average public posted rate for non-contractual waste tons in the combined counties for Santa Barbara, Ventura and Los Angeles for landfill tipping fees of similar waste was $54.47 per ton.

The City and VRSD have a long-standing cooperative relationship. Oxnard has been a member of the VRSD Board since the District's inception in 1970. The viability of the Toland Road Landfill fosters competition in maintaining disposal rates with the Simi Valley Landfill and nearby regional landfills such as the Chiquita Canyon Landfill. The Toland Road Landfill has a slightly closer destination than the Simi Valley Landfill when hauling waste from the Del Norte Regional Recycling and Transfer Station; thus, reducing the City's carbon footprint and transportation cost.

FINANCIAL IMPACT

The first year annual value of the First Amendment is $4,202,400 based on 120,000 tons at a disposal fee of $28.50 and haul cost of $6.52 per ton. There are sufficient funds appropriated in the Processing and Disposal function of the Solid Waste Enterprise Fund 631-6304 for the transport and disposal costs at the Toland Road Landfill.

Attachment #1 – First Amendment to Agreement

Oxnard Agreement No. A-5903

VRSD Contract No. 00-024-1

FIRST AMENDMENT TO AGREEMENT FOR WASTE DISPOSAL AT TOLAND ROAD LANDFILL BETWEEN VENTURA REGIONAL SANITATION DISTRICT AND CITY OF OXNARD

THIS AMENDMENT is made and entered into this ___ day of September 2013, by and between VENTURA REGIONAL SANITATION DISTRICT, a California County Sanitation District ("VRSD"), and CITY OF OXNARD, a municipal corporation of the State of California ("City").

RECITALS

A. VRSD and City are parties to the Agreement for Waste Disposal at Toland Road Landfill dated November 14, 2000 ("Original Agreement"), attached as Exhibit B to this Amendment.

B. In order to secure an environmentally sound, economical and reliable method of disposal of residual solid waste transported from the Del Norte Regional Recycling and Transfer Station ("Station") and other transfer/recycling facilities within the City and to secure a reliable supply of residual solid waste transported to the Toland Road Landfill ("Landfill"), the parties now desire to amend the Original Agreement.

NOW THEREFORE, in consideration of the mutual covenants, promises, and conditions contained in this Amendment and for other good and valuable consideration, VRSD and City agree as follows:

1. Section 2 of the Original Agreement is deleted in its entirety and amended to state:

2. CITY SOLID WASTE DELIVERY COMMITMENT.

(a) **Commitment of Solid Waste.** Effective October 1, 2013, each day that the Landfill and the Station are operating, City shall cause to be delivered to the Landfill, forty-eight percent (48%) of all (up to a maximum of 500 tons per day and a maximum of 270,000 tons per year, unless

VRSD consents to increase either or both daily and annual maximums) residual solid waste transported from the Station, and other transfer/recycling facilities in the City, after processing, load checking and transfer operations for such waste are complete. Each quarter, City shall submit a statement to VRSD which reports the total number of tons (for each day and for the entire quarter) of residual solid waste delivered to all landfills the prior quarter and the total number of tons (for each day and for the entire quarter) delivered to Toland Road Landfill the prior quarter. The parties agree that the 48% commitment will be deemed to be satisfied if the daily and quarterly tons reported are within a fraction of the average truck load weight or are within whatever other standard the parties may mutually agree upon from time to time.

(b) Trucking. Deliveries of all residual solid waste shall be made by City or City's Contractor transfer trucks in accordance with the Landfill's Permits, the provisions of Section 10 of the Original Agreement and the additional special trucking provisions set forth in Exhibit A to this Amendment.

(c) Title to Waste. City warrants that City has good and sufficient title to all waste delivered under this Agreement. Title to all waste delivered by City to the Landfill under this Agreement shall be conveyed to VRSD upon acceptance by VRSD; provided that all Unacceptable Waste and Hazardous Waste shall remain the property of City.

2. Section 6 of the Original Agreement is deleted in its entirety and amended to state:

6. LANDFILL FEE.

(a) Landfill Fee. For residual solid waste delivered to the Landfill and accepted by VRSD, City shall pay a Landfill Fee of twenty-eight dollars and fifty cents ($28.50) per ton, which shall include all fees and charges in effect as of the date of this Agreement except for the Countywide Integrated Waste Management Plan (CIWMP) disposal fee.

(b) Landfill Fee Annual Adjustment. Effective July 1, 2014 and on July 1 of each subsequent year during the term of this Agreement, the Landfill Fee shall be adjusted in the same percentage proportion that the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for Urban Wage Earners and Clerical Workers, Los Angeles-Long Beach, California ("CPI") shall have increased or decreased the preceding January to December.

(c) **New or Increased Taxes, Fees and Charges.** The Landfill Fee shall be adjusted from time to time to allow VRSD to recover City's pro rata share of any new or increased fees, assessments or taxes imposed directly on landfill solid waste disposal by any State, Local or Federal government after October 1, 2013 upon sixty day's advance written notice from VRSD and a detailed statement of the basis for and calculation of the proposed adjustment. VRSD shall hold a Board of Director's meeting during the sixty day notice period to consider City's comments regarding the proposed Landfill Fee adjustment and to take final action on the proposed adjustment. If any new or increased fee imposed specifically on the Landfill (and not generally on disposal facilities) results in a Landfill Fee increase greater than 10%, City shall be entitled to cancel this Agreement by providing written notice to VRSD not more than 30 days after VRSD's Board has taken final action to approve the adjustment. City may specify a date of termination not later than 60 days from the date of City's notice.

(d) **Change in Law.** The Landfill Fee shall be adjusted from time to time to allow VRSD to recover City's pro rata share of any increased costs of operation of the Landfill arising from a Change in Law, upon sixty day's advance written notice from VRSD and a detailed statement of the basis for and calculation of the proposed adjustment. VRSD shall hold a Board of Director's meeting during the sixty day notice period to consider City's comments regarding the proposed Landfill Fee adjustment and to take final action on the proposed adjustment. If a Change in Law imposed specifically on the Landfill (and not generally on disposal facilities) results in a Landfill Fee increase greater than 10%, City shall be entitled to cancel this Agreement by providing written notice to VRSD not more than thirty days after VRSD's Board has taken final action to approve the adjustment. City may specify a date of termination not later than 60 days from the date of City's notice.

As used herein, "Change in Law" means the occurrence of any change in law applicable to the performance of this Agreement as follows:

1. The adoption, promulgation, modification, or change in law, regulation, or judicial or administrative interpretation occurring after October 1, 2013 which adoption, promulgation, codification, or change affects the performance of this Agreement; or

2. Any action, resolution, order or judgment of any federal, state or local court, administrative agency or governmental body (other than VRSD) issued after October 1, 2013 if:

(a) such action, resolution, order or judgment is not also the result of the willful misconduct or negligent action or inaction of the party relying thereon or of any third party for whom the party relying thereon is directly responsible; and

(b) the party relying thereon, unless excused in writing from so doing by the other party, shall make or have made, or shall cause or have caused to be made reasonable efforts in good faith to contest such order or judgment (it being understood that the contesting in good faith of such an order or judgment shall not constitute or be construed as a willful misconduct or negligent action of such party); or

3. Any action, resolution, order or judgment made by a governmental authority or agency having authority over the Landfill after October 1, 2013 that imposes new or different material conditions in connection with the issuance, renewal, or modification of any permit or related agreement required for the development or operation of the Facility.

(e) **Option to Terminate Upon Greater Fee.** For commercially reasonable cause, and subject to the procedural provisions and statement of intent set forth herein, VRSD may adjust the Landfill Fee to charge City a Landfill Fee that is greater than the Landfill Fee specified above provided VRSD shall provide City written notice of such a fee adjustment ninety (90) days before the proposed fee becomes effective. Said notice shall provide a detailed statement of the basis for and the calculation of the proposed adjustment. It is the intent of the parties that this subsection (e) is not to be used as an open ended option to make fee adjustments. Instead, this subsection (e) is to be employed to allow commercially reasonable adjustments necessary to address significant declines in revenue such as might be caused by significant reductions in tonnage delivered to the Landfill or to offset significant increases in expenses such as might be caused by natural phenomenon or unexpected property casualty incidents or other unforeseen operation conditions. VRSD shall hold a Board of Director's meeting during the ninety (90) day notice period to consider City's comments regarding the proposed Landfill Fee adjustment and take final action on the proposed adjustment. City, at its sole discretion, may, within thirty (30) days after receipt of notice of the final approval of the adjustment by the Board of Directors of VRSD, avoid imposition of this fee by terminating this Agreement upon thirty (30) days written notice to VRSD.

(f) **Fees for other Wastes.** Notwithstanding any other provision of this Agreement, City and VRSD may make separate arrangements, agreements or mutually agreed-upon resolutions regarding services and fees

relating to unique materials including, but not limited to, construction debris, agricultural plastic, other hard-to-handle wastes and/or alternative daily cover materials.

3. Section 8(b) of the Original Agreement is deleted in its entirety and section 8(b) shall be left blank.

4. Section 9(b) of the Original Agreement is deleted in its entirety and amended to state:

(b) In the event Landfill is closed during established operating hours for any reason, VRSD shall notify City (including the City's designated dispatcher) by telephone or other mutually agreeable means of said closure as soon as reasonably possible and City shall bear no obligation to deliver waste for the period of such closure and until the site is reopened and VRSD notifies City of the reopening.

(1) In the event City has dispatched any truck(s) from the Station to the Landfill before VRSD notifies City of such closure, then VRSD shall, in the next monthly statement, provide to City a credit in the amount of $82.95 per rerouted truck to compensate City for the added cost of transporting a rerouted truck to another landfill. This amount shall be adjusted annually by any increase or decrease, in the same proportion, that the CPI shall have increased or decreased just as Landfill Fee adjustments are calculated in Section 6(b) above.

(2) City may deliver residual solid waste, which City would otherwise be obligated to deliver to the Landfill under the commitment made by City under Section 2(a) above, to another landfill between the time VRSD notifies City of a Landfill closure during established operating hours and the time that VRSD notifies City that the Landfill is again open. In that event, City shall present VRSD with documentation of the number of trucks and tons rerouted in a detailed invoice. Within thirty days after receipt of such an invoice, VRSD shall pay to City a Reroute Payment in an amount of $1.11 per ton of such rerouted waste.

5. Section 9(c) is hereby added to the Original Agreement to state:

(c) Subject to the conditions in its permits restricting operating hours, and other legal constraints, VRSD shall reasonably cooperate with City to receive deliveries at other times, and in particular when necessary because of natural disasters or other special circumstances. The additional cost of such operating hours shall be borne by City. Such additional cost shall be mutually agreed upon by both parties in advance.

6. Section 22(e) of the Original Agreement is deleted in its entirety and amended to state:

(e) Residual Solid Waste ("residual solid waste", "Solid Waste" or "Waste"). The solid waste delivered in transfer trucks after processing and/or transfer of solid waste has taken place at the Station, or other transfer/recycling facilities in the City. "Other transfer/recycling facilities" shall include manufacturing facilities such as the currently existing paper plant (located at 5936 Perkins Road), that City permits to transfer waste directly to landfills in a manner consistent with the Landfill Permits.

7. Section 23(h) is hereby added to the Original Agreement to state:

(h) Force Majeure.

(1) Neither VRSD nor City shall be in default of its obligations under this Agreement in the event, and for so long as, it is impossible or impracticable for it to perform its obligations due to an "act of God" (including, but not limited to, flood, earthquake or other similar catastrophic events), war, insurrection, riot, acts of any government (including judicial action), condemnation or other taking by a governmental entity, Change in Law, labor unrest (including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by VRSD's employees or directed at VRSD or third parties) or other similar causes which are not the fault of, and beyond the reasonable control of, the party claiming excuse from performance.

(2) Any interpretation or discontinuance of VRSD's ability to accept and dispose of residual solid waste caused by one or more of the events described in this section shall not constitute an event of default by VRSD under this Agreement and neither credits nor Reroute Payments will be due under Sections 9(b)(1) or (2) in the event of a Force Majeure.

(3) If either City's or VRSD's performance is affected by any such event, it shall give written notice to the other party as soon as it is reasonably practical and further, shall diligently attempt to resolve such condition.

8. Except as provided herein, all other definitions, terms and conditions of the Original Agreement shall remain in full force and effect.

IN WITNESS THEREOF, City and VRSD have executed this Agreement as of the date and year first above written.

CITY OF OXNARD

By: _____
Tim Flynn, Mayor

ATTEST:

By: _____
Daniel Martinez, City Clerk

APPROVED AS TO FORM:

By: _____
Stephen M. Fischer
Acting City Attorney

APPROVED AS TO CONTENT:

By: _____
Rob Roshanian, Interim Public Works Director

APPROVED AS TO INSURANCE:

By: _____
James Cameron, Chief Financial Officer

VENTURA REGIONAL SANITATION DISTRICT

By: _____
Kevin Kildee, Chairman
Board of Directors

ATTEST:

By: _____
Josie Guzman, CMC
Clerk of the Board

APPROVED AS TO FORM:

ARNOLD, LAROCHELLE, MATHEWS VANCONAS & ZIRBEL, LLP

By: _____
Mark A. Zirbel
District General Counsel

APPROVED AS TO AMOUNT

_____
Karen R. Burnham,
Interim City Manager

EXHIBIT A

SPECIAL TRUCKING PROVISIONS

In order to comply with Landfill permit conditions, all trucks delivering waste to the Landfill shall comply with the following requirements:

1. Trucks are restricted from making a left turn from eastbound Highway 126 onto Toland Road between 8:00 am to 8:30 am, and then 2:30 pm to 3:00 pm every day that the Santa Clara School is in session.

2. Trucks are restricted from making a left turn onto eastbound Highway 126 from Toland Road between 4:00 pm and 6:00 pm.

3. Trucks shall not use the Sespe Underpass.

4. Any driver that does not comply with the restrictions set forth in Section 10 of the Original Agreement or this Exhibit A may be banned from Landfill.

VRSD CONTRACT NO. 00-024

AGREEMENT FOR WASTE DISPOSAL AT TOLAND ROAD LANDFILL BETWEEN VENTURA REGIONAL SANITATION DISTRICT AND CITY OF OXNARD

THIS AGREEMENT FOR WASTE DISPOSAL AT TOLAND ROAD LANDFILL ("this Agreement") is made and entered into this 14 day of November, 2000, by and between VENTURA REGIONAL SANITATION DISTRICT, a California County Sanitation District (hereinafter referred to as "VRSD"), and CITY OF OXNARD, a municipal corporation of the State of California (hereinafter referred to as "City").

RECITALS

A. VRSD and City are parties to the Golf Course Lease and Landfill Postclosure Maintenance Agreement ("Lease Agreement") executed concurrently herewith. This Agreement is made in partial consideration of the Lease Agreement.

B. VRSD owns and operates the Toland Road Landfill located at the end of Toland Road in Ventura County ("Landfill").

C. City participates in the collection and processing of solid waste generated within its boundaries. City owns and operates or contracts for the operation of the Del Norte Regional Recycling and Transfer Station ("Station").

D. VRSD and City, as participants in the solid waste management system in Ventura County, desire to secure an environmentally sound, economical and reliable method of disposal of residual solid waste generated in the City and transported from the Station and other transfer/recycling facilities within the City and to secure a reliable supply of residual solid waste transported to the Landfill.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth, VRSD and City agree as follows:

1. TERM. The term of this Agreement shall commence the date first stated above, and shall terminate in twenty (20) years on November 14, 2020, unless earlier terminated as provided herein.

2. CITY SOLID WASTE DELIVERY COMMITMENT.

(a) Commitment of Solid Waste. City shall cause to be delivered to the Landfill solid waste ("waste") generated in the City and transported from the Station or other transfer/recycling facilities, subject to the tonnage commitments and limitations described below. City shall provide or contract for all labor, equipment and supervision to process, transport and unload the waste at the Landfill in accordance with this Agreement. City, at its discretion, may haul the waste delivered hereunder utilizing City employees and trucks or City may contract out for hauling services.

(b) Annual Minimum Tonnage Commitment. Commencing on the date first stated above, City shall cause to be delivered to the Landfill at least 40,000 tons of waste each twelve (12) month period for the first five (5) years of the term of this Agreement and at least 48,000 tons of waste each 12 month period for the last 15 years of the term of this Agreement.

(c) Maximum Tons Per Day. City shall not deliver more than 200 tons of waste per day to the Landfill, provided that by prior notice by VRSD to City, after request by City, VRSD may, after considering all service commitments, accept additional tonnage from City above 200 tons on any day. Tons accepted after such prior notice shall be counted towards the Annual Minimum Tonnage Commitment, described above at Section 2(b). Tons above 200 tons a day from City accepted by VRSD without such prior notice shall not count towards the Annual Minimum Tonnage Commitment. Tons of acceptable solid waste delivered by City during the established landfill operating hours in an amount of up to 200 tons per day, but not accepted by VRSD, shall count towards the Commitment.

(d) Title to Waste. City warrants that City has good and sufficient title to all waste delivered under this Agreement. Title to all waste delivered by City to the Landfill under this Agreement shall be conveyed to VRSD upon acceptance by VRSD; provided that all Unacceptable Waste and Hazardous Waste shall remain the property of City.

3. VRSD SERVICE COMMITMENT.

(a) Commitment to Accept Solid Waste. VRSD shall accept waste delivered by City hereunder; provided that the Landfill is open and provided that VRSD shall have the right to reject waste delivered by City which does not meet the criteria of waste permitted to be accepted at the Landfill under then-existing laws, regulations, permits, and/or this Agreement.

(b) VRSD Landfill Operation Responsibility. VRSD shall be solely responsible for the processing and disposal of waste delivered to the Landfill in compliance with this Agreement and for the administration and enforcement of all agreements and regulatory requirements for the operation of the Landfill.

4. UNACCEPTABLE AND HAZARDOUS WASTE DELIVERED TO LANDFILL.

(a) VRSD Refusal Rights. VRSD shall dispose of all waste delivered to the Landfill by City; provided, however, that VRSD may refuse delivery of (1) any waste delivered in excess of the tonnage limits set forth above, (2) any waste delivered at hours outside the Landfill's established operating hours, (3) any waste that contains Unacceptable Waste in abnormal quantities or Hazardous Waste in any quantities, and (4) any waste delivered when the Landfill has been closed to comply with conditions of its operating permits.

(b) Screening and Removal of Unacceptable Waste and/or Hazardous Waste. City shall not knowingly deliver, and shall use all legal means reasonably available in cooperation with VRSD to prevent the delivery of Unacceptable Waste and/or Hazardous Waste to the Landfill. VRSD may inspect all vehicles delivering waste to the Landfill and all waste delivered, before or after unloading, for the presence of Unacceptable Waste and/or Hazardous Waste. VRSD and City shall conduct approved waste load checking programs in compliance with all applicable laws.

(c) Disposal Responsibility and Costs. VRSD shall remove, and dispose of, or cause the removal and disposal of, all Unacceptable Waste and Hazardous Waste delivered to the Landfill. City shall pay VRSD, in addition to the Landfill Fee, all costs and expenses incurred by VRSD in connection with its obligations under this section.

5. PERMIT RESTRICTION. City shall not deliver and VRSD shall not accept any waste which is not consistent with the terms and conditions of the Landfill Permits.

6. LANDFILL FEES.

(a) Landfill Fees. In consideration for VRSD's obligations hereunder, VRSD shall charge City and City shall pay to VRSD Landfill fees. The Landfill fees shall be based on a fee per ton applied to the tonnage of waste City delivers to the Landfill, which fee shall be established by the VRSD Board of Directors, provided that as to the tonnages specified in the Annual Minimum Tonnage Commitment set forth in Section 2(b), the fee shall be the maximum fee set forth below. Notwithstanding any other provision of this Agreement, the per ton Landfill fee charged City shall be no greater than the lowest per ton Landfill fee charged for waste of a similar character disposed of at the Landfill.

(b) Maximum Fee. Notwithstanding any other provision of this Agreement, the Landfill fee per ton which City shall be obligated to pay hereunder for the tons delivered up to the amount of the Annual Minimum Tonnage commitment each year under Section 2(b) above, shall not exceed $19.06 per ton during the period from the date first written above through June 30, 2002. Effective July 1, 2002, and July 1 of each even numbered year thereafter, the amount of said maximum Landfill fee shall be adjusted by each of the following elements:

(1) Any increase or decrease, in the same percentage proportion, that the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for Urban Wage Earners and Clerical Workers, Los Angeles-Long Beach, California shall have increased or decreased from July 1, 2000; and

(2) Any additional cost per ton of responding to or complying with judicial actions or judgments, administrative action, statutory or regulatory requirements and/or modified or adjusted permit conditions imposed after the date of this Agreement, including, but not limited to, attorney and/or expert fees, costs for additional technical or environmental studies, costs of new mitigation and/or monitoring requirements, costs of new operational requirements, costs of new closure or postclosure requirements or financial assurance requirements, and/or costs of any new capital improvements requirements; and

(3) Any cost per ton of any new regulatory fee or tax or additional fees imposed by other governmental agencies after the date of this Agreement.

Pending receipt of the required Consumer Price Index and determination of the actual adjustment, City shall pay an estimated adjusted fee, as reasonably determined by VRSD by reference to the then available Consumer Price Index information. Upon notification of the actual adjustment after publication of the required Consumer Price Index, any overpayment by City shall be credited against the next monthly statement of fees, and any underpayment by City shall be immediately due and payable by City.

In the event the compilation and/or publication of the Consumer Price Index shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the Consumer Price Index shall be used to make such calculation.

In the event VRSD determines, at its sole discretion, to charge City a fee for tonnage delivered under the Annual Minimum Tonnage Commitment that is greater than the maximum fee as described here, then VRSD shall provide City written notice of such fee sixty (60) days before the fee becomes effective and, thereafter, City, at its sole discretion, may avoid imposition of this fee by terminating this Agreement upon thirty (30) days written notice to VRSD. Said termination of this Agreement shall be City's sole remedy in the event VRSD determines to adopt a tip fee for the tons committed at section 2(b) which is greater than the maximum fee described above. Notwithstanding any other provision herein, VRSD may adopt and charge City a higher tip fee for tons delivered in excess of the Annual Minimum Tonnage Commitment, provided the fee is no greater than the lowest per ton fee charged for waste of a similar character disposed of at the Landfill.

(c) Fee For Unique/Hard to Handle Wastes. Notwithstanding any other provision of this Agreement, City and VRSD may make separate agreements as to service and fees relating to unique and/or hard to handle waste or recyclable materials including, but not limited

to green waste, construction debris, agricultural plastic and alternative daily cover. VRSD's General Manager is authorized to execute such contracts on behalf of VRSD subject to established VRSD policy.

(d) Payment Irrespective of Waste Deliveries. The intent of this Agreement is that City shall deliver to the Landfill the specified Annual Minimum Tonnage Commitment of waste generated within the City limits. The further intent is that City shall pay VRSD the Landfill fee for all such specified tons of waste whether or not City delivers such waste to the Landfill except that City shall not be obligated to pay for tons for which City is entitled to receive credit under section 9(b) below. Therefore, City shall pay VRSD the then current Landfill fees as provided hereunder during the term of this Agreement, whether or not City delivers or causes to be delivered any waste to VRSD for disposal at the Landfill. The obligation of City to pay the Landfill fees shall be absolute and unconditional and shall not be subject to delay or diminution by reason of set-off, abatement, counterclaim, existence of a dispute or otherwise. City shall take all such action as may be necessary to provide for the timely payment of the Landfill fees due hereunder. City hereby acknowledges that the services to be provided by VRSD pursuant to this Agreement are of a valuable and unique nature to City and that the Landfill fees to be paid by City to VRSD constitute fair consideration therefor.

7. MEASUREMENT.

The tonnage used to calculate the Landfill fee shall be based on the weight of each loaded truck measured at the weight scales described below minus the certified tare weight for each truck. VRSD shall install, operate, and maintain a scale system at the Landfill. Until VRSD's scales are operational, trucks shall be weighed at the Station or such other certified weigh station as designated by City. Whether VRSD or City is operating or employing the scale, that party shall maintain and make available to the other party the following information: (1) Calendar date; (2) Time of day; (3) Vehicle identification; and (4) Total number of tons of waste delivered to the Landfill and accepted by VRSD. All scales and weighing equipment shall be kept in good and accurate condition operating at the standards of accuracy and reliability specified in the California Code of Regulations. City shall establish the tare weight of each truck. City shall allow VRSD to provide a number or device to be inserted in or on each truck that will identify the truck to the weigh master or an automated scanner or to provide such other device or means necessary to identify trucks using an unattended, automated system.

8. PAYMENT OF LANDFILL FEES.

(a) Monthly Statement. On or before the tenth (10^{th}) day following the end of any month for which payments are required to be made under this Agreement, VRSD shall submit to City a bill setting forth the Landfill fees for such prior month based on the number of tons delivered and accepted by VRSD and the price per ton established pursuant to this Agreement. On or before the thirtieth (30^{th}) day following the date of such bill, City shall pay to VRSD the full amount of such Landfill fees.

(b) Annual Statement. On or before the tenth (10^{th}) day following the end of each year during the term of this Agreement, VRSD shall submit to City an Annual Report specifying the total number of tons delivered to the landfill by City during the prior year which are applicable to City's Annual Minimum Tonnage Commitment. In the event City fails to deliver the Annual Minimum Tonnage Commitment in any year, this Annual Statement shall be accompanied by an Annual Statement setting forth the Landfill fees for the prior year due pursuant to Section 6(d) above based on the number of tons calculated by subtracting the applicable tons delivered from the Annual Minimum Tonnage Commitment after taking into account any credit due City under section 9(b). The resulting tons shall be multiplied by the then current Landfill fee (Maximum Fee) to establish the total amount due VRSD. On or before the thirtieth (30^{th}) day following the date of any Annual Statement, City shall pay to VRSD the full amount of such Landfill fees.

(c) Disputes. If City disputes any amount billed by VRSD, City shall provide VRSD with written objection within (twenty) 20 days of the receipt of such bill indicating the amount that is being disputed and providing all reasons then known to City for its objection to or disagreement with such amount. City shall timely pay any part of the billed amount that City does not dispute, and shall not pay the amount in dispute. If City and VRSD are not able to resolve such dispute within twenty (20) working days after City's objection, either party may pursue legal remedies.

9. OPERATING HOURS.

(a) The Landfill's operating days and hours for receiving waste will be established by VRSD Resolution and made available to City. The Landfill shall be open Monday through Friday except for established holidays and closures VRSD determines to be necessary to comply with Landfill Permits or other regulatory requirements.

(b) In the event Landfill is closed for any reason, VRSD shall notify City by telephone or other mutually agreeable means of said closure as soon as reasonably possible and City shall bear no obligation to deliver waste or pay Landfill Fees for the period of such closure and until the site is reopened and VRSD notifies City of the reopening. VRSD shall credit toward City's satisfaction of the Annual Minimum Tonnage Commitment an amount equal to the average tonnage delivered by City to the Landfill on days the Landfill is open, averaged over the preceding month, times the number of days in the month that the Landfill was closed.

10. LANDFILL RULES AND REGULATIONS. City shall provide all labor, equipment and supervision necessary to safely and efficiently dispose of waste from City's vehicles onto the designated disposal area at the Landfill. City recognizes that City will not be the only user of the Landfill and shall not interfere with other landfill disposal operations. City shall obey all instructions either verbal or written provided by VRSD. While at the Landfill, City shall perform its obligations under this Agreement in accordance with the following:

(a) All equipment, including all tractors and trailers shall be maintained and operated in conformance with all laws and regulations governing the use of such equipment on and off the Landfill;

(b) All drivers shall be property trained and licensed;

(c) All waste hauling vehicles shall be covered while on public roads;

(d) All vehicles shall observe all posted speed limit and traffic warning signs on and off the Landfill. Trucks shall drive at safe speeds, use caution driving down hills, and reduce speed to allow for road, weather, traffic and load.

(e) Trucks backing up to unload shall do so slowly and cautiously.

(f) Trucks while in operation shall keep all doors secured.

(g) Drivers and/or helpers shall remain in immediate vicinity of truck.

(h) Trucks shall unload only in areas designated by VRSD personnel.

(i) No salvaging shall be conducted at any time.

(j) Smoking shall be prohibited within the boundaries of the landfill, except within designated smoking areas approved by the Ventura County Fire Department.

(k) Injury or damage to persons or equipment shall be reported to VRSD personnel prior to leaving the site. Any damaged truck shall not be moved prior to reporting.

(l) Consumption of alcoholic beverages or controlled substances shall be prohibited.

11. RANDOM INSPECTION OF WASTE HAULING VEHICLES. VRSD staff, trained in Hazardous Waste identification, shall randomly inspect waste hauling vehicles entering the landfill. Hazardous Waste shall be removed and disposed of in accordance with State regulations. City agrees not to interfere with VRSD staff in the random inspection of waste hauling vehicles, and to provide requested information to assist VRSD staff in the identification of the potential source of Hazardous Waste materials found in waste hauling vehicles carrying City waste.

12. RIGHT OF SITE INSPECTION. VRSD and City covenant and agree to permit the duly authorized representatives of VRSD and City to enter the Landfill and Station, upon notice to the other party, during usual business hours, for the purpose of inspecting the same. All

records of transactions relating to waste delivered to the Landfill, including, but not limited to, documents regarding the source of the waste, calibration of scales, truck maintenance and driver training shall be made available upon request by VRSD or City.

13. PROTECTION OF PERSONS AND PROPERTY. City shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with its performance under this Agreement. City shall take all reasonable precautions for the safety of, and provide for reasonable protection to prevent damage, injury or loss to, all persons who may be affected by activity related to this Agreement and other property at the Landfill site or adjacent thereto, including roadways, structures and utilities. City shall promptly remedy all damage or loss to any property referred to above caused in whole or in part by City or its contractors or anyone directly or indirectly employed by any of them. City shall give all notices and comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the safety of persons or property or their protection from damage, injury or loss.

14. COMPLIANCE WITH LAWS AND ORDINANCES. City shall keep abreast of all laws, ordinances, regulations, orders and permits which in any manner affect those engaged and employed in activities carried out pursuant to this Agreement or the materials used, or which in any way affect the conduct of operations on or off the Landfill site, including all permit conditions and other requirements relating to the Landfill operation. City at all times shall observe and comply with, and shall cause all of its agents, employees and contractors to observe and comply with, all such existing and future laws, ordinances, regulations, orders and permits, and shall hold harmless, indemnify and defend VRSD and its directors, officers and employees from liability arising from City's failure to comply with such requirements. City shall obtain all licenses and permits required to perform work under this Agreement.

15. RECORDS AND ACCOUNTS. VRSD and City shall each, respectively, keep proper books of record and account (separate from all other records and accounts), in which complete and correct entries shall be made of the transactions relating to the Landfill and Station, including records of the quantity, quality and other characteristics of solid waste delivered by City and accepted by VRSD. Such books shall at all reasonable times be subject to the inspection of the authorized representative of either VRSD or City.

16. INDEMNITY.

(a) VRSD. VRSD agrees to hold City harmless from and to indemnify and defend City against any and all liabilities, claims, actions, lawsuits, costs and expenses, including reasonable attorneys' fees, liens, judgments and demands, including but not limited to claims of damage to property, bodily injury or death, which may be suffered by City, its employees, agents, representatives and its independent contractors or third parties, due to or arising out of the VRSD's operations upon the Landfill by VRSD, its employees, agents, representatives and independent contractors, except to the extent such claim(s) result from the negligence or willful misconduct of City or its employees, agents, representatives or independent contractors.

(b) City. City agrees to hold VRSD harmless from and to indemnify and defend VRSD against any and all liabilities, claims, actions, lawsuits, costs and expenses, including reasonable attorneys' fees, liens, judgments and demands, including but not limited to claims of damage to property, bodily injury or death, which may be suffered by VRSD, its employees, agents, representatives and its independent contractors or third parties, due to or arising out of City's operations upon or in the vicinity of Station or Landfill or any haul route by City, its employees, agents, representatives and independent contractors, except to the extent such claim(s) result from the negligence or willful misconduct of VRSD or its employees, agents, representatives or independent contractors.

(c) Joint Negligence. Notwithstanding the preceding sections, when both VRSD and City or their respective employees, agents, representatives or independent contractors are negligent and such joint negligence causes liabilities, claims, actions, lawsuits, costs, expenses, liens, judgments and demands, including but not limited to claims of damage to property, bodily injury or death, VRSD or City shall be responsible and liable in proportion to the amount of fault attributable to VRSD or City and/or their employees, agents, representatives or independent contractors, and VRSD or City shall bear its own attorney fees.

17. INSURANCE.

(a) Minimum Coverage. City will not commence or continue to perform under this Agreement unless City has provided for insurance coverage or self insurance for any liability, loss, expense or claim which may arise out of or result from City's performance under this Agreement, whether such performance be by City or by any contractor of City or anyone directly or indirectly employed by City or such contractor, or by anyone for whose act City may be liable, with the following limits, which limits shall be adjusted every two years by the increase in the Consumer Price Index as described at Section 6.b.1. above:

(1) General liability insurance, including comprehensive form, premises operation and broad form property damage coverage, with a limit of not less than Two Million Dollars ($2,000,000) combined single limit coverage;

(2) Automobile liability insurance, including comprehensive form including loading and unloading, owned, hired and non-owned coverage, with a limit of not less than Five Million Dollars ($5,000,000) combined single limit coverage;

(3) Contractual personal injury liability and contractual property damage insurance covering liability assumed under this Agreement, with a limit of not less than Two Million Dollars ($2,000,000) combined single limit coverage; and

(4) Workers' compensation insurance as required by law.

(b) Certificates. Certificates of insurance or self insurance acceptable to VRSD shall be filed with VRSD prior to commencement of any operation or performance under this Agreement. If City provides certificates of insurance, the certificates shall state that VRSD is an insured for coverage in (1), (2) and (3) above, that the insurance afforded shall be primary insurance, and that coverage afforded under the policies will not be canceled until at least thirty (30) days' prior written notice has been given to VRSD.

18. SUCCESSORS/ASSIGNMENT.

(a) Binding on Successors. VRSD and City each binds itself and its successors, assigns and legal representatives to the other party and to the partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in the Agreement.

(b) Assignment. This Agreement is made specifically between VRSD and City based on VRSD's unique relationship with City. Neither party shall assign its interest in this Agreement without the written consent of the other party, which other party may grant or arbitrarily deny in the other party's sole discretion.

(c) Remaining Obligation. If City transfers by any means its ownership and/or operation of the Station, City shall remain responsible for payment of the Landfill Fees hereunder and City shall, before any such transfer becomes effective, obtain a written acknowledgment by any transferee that transferee is obligated and bound by all the terms hereof as City's successor hereunder.

(d) Responsibility for Subcontractors. City shall be fully responsible for all acts and omissions of its subcontractors and of persons and organizations directly or indirectly employed by City and of persons and organizations for whose acts City may be liable to the same extent that City is responsible for the acts and omissions of persons directly employed by City.

19. RELATIONSHIP OF CITY TO VRSD. VRSD and City agree that no employee-employer relationship is intended by this Agreement, the relationship of City to VRSD being that of an independent contractor. VRSD shall not be required to make any payroll deductions or provide workers' compensation insurance coverage or health benefits to City employees or contractors. City is solely responsible for selecting the means, methods and procedures for performing hereunder, and for coordinating all portions of its performance so the results will be satisfactory to VRSD.

20. DEFAULT/REMEDIES.

(a) Default by City. City shall be deemed in default under this Agreement only if City shall fail, neglect or refuse to keep and perform any of the covenants, conditions, stipulations or agreements herein agreed to be performed by City, and such failure to perform is

not cured within sixty (60) days after written notice specifying the nature and extent of such failure has been given to City. Upon City's failure to cure such default, VRSD, at its option, may declare this Agreement terminated effective upon such date as VRSD shall designate.

(b) Default by VRSD. VRSD shall be deemed in default under this Agreement only if VRSD shall fail, neglect or refuse to keep and perform any of the covenants, conditions, stipulations or agreements herein agreed to be performed by VRSD, and such failure to perform is not cured within sixty (60) days after written notice specifying the nature and extent of any such failure has been given to VRSD. Upon VRSD's failure to cure such default, City, at its option, may declare this Agreement terminated effective upon such date as City shall designate.

(c) Termination by City. City may terminate this Agreement on one year's written notice to VRSD if City determines not to construct a golf course on the Premises, as defined in the Lease Agreement.

(d) Remedies and Waiver. Except as otherwise herein expressly provided, all rights and remedies of either VRSD or City shall be cumulative and none shall exclude any other right or remedy allowed by law; the exercise by either VRSD or City of any remedy provided for herein or by law shall not be to the exclusion of any other remedy. Either VRSD's or City's failure to take advantage of any default or breach of covenant on the part of the other party shall not be construed as a waiver thereof, nor shall any custom or practice which may grow up between VRSD and City in the course of administering this instrument be construed to waive or lessen the right of either VRSD or City to insist upon the performance by the other of any term, covenant or condition hereof, or to exercise any rights given it on account of any such default. A waiver of a particular breach or default shall not be deemed to be a waiver of the same right or any other subsequent breach or default.

21. ATTORNEYS FEES. In the event that either VRSD or City shall commence any legal action or proceeding, including an action for declaratory relief, against the other by reason of the alleged failure of the other to perform or keep any term, covenant or condition of this Agreement, including the payment of Landfill fees, or to interpret any term, covenant or condition, the party prevailing in said action or proceeding shall be entitled to recover, in addition to its court costs, reasonable out-of-pocket expenses (including, but not limited to telephone calls, photocopying, expert witnesses, travel) and reasonable attorney fees to be fixed by the court, and such recovery shall include court costs and attorney fees on appeal, if any. The court will determine who is the "prevailing party" whether or not the suit proceeds to final judgment.

22. DEFINITIONS.

As used in this Agreement, the following terms have the meanings set forth below:

(a) Administrative Action. Petitions, objections, letters of opposition, requests for reconsideration, requests for modification, and other administrative appeals with the County

of Ventura, Regional Water Quality Control Board - Los Angeles Region, Local Enforcement Agency, California Integrated Waste Management Board, State Water Resources Control Board, and/or other public agencies having jurisdiction over the Landfill.

(b) Hazardous Waste. Any waste subject to Article 1, Chapter 11, Division 4.5 (section 66261.3 *et seq.*) of Title 22 of the California Code of Regulations.

(c) Landfill. Toland Road Landfill located at the end of Toland Road in the unincorporated area of Ventura County.

(d) Landfill Permits. Conditional Use Permit No. CUP 3141 Modification #3 approved by the County of Ventura, Waste Discharge Requirements, Order No. 96-053, approved by the Regional Water Quality Control Board - Los Angeles Region, Revised Solid Waste Facility Permit, SWFP #56-AA-0005, approved by the California Integrated Waste Management Board and the County of Ventura Environmental Health Division, acting as the Local Enforcement Agency for the California Integrated Waste Management Board, and all revisions or modifications to said documents and all other regulatory approvals necessary for the operation of the Landfill.

(e) Solid Waste ("Waste"). The solid waste delivered in trucks after processing and/or transfer of solid waste has taken place at the Station or other recycling facilities, including the separation, recovery, volume reduction, or conversion of solid waste and shall include hazardous waste load checking procedures as required by law and the Station's or other facilities' operating permits.

(f) Station. The Del Norte Regional Recycling and Transfer Station located at Del Norte Boulevard and Sturgis Avenue in Oxnard, California.

(g) Unacceptable Waste. Includes the following,

(1) Hazardous wastes and other wastes such as liquid, oils, waxes, tars, soaps, solvents, or readily water-soluble solids, such as salts, borax, lye, caustic, or acids.

(2) Waste containing less than fifty percent (50%) solids.

(3) Materials which are of a toxic nature, such as insecticides, poisons, or radioactive materials.

(4) Infectious materials or hospital or laboratory wastes, except those authorized for disposal to land by official agencies charged with control of plant, animal, and human disease.

(5) Pesticide containers, unless rendered nonhazardous by triple rinsing.

(6) Septic tank or chemical toilet wastes.

23. GENERAL PROVISIONS.

(a) Time. Time is of the essence of this Agreement. Any reference herein to days, unless otherwise defined, shall be interpreted as referring to calendar days.

(b) Notices. Any notice to be given under this Agreement shall be in writing and shall be deemed given two (2) days after being sent by first class mail, addressed to:

VRSD:

Ventura Regional Sanitation VRSD
1001 Partridge Drive, Suite 150
Ventura, California 93003-5562
Attention: General Manager

City:

City of Oxnard
300 West Third Street
Oxnard, California 93030
Attention: City Manager

or to such other address as either VRSD or City may designate hereinafter in writing delivered to the other party.

(c) Governing Law/Venue. This Agreement, and all matters relating to this Agreement, shall be governed by the laws of the State of California in force at the time any need for interpreting this Agreement or any decision or holding concerning this Agreement arises. Venue for any Municipal or Superior Court action relating to this Agreement shall be in Ventura County.

(d) Severability. If any clause, provision, paragraph, section or article of this Agreement shall be ruled invalid by any court of jurisdiction, either VRSD or City shall: (1) promptly meet and negotiate a substitute for such clause, provision, paragraph, section or article which shall, to the greatest extent legally permissible, effect the intent of VRSD and City; (2) if necessary or desirable to accomplish item (1) above, apply to the court having declared such invalidity for a judicial construction of the invalidated portion of this Agreement; and (3) negotiate such changes in, substitutions for or additions to the remaining provisions of this Agreement as may be necessary in addition to and in conjunction with items (1) and (2) above to effect the intent of VRSD or City in the invalid provision. The invalidity of such clause, provision, paragraph, section or article shall not affect any of the remaining provisions hereof, and this Agreement shall be construed and enforced as if such invalid portion did not exist.

(e) Prior Understandings and Usage. This Agreement contains the entire agreement between VRSD and City and supersedes all previous written or oral negotiations, commitments, understandings, proposals and writings. That the terms of this Agreement shall not be modified by course of performance, course of dealing, usage or informal arrangements which may occur from time to time over the term of this Agreement or by evidence of additional terms not expressly contained in this Agreement.

(f) Amendments. No amendments to this Agreement may be made except by a writing signed by VRSD and City.

(g) Execution. VRSD and City have executed this Agreement as of the date first stated above. This Agreement may be executed in counterparts with the same force and effect as if one document were signed by VRSD and City.

VENTURA REGIONAL SANITATION DISTRICT

By: _____
John Zaragoza
Chairman, Board of Directors

ATTEST:

_____
Rhonda Catron
Clerk of the Board

APPROVED AS TO FORM

_____
Mark A. Zirbel
Arnold, Mathews, Wojkowski & Zirbel, LLP
General Counsel

CITY OF OXNARD

By: _____
Dr. Manuel M. Lopez, Mayor

APPROVED AS TO FORM

_____ 11-14-00
Gary L. Gillig
City Attorney

APPROVED AS TO INSURANCE

_____
Stan Kleinman
Risk Manager

CITY OF OXNARD CALIFORNIA

Meeting Date: 10/01/13

ACTION	TYPE OF ITEM
☐ Approved Recommendation	Info/Consent
☐ Ord. No(s). _____	☐ Report
☐ Res. No(s). _____	☐ Public Hearing
☐ Other _____	☒ Other Appointment

Prepared By: Grant Dunne, Management Analyst III GD Agenda Item No. J-2

Reviewed By: City Manager GRD City Attorney SMF Finance AC Public Works

DATE: September 11, 2013

TO: City Council

FROM: Rob Roshanian, Interim Public Works Director RR
Public Works Department

SUBJECT: **Agreement for Waste Disposal at the Simi Valley Landfill between the City of Oxnard and Waste Management of California, Incorporated (Agreement No. A-7618)**

RECOMMENDATION

That City Council approve and authorize the Mayor to execute an Agreement for Waste Disposal at the Simi Valley Landfill with Waste Management of California, Incorporated (Agreement No. A-7618).

DISCUSSION

The Simi Valley Landfill is owned and operated by Waste Management of California, Inc. (WMC) and is located at 2801 Madera Road in Simi Valley. The Simi Valley Landfill has been in operation since 1970. In 1972, the site began operations under the Ventura Regional County Sanitation District (now Ventura Regional Sanitation District). In 1981, WMC purchased the landfill and received approval to expand the permitted operating life of the facility. The landfill is permitted for the daily waste capacity of 3,000 tons and is permitted to operate through 2054.

Since November of 1997, the Del Norte Regional Recycling and Transfer Station (Del Norte Facility) has used the Simi Valley Landfill as its primary landfill for solid waste disposal service. Each year approximately 210,000 refuse tons are hauled from the Del Norte Facility to the Simi Valley Landfill.

The previous agreement for waste disposal at the Simi Valley Landfill with WMC expired on February 1, 2013. Staff negotiated with WMC and VRSD and agreed upon an equitable disposal fee and waste flow commitment between the two landfills while maintaining status quo disposal cost to Oxnard refuse utility rate payers. The Agreement with WMC consist of the City paying a disposal fee based on the percentage of the City waste delivered to the Simi Valley Landfill through the term of November 14, 2020.

The following table depicts the relationship between the percentage of waste delivered and the disposal fee as specified in Section 5.1 in the Agreement:

Percent of Solid Waste Delivered by City to Simi Valley Landfill	Disposal Fee (per ton)
< 40%	$30.88
40 – 49%	$29.58
50 – 59%	$28.82
60 – 69%	$27.93
70 – 85%	$27.07
86 – 99%	$26.93
100%	$26.03

Staff agreed with VRSD to a First Amendment to the Agreement for the City to deliver 48% or approximately 120,000 tons per year of its waste to the Toland Road Landfill for disposal cost of $28.50 per ton. The First Amendment to the Agreement with VRSD is on tonight's agenda for City Council approval. The Simi Valley Landfill is the only other landfill operated within Ventura County. The remaining 52% or approximately 130,000 tons per year of the City's waste will be delivered to the Simi Valley Landfill at a disposal cost of $28.82 as the rate table indicates in this report.

The Agreement allows for the disposal fee to be adjusted on a percentage of an annual Consumer Price Index. The Agreement also allows for fee adjustments in the event of new or increased regulatory taxes, fees and charges and changes in law. The agreement also provides a competitive fee for the City to deliver biosolids material at $49.14 per ton to the Landfill which includes the disposal cost of $28.82 and a surcharge of $20.32. There are no "put-or-pay" provisions in this Agreement.

Over the last several months staff has been negotiating with WMC and VRSD. Throughout negotiations, staff's primary goal was to maintain the cost of disposal fees between the two landfills so that a disposal pass-through rate adjustment to Oxnard utility rate payers would not be necessary. The following tables provide the current landfill disposal and haul cost compared to the proposals being recommended:

CURRENT DISPOSAL AND HAUL COST

Landfill	Delivered Tonnage	Disposal Rate Per Ton	Haul Cost Per Ton	Total Disposal and Haul Cost
Simi Valley	205,000 (82%)	$27.07	$7.31 (82%)	$7,047,900
Toland Road	45,000 (18%)	$34.10 (*Oct. 1)	$6.52 (18%)	$1,827,900
	250,000 (100%)	$28.34 (Avg.)	$7.17 (Avg.)	**$8,875,800**

* VRSD alternate rate effective October 1, 2013 if First Amendment is not approved by City.

PROPOSED DISPOSAL AND HAUL COST

Landfill	Delivered Tonnage	Disposal Rate Per Ton	Haul Cost Per Ton	Total Disposal and Haul Cost
Simi Valley	130,000 (52%)	$28.82	$7.31 (52%)	$4,696,900
Toland Road	120,000 (48%)	$28.50	$6.52 (48%)	$4,202,400
	250,000 (100%)	$28.67 (Avg.)	$6.93 (Avg.)	**$8,900,000**

Staff's analysis indicates a cost increase of approximately $25,000 when comparing the current and proposed disposal arrangements with both landfills. This is a nominal operational cost increase with no immediate impact to Oxnard utility rate payers.

In calendar year 2012, the average public posted rate for non-contractual waste tons in the combined counties for Santa Barbara, Ventura and Los Angeles for landfill tipping fees of similar waste was $54.47 per ton. The Overall terms and conditions of the Agreement provide a competitive fee and long-term disposal security for Oxnard utility rate payers.

FINANCIAL IMPACT

The first year annual value of this Agreement is $4,696,900 based on 130,000 tons at a disposal fee of $28.82 and haul cost of $7.31 per ton. There are sufficient funds appropriated in the Processing and Disposal function of the Solid Waste Enterprise Fund 631-6304 for the transport and disposal costs at the Simi Valley Landfill.

Attachment No. 1 – Agreement No.

AMENDED AND RESTATED
AGREEMENT FOR SOLID WASTE DISPOSAL SERVICES
BETWEEN
THE CITY OF OXNARD AND
WASTE MANAGEMENT OF CALIFORNIA, INC.

THIS AGREEMENT is made this ____day of September, 2013 by and between the City of Oxnard, a California municipal corporation ("City") and Waste Management of California, Inc., a California corporation ("Owner"). This Agreement amends and restates in its entirety the "Agreement For Solid Waste Disposal Services Between the City of Oxnard and Waste Management of California, dated September 25, 2001 ("Prior Agreement"), the "First Amendment to Agreement For Solid Waste Disposal Services Between the City of Oxnard and Waste Management of California," dated September 25, 2006 ("First Amendment"), the "Second Amendment to Agreement For Solid Waste Disposal Services Between the City of Oxnard and Waste Management of California," dated September 20, 2011 ("Second Amendment"), and the "Third Amendment to Agreement For Solid Waste Disposal Services Between the City of Oxnard and Waste Management of California," dated February 7, 2012 ("Third Amendment").

RECITALS

WHEREAS, Owner is the owner and operator of the Simi Valley Landfill and Recycling Center (the "Facility") and City desires to dispose of Residual Solid Waste and Municipal Solid Waste at the Facility on the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, City may desire to deliver ADC material and Biosolids to the Facility; and

WHEREAS, Owner agrees to grant such right to dispose of Residual Solid Waste, Municipal Solid Waste, ADC material or Biosolids at the Facility on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained in this Agreement and for other good and valuable consideration, the parties agree as follows.

1. DEFINITION OF TERMS

1.1. Agreement. "Agreement" means this "Amended and Restated Agreement for Solid Waste Disposal Services Between the City of Oxnard and Waste Management of California, Inc." dated as of the Effective Date (as defined herein), including all exhibits and attachments, and any amendments hereto.

1.2. ADC Fee. "ADC Fee" means the amount to be charged by Owner for acceptance of ADC Material at the Facility, which shall include all federal, state and local fees imposed on the Facility as of the Effective Date, but shall exclude the County Integrated Waste Management Planning Disposal Fee.

1.3. Alternative Daily Cover Material. "Alternative Daily Cover Material" or "ADC Material" means processed Yard Waste or Construction Debris that is suitable for use as alternative daily cover at the Facility in accordance with the requirements of 27 CCR §20690. In order to qualify as ADC Material, processed Yard Waste must be delivered to the Facility within forty-eight (48) hours of its receipt by the City.

1.4. Biosolids. "Biosolids" means residual solids and semi solids from the treatment of water or wastewater, from which free liquid has been evaporated or otherwise removed, or organic and inorganic non-hazardous grit and screenings captured by

mechanical or hydraulic methods, from City's publicly-owned wastewater and water treatment plants, and which is acceptable for disposal at the Facility.

1.5. City. "City" means the City of Oxnard, a California municipal corporation.

1.6. Bulky Waste. "Bulky Waste" means large appliances, furniture, pipes, poles, large concrete sections, tree stumps and other similar waste materials with weights or volumes that would require additional handling at the landfill.

1.7. CalRecycle. "CalRecycle" means the California Department of Resources, Recycling and Recovery, or any successor state agency.

1.8. CPI. "CPI" means the Consumer Price Index, All Urban Consumers for the Los Angeles, Riverside, Orange County Metropolitan Area, 1982-1984 = 100, published by the U.S. Department of Labor, Bureau of Labor Statistics.

1.9. Change in Law. "Change in Law" means the occurrence of any change in law applicable to the performance of this Agreement as follows:

1.9.1.1. The adoption, promulgation, modification, or change in law, regulation, or judicial or administrative interpretation occurring after the Effective Date which adoption, promulgation, codification, or change affects the performance of this Agreement, other than laws with respect to taxes based on or measured solely by net income, or any unincorporated business, payroll, or employment taxes; or

1.9.1.2. Any action, resolution, order or judgment of any federal, state or local court, administrative agency or governmental body issued after the Effective Date if:

1.9.1.2.1. such action, resolution, order or judgment is not also the result of the willful misconduct or negligent action or inaction of the party relying thereon or of any third party for whom the party relying thereon is directly responsible; and

1.9.1.2.2. the party relying thereon, unless excused in writing from so doing by the other party, shall make or have made, or shall cause or have caused to be made reasonable efforts in good faith to contest such order or judgment (it being understood that the contesting in good faith of such an order or judgment shall not constitute or be construed as a willful misconduct or negligent action of such party); or

1.9.1.3. Any action, resolution, order or judgment made by a governmental authority or agency having authority over the Facility that imposes new or different material conditions in connection with the issuance, renewal, or modification of any permit or related agreement required for the development or operation of the Facility.

1.10. Construction Debris. "Construction Debris" means waste building materials resulting from construction, remodeling, repair or demolition operations.

1.11. Del Norte Facility. "Del Norte Facility" means the solid waste handling facility owned by City that separates some portion of incoming commingled Municipal Solid Waste into marketable recyclables, or separates mixed recyclables.

1.12. Designated Waste. "Designated Waste" shall have the meaning set forth in Section 13173 of the California Water Code. California Water Code section 13173 provides:

"Designated waste" means either of the following:(a) Hazardous waste that has been granted a variance from hazardous waste management requirements pursuant to Section 25143 of the Health and Safety Code or (b) Nonhazardous waste that consists of, or contains, pollutants that, under ambient environmental conditions at a waste management unit, could be released in concentrations exceeding applicable water quality objectives or that could reasonably be expected to affect beneficial uses of the waters of the state as contained in the appropriate state water quality control plan.

1.13. Disposal. "Disposal" means the final disposition of Residual Solid Waste hereunder at the Facility or other duly permitted disposal facility

1.14. Disposal Fee. "Disposal Fee" means the amount to be charged by Owner for disposal of Residual Solid Waste, Municipal Solid Waste or Biosolids at the Facility, which shall include all federal, state and local fees imposed on the Facility as of the Effective Date, but shall exclude the County Integrated Waste Management Planning Disposal Fee.

1.15. Effective Date. "Effective Date" is September 24, 2013.

1.16. Environmental Laws. "Environmental Laws" means all federal and state statutes, county and City ordinances concerning public health, safety and the environment including, by way of example and not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; the Federal Clean Air Act, 42 U.S.C. Section 7401 et seq.; the Emergency Planning and Community Right to Know Act, 42 U. S. C. Section 1101 et seq.; the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; the California Hazardous Waste Control Act, California Health & Safety Code Section 25100 et seq.; the California Toxic Substances Account Act, California Health and Safety Code Section 25300 et seq.; the Porter-Cologne Water Quality Control

Act, California Water Code Section 13000 et seq.; the Safe. Drinking Water and Toxic Enforcement Act, California Health and Safety Code Section 25249.5 et seq.; and the California Clean Air Act, Health and Safety Code Sections 39000 et seq.; as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

1.17. Facility. "Facility" means the Simi Valley Landfill and Recycling Center in Ventura County, California.

1.18. Garbage. "Garbage" means putrescible animal, fish, food, fowl, fruit or vegetable matter, or any product thereof, resulting from the preparation, storage, handling or consumption of such substances.

1.19. Generator(s). "Generator(s)" means any person(s) whose act or process initially produces Municipal Solid Waste, Designated Waste, Hazardous Waste, Medical Waste or any other waste product which becomes part of the waste stream.

1.20. Hazardous Waste. "Hazardous Waste" means:

1.20.1.1. All substances defined or characterized as hazardous waste by the Federal Solid Waste Disposal Act (42 U.S.C. Section 3251 et seq.), as amended, including the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.) and all further amendments thereto or regulations promulgated thereunder; and

1.20.1.2. All substances defined as hazardous waste, acutely hazardous waste, or extremely hazardous waste by Health and Safety Code Sections 25110.02, 25115, and 25117, and future amendments to recodifications of such statutes or regulations promulgated thereunder, including 23 California Code of Regulations Sections 2521; and,

1.20.1.3. Radioactive wastes.

If two or more governmental agencies having concurrent or overlapping jurisdiction over hazardous waste adopt conflicting definitions of "Hazardous Waste", for purposes of processing and disposal to land, the broader, more encompassing definitions shall be employed for purposes of this Agreement.

1.21. Medical Waste. "Medical Waste" means those materials defined in Health and Safety Code Section 117690 and does not include waste identified as not being medical wastes in Section 117700.

1.22. Municipal Solid Waste. "Municipal Solid Waste" means all putrescible and non-putrescible solid and semi-solid waste material, including but not limited to Garbage, Construction Debris and Rubbish, that is authorized for disposal at the Facility pursuant to the Environmental Laws, the permits or other approvals issued to the Facility, or any contracts between the Owner and any governmental entity having authority over the Facility relating to the operation of the Facility. Municipal Solid Waste does not include Bulky Waste, waste tires, Hazardous Waste, Designated Waste, liquid waste, asbestos, Medical Waste, sewage, sewage sludge, abandoned automobiles, or Yard Waste.

1.23. Non-Conforming Waste. "Non-Conforming Waste" means Bulky Waste, waste tires, Hazardous Waste, Designated Waste, liquid waste, asbestos, Medical Waste, sewage, sewage sludge, abandoned automobiles or Yard Waste; any waste materials not authorized for disposal at the Facility pursuant to (i) the Environmental Laws, (ii) the permits or other approvals issued to the Facility, or (iii) any contracts between the Owner and any governmental entity having authority over the Facility relating to the operation of the Facility; and any waste materials not constituting Municipal Solid Waste as defined herein.

1.24. Owner. "Owner" means Waste Management of California, Inc., which owns and operates the Facility.

1.25. Person. "Person" includes an individual, firm, association, organization, partnership, corporation, joint venture, the United States, the State of California, municipality, political subdivision, governmental agency, or any other entity whatsoever.

1.26. Recycling Facility. "Recycling Facility" means a facility owned or operated by the City located within the City that is a "Recycling Center" as set forth in Title 14, California Code of Regulations, Section 17402.5(d).

1.27. Residual Solid Waste. "Residual Solid Waste" means Municipal Solid Waste remaining for disposal after processing at the Del Norte Facility or at another Recycling Facility.

1.28. Rubbish. "Rubbish" means all waste wood, wood products, printed materials, paper, pasteboard, rags, straw, used and discarded clothing, packaging materials, ashes from residential burning, floor sweepings, and glass.

1.29. Sustainability Fee. "Sustainability Fee" means the fee imposed on the Facility under Article 3 of that certain agreement entitled "Addendum Agreement for a Sustainability Fee at the Simi Valley Landfill and Recycling Center" between Owner and the County of Ventura, dated July 19, 2011, assessed on materials received at the Facility originating from any point outside the geographic boundaries of Ventura County but within the State of California.

1.30. Term. "Term" means the Term of this Agreement, including both the Initial Term and any Successive Term.

1.31. Ton. "Ton" means a short ton of 2,000 pounds avoirdupois.

1.32. Yard Waste. "Yard Waste" means tree trimmings, grass cuttings, dead plants, leaves, branches and dead trees, and similar organic materials, scrap lumber, wood crating, pellets, wood chips, and similar materials.

2. TERM OF AGREEMENT

2.1. Term. The initial Term of this Agreement shall begin as of the Effective Date and shall continue until the close of business on November 14, 2020 (the "Initial Term"). Thereafter, this Agreement may be extended beyond the Initial Term for one or more additional terms (the "Successive Term"), for a time period to be determined by the parties, upon mutual written agreement of the parties made not less than sixty (60) days prior to the end of the Initial Term or any Successive Term.

2.2. Effect of Prior Agreement and Amendments. Commencing on the Effective Date, the parties shall have no further rights or obligations under the Prior Agreement or the First Amendment, Second Amendment, or Third Amendment, except that any indemnity obligations based on claims arising during the effective period of the Prior Agreement and First Amendment shall survive their expiration.

2.3. Termination for Convenience. Notwithstanding any provision to the contrary, both the City and Owner may terminate this Agreement for convenience, without cause or penalty, upon one hundred eighty (180) days written notice to the other. Owner is obligated to carry out all obligations under this Agreement up to and including the date of termination

for convenience and the City is obligated to pay Owner for amounts due and owing under this Agreement up to and including the date of termination for convenience. Nothing herein is intended to and nothing herein shall be construed to restrict the parties' rights in the event of a default. In the event of a default, the parties' rights shall be determined by applicable law, applied to the terms and provisions of this Agreement.

2.4. Regular Meetings. During the Term, Owner and City shall upon request by either, meet to discuss issues of service at the Facility, as well as any other issues that may arise under this Agreement.

3. RIGHTS AND OBLIGATIONS OF CITY

3.1. Residual Solid Waste; Municipal Solid Waste.

3.1.1. City has the right, but not the obligation, to deliver or cause to be delivered Residual Solid Waste from the Del Norte facility or another Recycling Facility, up to and including the entire amount of Residual Solid Waste Generated at such facilities. City may also deliver other Municipal Solid Waste generated within the City and collected by the City and transported directly to the Facility for Disposal.

3.1.2. As of the date of this Agreement, City estimates the amount of Resiual Solid Waste and Municipal Solid Waste to be delivered to the Facility is approximately _350____ per operating day and _10,600_____ tons per calendar month. This is a non-binding estimate used solely for the purpose of assisting Owner's operation of the Facility. City will use commercially reasonable efforts to deliver Residual Solid Waste and Municipal Solid Waste on a reasonably uniform basis, and further agrees to provide Owner with reasonable notice if it anticipates an increase or decrease of fifty percent

(50%) or more by weight in the amount of Residual Solid Waste or Municipal Solid Waste to be delivered on a daily basis.

3.1.3. Deliveries by City will be made by means of (i) transfer trailers originating at the Del Norte Facility, or (ii), solely with respect to Municipal Solid Waste generated within the corporate limits of City, roll-off containers, including double box roll-off containers originating at a location certified as a Recycling Center by CalRecycle, unless the parties agree in writing to other types of transport vehicles or other points of origin.

3.2. Limitation of City's Use of Disposal Facilities. Owner's commitment to accept Residual Solid Waste and Municipal Solid Waste without any delivery commitment, and at the rates set forth in Section 5.1, is expressly predicated and conditioned upon the City's commitment to not utilize any other site for the disposal of these materials other than the Facility or the Toland Road Landfill, owned and operate by the Ventura Regional Sanitation District. This commitment from City is considered as an essential part of the consideration for Owner entering into this Agreement under the terms and conditions set forth herein. During the Initial Term or any Successive Term, City shall not, directly or indirectly, dispose or cause the disposal of any Residual Solid Waste or Municipal Solid Waste at a disposal site other than the Facility or the Toland Road Landfill. In the event that either of these sites is closed or otherwise become unavailable to City, City shall direct Residual Solid Waste and Municipal Solid waste to the remaining disposal site, to the extent that capacity is available at the remaining disposal site. City may only utilize another disposal site in the event that the Facility and Toland Road Landfill, collectively, have insufficient capacity to receive Residual Solid Waste or Municipal Solid Waste generated by the City.

3.3. Alterntive Daily Cover Material. City may deliver and Owner may accept deliveries of ADC Material. Prior to initiating deliveries, City shall notify Owner in writing or by telephone of its desire to deliver ADC Material, and the estimated daily and monthly

amounts to be delivered on a daily and monthly basis. Thereafter, the parties agree to undertake good faith negotiation as to the amount of ADC Material that can be delivered and accepted, and the ADC Fee.

3.4. Biosolids.

3.4.1. City's Right to Deliver Biosolids. The City has the right, but not the obligation, to deliver Biosolids to the Facility. Owner's acceptance of Biosolids is subject to City completing and abiding by the terms of a waste profile for the material, demonstrating that the material may be accepted for disposal at the Facility in accordance with applicable law.

3.4.2. The City shall provide Owner with an estimate of Biosolids to be delivered to the Facility on a daily and monthly basis, and, in addition, shall provide Owner with at least three (3) business days notice if it anticipates a substantial increase (i.e., fifty percent (50%) or more) in the amount of Biosolids to be delivered by City on a daily or monthly basis.

4. OBLIGATIONS OF OWNER

4.1. Residual Solid Waste, Municipal Solid Waste and Biosolids. Owner is obligated to receive the Residual Solid Waste, Municipal Solid Waste and Biosolids delivered to the Facility by City for disposal on each operating day the Facility is open, subject to and in accordance with the terms of this Agreement. Owner shall immediately advise City by telephone or facsimile of any situation, event or circumstance that results in a partial of complete inability to perform Owner's obligation to accept Residual Solid Waste, Municipal Solid Waste or Biosolids delivered to the Facility in accordance with the terms of this Agreement. Owner shall use its best efforts to resume normal operations at the Facility as

soon as possible.

4.2. Alternative Daily Cover Material. Owner shall use reasonable efforts to ensure that all ADC Material delivered by the City is utilized as alternative daily cover, and that the City receives diversion credit, consistent with its operational needs for such material.

4.3. Monthly Report. Owner shall provide City with a monthly report regarding the amount of Residual Solid Waste, Municipal Solid Waste, ADC Material and Biosolids delivered to the Facility by City for each month.

4.4. Measurement. Owner shall maintain a scale system at the Facility. Owner shall make available to City the following information with respect to each delivery of Residual Solid Waste, Municipal Solid Waste, ADC Material and Biosolids: (1) calendar date; (2) time of day; (3) vehicle identification; and (4) total number of tons of Residual Solid Waste, Municipal Solid Waste, ADC Material and Biosolids delivered to the Facility and accepted by Owner. All scales and weighing equipment shall be kept in good and accurate condition operating at the standards of accuracy and reliability specified in the California Code of Regulations. The tonnage used to calculate the Disposal Fee and ADC Fee shall be based on the weight of each loaded truck measured at the weight scales described below minus the certified tare weight for each truck. City shall establish the tare weight of each truck, subject to verification by Owner using the Facility scale system. City shall allow Owner to provide a number or device to be inserted in or on each truck that will identify the truck to the scale attendant, or an automated scanner, or to provide such other device or means necessary to identify trucks using an unattended, automated system.

4.5. Disposition of Non-Conforming Waste. City and Owner shall implement procedures to identify, prevent the delivery of, or reject Non-Conforming Waste delivered to the Facility. If Owner discovers Non-Conforming Waste delivered to the Facility, Owner shall

immediately notify City. Notwithstanding the provisions of Section 9.5, such notice may be given either verbally or by facsimile to the office of City's Solid Waste Superintendent. Except as emergency conditions require, or except as required by the Facility's permits or the Environmental Laws, City shall have the first opportunity to immediately remove such refused or rejected materials. If said Non-Conforming Waste is not removed from the Facility within one business day from the date of Owner's initial notice to City (or, in the event removal within one business day is not possible despite diligent efforts by City, an additional reasonable period of time for City to diligently pursue such removal), Owner may arrange for transportation and disposal of the Non-Conforming Waste, with the reasonable costs thereof to be borne by City. In addition, Owner shall recover from City all other reasonable costs, fines and penalties incurred as the result of the delivery of Non-Conforming Waste to the Facility.

4.6. Title and Ownership. Title, ownership and responsibility for Residual Solid Waste, Municiple Solid Waste, Biosolids, and ADC Material shall pass from City to Owner at the time of unloading and acceptance of the material at the Facility; provided that title, ownership and responsibility for Non-Conforming Waste shall remain with City at all times.

4.7. Days and Hours of Operation. Subject to its permit and Ventura County contractual limits on daily tonnage, Owner shall operate the Facility for the receipt and disposal of Residual Solid Waste in accordance with the following schedule:

4.7.1. Monday through Saturday, from 7:00 a.m. to 4:00 p.m., and Sundays as mutually agreed upon. Closed on the following holidays: New Year's Day, Thanksgiving Day, Christmas, Memorial Day, Fourth of July, Labor Day. Notwithstanding the above, the Facility will be opened for one-half day on Memorial Day, Fourth of July and Labor Day at no additional cost to City upon seven days' advance written notice from City, provided, however, that City delivers not less than 400 tons of Residual Solid Waste to

the Facility. In the event City does not deliver 400 tons of Residual Solid Waste, City shall reimburse Owner the additional cost of such extended operating hours, as determined by Owner in its reasonable judgment.

4.7.2. Subject to conditions in its permits restricting operating hours, and other legal constraints, Owner shall reasonably cooperate with City to receive deliveries at other times, and in particular when necessary because of natural disasters or other special circumstances. The additional cost of such extended operating hours shall be borne by City. Such additional cost shall be mutually agreed upon by both parties in advance.

5. COMPENSATION TO OWNER

5.1. Disposal Fee.

5.1.1. Residual Solid Waste and Municipal Solid Waste. For Residual Solid Waste and Municipal Solid Waste delivered to the Facility and accepted by Owner, City shall pay a Disposal Fee based on the percentage of Residual Solid Waste delivered to the Facility compared with the total combined amount of Residual Solid Waste directly or indirectly transported for disposal from the Del Norte Facility. The initial Disposal Fee as of the Effective Date is as follows:

Percent of Total Combined Amount of Residual Solid Waste Under City Control Delivered to Facility	Disposal Fee (per ton)
<40%	$30.88
40-49%	$29.58
50-59%	$28.82
60-69%	$27.93
70-85%	$27.07
85-99%	$26.93
100%	$26.03

On or before the 10th of each month, City will provide Owner with a report identifying the amount of Residual Solid Waste delivered to the Facility, and the combined amount of Residual Solid Waste directly or indirectly transported for disposal from the Del Norte Facility during the prior calendar month. In the event that a report is not received for a calendar month by the 10th day of the following month, Owner may prepare its invoice for that month based on the percentages from the prior calendar month. Thereafter, if needed, the parties will reconcile the billing based on actual data for that calendar month.

The Disposal Fee includes all fees and charges in effect as of the Effective Date, except for the Countywide Integrated Waste Management Plan disposal fee ("CIWMP Fee"). City shall in addition to the amounts set forth above, as adjusted, pay Owner the applicable CIWMP disposal fee, to the extent such fee is or becomes imposed on or payable by the Facility.

5.1.2. Biosolids. For Biosolids delivered to the Facility and accepted by Owner, City shall pay the Disposal Fee set forth in Section 5.1.1, as adjusted, plus a surcharge of $20.32 per ton for special handling, as adjusted. The Disposal Fee includes all fees and charges in effect as of the Effective Date, except for the Countywide Integrated Waste Management Plan disposal fee ("CIWMP Fee"). City shall in addition to the amounts set forth above, as adjusted, pay Owner the applicable CIWMP disposal fee, to the extent such fee is applicable or becomes imposed on or payable by the Facility.

5.1.3. Residual Solid Waste, Municipal Solid Waste and Biosolids Originating Outside Ventura County but Within the State of California. For Residual Solid Waste, Municipal Solid Waste and Biosolids delivered to the Facility and accepted by Owner originating from outside Ventura County but within the State of California, City shall

pay the Disposal Fee set forth in Sections 5.1.1 or 5.1.2 (as adjusted), as the case may be, any CIWMP Fee, and in addition the Sustainability Fee. Currently, the Sustainability Fee is four dollars ($4.00) per ton. The Sustainability Fee will be charged based on the disposal reporting information submitted by City to Owner and The County of Ventura, which is due no later than 75 days following the end of the previous quarter, as required by 14 CCR sections 18809.1-11. Owner will invoice City for any Sustainability Fee amounts within 15 days from receipt of report, with payment in accordance with Section 5.7.

5.2. ADC Fee.

5.2.1. For ADC Material delivered to the Facility and accepted by Owner, City shall pay an ADC Fee in the amount agreed to by the parties in accordance with Section 3.3, which shall include all fees and charges in effect as of the date of this Agreement except for the CIWMP disposal fee. City shall in addition pay Owner the applicable CIWMP disposal fee and Sustainability Fee, to the extent such fees are applicable and are or become imposed on or payable by the Facility.

5.2.2. The ADC Fee includes all fees and charges in effect as of the Effective Date, except for the CIWMP Fee. City shall in addition to the amounts set forth above, as adjusted, pay Owner the applicable CIWMP disposal fee, to the extent such fee is or becomes imposed on or payable by the Facility.

5.2.3. For ADC Material delivered to the Facility and accepted by Owner originating from outside Ventura County, City shall pay the ADC Fee (as adjsuted), any CIWMP disposal fee, and in addition the Sustainability Fee, to the extent applicable. Currently, the Sustainability Fee is eight percent (8%) of the ADC Fee. The Sustainability Fee will be charged based on the disposal reporting information submitted by City to Owner

and The County of Ventura, which is due no later than 75 days following the end of the previous quarter, as required by 14 CCR sections 18809.1-11. Owner will invoice City for any Sustainability Fee amounts within 15 days from receipt of report, with payment in accordance with Section 5.7.

5.3. Fee for Other Wastes. Notwithstanding any other provision of this Agreement, City and Owner may make separate agreements as to service and fees relating to waste materials other than Residual Solid Waste, Municipal Solid Waste, Biosolids or ADC Material, including, but not limited to, Construction Debris, Bulky Waste, Designated Waste, or Yard Waste.

5.4. New or Increased Taxes, Fees and Charges. The Disposal Fee or ADC Fee shall be adjusted from time to time to allow Owner to recover City's pro rata share of any new or increased fees to the extent they become imposed on or payable by the Facility), assessments or taxes (not including income taxes and ad valorem property or possessory interest taxes, which are the responsibility of Owner), imposed directly on landfill solid waste disposal or use of alternative daily cover by any State, Local or Federal governments after the Effective Date (collectively, the "Additional Fees"), upon thirty day's advance written notice from Owner and a statement of basis for the adjustment. Notwithstanding the above, if any new or increased fees results in a Disposal Fee increase greater than 10%, City shall have the right within thirty (30) days of receipt of Owner's written notice to request that Owner negotiate in good faith regarding changes in services, or other terms and conditions, to mitigate the impact of the proposed increase. If negotiations are not successfully concluded within sixty (60) days following Owner's receipt of the City's written request, City shall have the right to give a one hundred and eighty (180) day notice of termination and terminate this Agreement. In the event City elects to terminate this Agreement there shall be no Disposal Fee increase for the then-remaining term of the Agreement.

5.5. Change in Law. The Disposal Fee or ADC Fee shall be adjusted from time to time to allow Owner to recover City's pro rata share of any increased costs of operation of the Facility arising from a Change in Law, upon (30) thirty day's advance written notice from Owner and a statement of basis for the adjustment. Notwithstanding the above, if a change in law results in a Disposal Fee increase greater than 10%, City shall have the right within thirty (30) days of receipt of Owner's written notice to request that Owner negotiate in good faith regarding changes in services, or other terms and conditions, to mitigate the impact of the proposed increase. If negotiations are not successfully concluded within sixty (60) days following Owner's receipt of the City's written request, City shall have the right to give a one hundred and eighty (180) day notice of termination and terminate this Agreement. In the event City elects to terminate this Agreement there shall be no Disposal Fee or ADC Fee increase for the then-remaining term of the Agreement.

5.6. Annual Adjustment. The annual price adjustment for the Disposal Fee and shall be based on the CPI and shall first be effective July 1, 2014 and on July 1 of each subsequent year during the term of this Agreement. The Disposal Fee and ADC Fee shall be increased on July 1 by the percentage increase in the annual average CPI for the preceding January to December. These calculations are mathematically and hypothetically illustrated for the first CPI adjustment (July 2014) as follows in Exhibit A.

5.7. Billing and Payment Procedure. On or before the 20th day of each month, Owner shall submit to City an invoice for Disposal Fees and ADC Fees, and for any applicable additional charges as allowed by the terms of this Agreement for the prior calendar month, except for the Sustainability Fee. The Sustainability Fee will be invoiced separately in accordance with Sections 5.1.3 and 5.2.3. Payment shall be due (30) thirty days from City's receipt of the invoice. Owner may charge City interest on past due accounts up to twelve percent (12%) per annum (one percent (1%) per month). If City disputes any amount billed by Owner, City shall provide written objection within twenty (20) days of receipt of the

invoice containing the disputed amount. City shall pay any amount not in dispute. The parties shall promptly attempt to resolve any dispute, but in the event the dispute is not resolved, either party may pursue legal action.

Invoices related to Residual Solid Waste, Municipal Solid Waste, ADC Material and other materials will be submitted to:

City of Oxnard
Solid Waste Superintendent
111 S. Del Norte Blvd.
Oxnard, CA 93030

Invoices related to Biosolids will be submitted to:

City of Oxnard
Wastewater Superintendent
6001 Perkins Road
Oxnard, CA 93033

6. INDEMNITY AND INSURANCE

6.1. Indemnification of City. Owner shall indemnify defend and hold harmless City and its member agencies, officers, directors, employees, agents, representatives and the members of City's and City's member agencies and legislative bodies, from and against any and all liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses, including without limitation claims based in tort or for death or personal injury, or damage to property or for contribution or indemnity claimed by third parties against City or incurred by City, known or unknown, contingent or otherwise, directly or indirectly, arising from

occasioned by, or related to Owner's performance of, or its failure to perform its obligations under this Agreement or under any federal, state or local law, statute, order or regulation, or related in any way to Owner's management of City's Residual Solid Waste at the Facility, including, without limitation, the design, construction, operation (including without limit, the delivery of waste to, or the acceptance and disposal of Municipal Solid Waste, Biosolids, and ADC material at the Facility) of the Facility, or related to the closure or post-closure maintenance of the Facility. "Liability, demands, claims, costs, losses, damages, recoveries, settlements and expenses", as set forth in this Section, include, without limitation, property damage, bodily injury or death, or any damage to natural resources or the environment (including damages from the release of hazardous substances) or cost of environmental clean-up including those that arise under any federal, state or local law, or regulation, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 USCA Section 9601 et. seq.); the Resource Conservation and Recovery Act (42 USCA Section 6901 et. seq.); the Clean Water Act (33 USCA Section 1251 et seq.); the Clean Air Act (42 USCA Section 7401 et. seq.); the Hazardous Substances Account Act (California Health and Safety Code Section 25300 et. seq.); and the Porter-Cologne Water Quality Control Act (California Water Code Section 13000 et seq). Owner shall defend City at Owner's sole cost and expense, including, but not limited to, reasonable attorneys fees, direct litigation costs and expert witness and consultant fees, in any legal or administrative action or proceeding based upon any such liability, demand, claim, cost, loss, damage, recovery, settlement or expense. Owner shall select legal counsel in any matters in which City is indemnified hereunder, subject to the reasonable approval of City. Such legal counsel may also be counsel for Owner. The obligations of Owner set forth in this Section are effective as to contamination, occurring as a "sudden and accidental" event or occurring over a more extended period of time.

Notwithstanding the above, the foregoing indemnity shall not apply to the extent any liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses

directly or indirectly, arise from, are occasioned by, or relate to the negligent or intentional acts or omissions of City, or its officers, employees, subcontractors or agents, occurring in the course of City's performance of its obligations under this Agreement, acts or omissions in violation of the Environmental Laws, or the delivery of Non-Conforming Waste to the Facility.

6.2. Indemnification of Owner. City shall indemnify defend and hold harmless Owner and its officers, directors, employees, agents, and representatives from and against any and all liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses, including without limitation claims based in tort or for death or personal injury, or damage to property or for contribution or indemnity claimed by third parties against Owner or incurred by Owner, known or unknown, contingent or otherwise, directly or indirectly, arising from occasioned by, or related to the negligent or intentional acts or omissions of City, or its officers, employees, subcontractors or agents, occurring in the course of its performance of its obligations under this Agreement, including acts or omissions in violation of the Environmental Laws, or the delivery of Non-Conforming Waste to the Facility.

6.3. Insurance.

6.3.1. City is self insured under provisions of California Law for amounts up to $1,000,000 for automobile and general liability purposes, and up to $300,000 for workers' compensation purposes. With respect to insurance above these amounts, City is a member of BICEP, an organization of California cities that pool risk. City will, upon written request, provide Owners such documentation as appropriate to evidence and describe City's insurance arrangements. The City shall promptly inform Owner in the event it terminates its membership in BICEP. The City shall make arrangements for

equivalent insurance coverage effective upon the termination of its membership in BICEP, and shall promptly notify Owner of such alternative arrangements in writing.

6.3.2. Owner's Minimum Coverage. Owner agrees to maintain Insurance coverage for any liability, loss, expense or claim which may arise out of or result from Owner's performance under this Agreement, whether such performance be by Owner or by any contractor of Owner or anyone directly or indirectly employed by Owner or such contractor, or by anyone for whose act Owner may be liable, with the following limits, which limits shall be adjusted every three years by the increase in the Consumer Price Index, using the same formula described for price adjustments in Section 5.6:

6.3.2.1. General liability insurance, including comprehensive form, premises operation and broad form property damage coverage, with a limit of not less than Two Million Dollars ($2,000,000) combined single limit coverage;

6.3.2.2. Automobile liability insurance, including comprehensive form, including loading and unloading, owned, hired and non-owned coverage, with a limit of not less than Five Million Dollars ($5,000,000) combined single limit coverage;

6.3.2.3. Contractual personal injury liability and contractual property damage insurance covering liability assumed under this Agreement, with a limit of not less than Two Million Dollars ($2,000,000) combined single limit coverage;

6.3.2.4. Workers' compensation insurance as required by law; and

6.3.2.5. Employer's Liability Insurance with a limit of not less that One Million Dollars ($1,000,000).

6.3.3. Certificates. City is self insured, with excess coverage and pool participation as provided under California Law. City agrees to provide Owner with information concerning City's self insured provisions upon written request by Owner. Certificates of Owner's insurance acceptable to City shall be filed with City prior to commencement of any operation or performance under this Agreement. The certificates shall state that City, its City Council, officers, employees, agents and volunteers are additional insureds for coverage in 6.3.2.1-3 above, that the insurance afforded shall be primary insurance, and that coverage afforded under the policies will not be canceled until at least thirty (30) days' prior written notice (ten (10) days in the event of cancellation for non-payment) has been given to City.

6.3.4. Each subcontractor performing services pursuant to this Agreement shall be covered by the above policies, respectively, or by a separate policy or policies having the same limits, terms and conditions.

6.3.5. Owner shall provide the above coverages with an insurance carrier having an A.M. Best's rating of A VII or higher.

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

7. DEFAULT BY CITY

7.1. Right to Suspend or Terminate Upon Default. City shall be in default under this Agreement, and Owner shall have the right to suspend or terminate this Agreement, in the event City fails to perform its obligations under this Agreement and fails to cure such breach within thirty (30) days after receiving notice from Owner specifying the breach; provided

that if the nature of the breach is such that it will reasonably require more than thirty (30) days to cure, City shall not be in default so long as it promptly commences action required to cure the breach within ten (10) calendar days after receipt of such notice and continues such performance diligently until the cure is completed. Notice of default shall be in writing and delivered to the representative of City designated in Section 9.5.

7.2. Owner's Remedies Cumulative. Owner's rights to suspend or terminate this Agreement under Section 7.1 are not mutually exclusive, and Owner's exercise of one such right shall not constitute an election of remedies. Instead, they shall be in the alternative and in addition to any and all other legal and equitable rights and remedies that Owner may have.

8. DEFAULT BY OWNER.

8.1. Right to Suspend or Terminate Upon Default. Owner shall be in default under this Agreement and City shall have the right to suspend or terminate this Agreement in the event Owner fails to accept and dispose of Residual Solid Waste or ADC Material as required by Section 4 or otherwise fail to perform its obligations under this Agreement and fails to cure such breach within thirty (30) days after receiving notice from City specifying the breach, provided that if the nature of the breach is such that it will reasonably require more than thirty (30) days to cure, Owner shall not be in default so long as Owner commences action required to cure the breach within ten (10) calendar days after receipt of such notice and continues such performance diligently until the cure is completed. Notice of default shall be in writing and delivered to the representative of Owner designated in Section 9.5.

8.2. City's Remedies Cumulative. City's rights to suspend or terminate this Agreement under Section 8.1 are not mutually exclusive, and City's exercise of one such right shall not

constitute an election of remedies. Instead, they shall be in the alternative and in addition to any and all other legal and equitable rights and remedies that City may have.

9. OTHER AGREEMENTS OF THE PARTIES

9.1. Relationship of Parties. The parties intend that Owner shall perform the services required by this Agreement as an independent contractor engaged by City and not as an officer or employee of City nor as a partner of or joint venturer with City. No employee or agent of Owner shall be or shall be deemed to be an employee or agent of City. Except as expressly provided herein, Owner shall have the exclusive control over the manner and means of conducting the Residual Solid Waste disposal services performed under this Agreement and all persons performing such services. Owner shall be solely responsible of acts and omissions of its officers, employees, subcontractors, and agents. Neither Owner, nor its officers employees, subcontractors or agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to City's employees by virtue of their employment with City.

9.2. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

9.3. Parties in Interest. Nothing in this Agreement, whether express or implied, is intended to confer any right on any Persons other than the parties to it and their representatives, successors and permitted assigns.

9.4. Waiver. The waiver by either party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach of violation of the same or any other provision. The subsequent acceptance by either party of any moneys that become due hereunder shall not be

deemed to be a waiver of any pre-existing or concurrent breach or violation by the other party of any provision of this Agreement.

9.5. Notice. Except as provided otherwise herein, any notice required under this Agreement shall be made either by personal delivery or by registered or certified mail, return receipt requested, and shall be deemed given upon personal delivery or within three (3) days of mailing. Notices shall be given to the parties at the following addresses:

To Owner:

District Manager
Simi Valley Recycling and Disposal Facility
2801 N. Madera Road
Simi Valley, CA 93065-6208

With a Copy to:

Waste Management—Southern California Market Area
9081 Tujunga Avenue
Sun Valley, CA 91352
Attn: Legal Counsel

To City:

City of Oxnard
Solid Waste Superintendent
111 South Del Norte Blvd.
Oxnard, CA 93030

With a Copy To:

City of Oxnard
City Attorney
300 West Third Street, Suite 300
Oxnard, CA 93030

Either party may change the location of individuals for receipt of notices hereunder by providing written notice to the other party as aforesaid.

9.6. Approvals. Except as provided otherwise herein, whenever this Agreement calls for the consent, review, approval, action or permission of a party, such party shall act reasonably under the circumstances, and such consent, review, approval, action or permission shall not be arbitrarily or unreasonably taken, given, withheld, exercised or delayed.

9.7. Force Majeure.

9.7.1. Neither Owner nor City shall be in default of its obligations under this Agreement in the event, and for so long as, it is impossible or impracticable for it to perform its

obligations due to an "act of God" (including, but not limited to, flood, earthquake or other similar catastrophic events), war, insurrection, riot, acts of any government (including judicial action), condemnation or other taking by a governmental entity, Change in Law, labor unrest (including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by Owner's employees or directed at Owner or third parties) or other similar causes which are not the fault of, and beyond the reasonable control of, the party claiming excuse from performance.

9.7.2. Any interruption or discontinuance of Owner's ability to accept and dispose of Residual Solid Waste caused by one or more of the events described in this section shall not constitute an event of default by Owner under this Agreement.

9.7.3. If either City's or Owner's performance is affected by any such event, it shall give written notice to the other party as soon as it is reasonably practical and further, shall diligently attempt to resolve such condition.

9.8. Authority of City. City hereby represents it has the power and authority to execute this Agreement and to be bound by the terms and conditions contained herein. City further represents that it has the authority to direct the disposal of Residual Solid Waste to the Facility on behalf of City during the entire Term hereof.

9.9. Other Remedies. In addition to the other remedies expressly provided for elsewhere herein, the parties may exercise any and all rights and remedies provided by law or equity for any breach of this Agreement.

10. MISCELLANEOUS PROVISIONS

10.1. Entire Agreement. This Agreement represents the full and entire agreement between the parties with respect to the matters covered herein and supersedes all prior negotiations and agreements, either written or oral.

10.2. Section Headings. The article headings and section headings in this Agreement are for convenience of reference only and are not intended to be used in the construction of this Agreement and not to alter or affect its provisions.

10.3. Interpretation. This Agreement shall be interpreted and construed reasonably and neither for nor against either party, regardless of the degree to which either party participated in its drafting.

10.4. Amendment. This Agreement may not be modified or amended in any respect except by a writing signed by the parties

10.5. Severability. If any non-material provision of this Agreement is for any reason deemed to be invalid, and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement, which shall be enforced as if such invalid or unenforceable provision had not been contained herein.

10.6. Attorneys' Fees. Subject to the provisions of Section 9.3, the prevailing party in any arbitration or litigation brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with such an action from the other party.

10.7. References to Laws. All references in this Agreement to laws and regulations shall be understood to include such laws and regulations as they may be subsequently amended or rectified, unless other specifically provided. In addition, references to specific governmental

agencies shall be understood to include agencies that succeed to or assume the functions they are currently performing.

10.8. Definitions. Capitalized terms used in this Agreement without definitions have the meanings specified in the Definitions section, unless the context clearly requires otherwise.

10.9. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original.

10.10. Successors/Assignment. This Agreement shall bind the successors, assigns and legal representatives of the parties. This Agreement may not be assigned by either party without the advance written consent of the other, which consent shall not be withheld unreasonably nor required for an assignment to an affiliate of Owner. In determining whether to grant or withhold consent a party may consider the financial strength of the proposed assignee as compared to the financial strength of the party seeking assignment, the experience and reputation of the assignee in the industry, and such other factors as are commercially reasonable.

IN WITNESS WHEREOF, City and Owner have executed this Agreement as of the date and year first above written.

CITY OF OXNARD

By: _____
Tim Flynn, Mayor

WASTE MANAGEMENT OF CALIFORNIA, INC.

By: _____

Name: Mike Smith
Mike Smith
Vice President, Market Area
General Manager

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO INSURANCE

James Cameron, Risk Manager

APPROVED AS TO FORM:

Stephen M. Fischer, Acting City Attorney

APPROVED AS TO AMOUNT:

Karen R. Burnham, Interim City Manager

APPROVED AS TO CONTENT:

Rob Roshanian, Interim Public Works Director

EXHIBIT A

EXAMPLE RATE ADJUSTMENT METHODOLOGY

C PI Adjustment = A x (B-C) / C

A = Disposal Fee, Effective Date (Disposal Fee) = $27.07 (for example, calculation would be made for each rate in the rate matrix)

B= 2013 Annual Average CPI (Consumer Price Index All Urban Consumers Los Angeles-Riverside-Orange County 1982-1984=100) = 242.564(a hypothetical value for example only)

C= 2012 Annual Average CPI (Consumer Price Index All Urban Consumers Los Angeles-Riverside-Orange County 1982-1984=100) = 236.648

July 2014 Disposal Fee CPI Adjustment =

= $27.07 ((242.564 – 236.648) ÷ 236.648)
= $27.07 x 0.025
= $0.68

July 2014 Disposal Fee = Disposal Fee + CPI Adjustment
= $27.07 + $0.68
= $27.75

CITY OF OXNARD CALIFORNIA

Meeting Date: 10/01/13

ACTION	TYPE OF ITEM
☐ Approved Recommendation	☐ Info/Consent
☐ Ord. No(s).	■ Report
☐ Res. No(s).	☐ Public Hearing (Info/consent)
☐ Other	☐ Other

Prepared By: Danielle M. Navas, City Treasurer DMavas Agenda Item No. K-1

Reviewed By: City Manager KRB City Attorney SMF Finance JL Other N/A

DATE: August 15, 2013

TO: City Council

FROM: Danielle M. Navas, City Treasurer Danielle M Navas

SUBJECT: **Investment Policy and Annual Report of Investment Activity**

RECOMMENDATION

That City Council:

1. Approve the Investment Policy for the City of Oxnard.

2. Adopt a resolution delegating investment authority to the City Treasurer.

DISCUSSION

Mandated by Government Code Section 53646, as amended effective January 1996, this statement of investment policy is to be provided to the City Council at a public meeting. Although the State waived this mandate, the City Treasurer will continue to provide an investment report and an update of the Investment Policy following fiscal year end.

The Investment Policy (Attachment 1) per certification by the Municipal Treasurers Association of US and Canada has proven to be a valuable document which provides direction with the flexibility to maintain portfolio performance in changing interest rate markets.

Investment Procedures

The City of Oxnard's portfolio is conservative and planned with safety of principal as the first objective followed by provision for funds when needed. Yield is important after these two objectives have been met. The portfolio is diversified as to type of investment, financial institution and maturity. Securities with maturities of more than thirty days are delivered to the City's third-party safekeeping account. City funds are consolidated in the pooled money investment fund to provide maximum investment opportunity. Analysis of cash-flow provides data for anticipated income, clearance of outstanding checks, and dates for extraordinary expenditures to manage liquidity requirements.

Interest Earnings

The Federal Funds rate continues, unchanged, at .00-25 percent. For FY 2012/13, the City earned an average of .91 percent compared with the LAIF average annual rate for the same period of .31 percent,

and the two-year treasury market average of .30 percent. Total net earnings of *$ 989,000.00 were produced from an investment portfolio balance of $98,250,000.

GASB Reporting Requirements

Quarterly portfolio reports, stating market value of each investment, have been presented to City Council. In addition to this reporting requirement, the difference between the book value and the market value of the portfolio is shown at year-end as either profit, when market value exceeds book value, or a loss. As stated in the investment policy, instruments are purchased with defined maturities and held to maturity thus receiving full value of the investment. Holding investments to maturity provides a stable portfolio with no actual loss of principal.

Effective Cash Management

The City Treasurer's Department coordinates with the Finance Department General Accounting and other departments for amounts and payment dates of bond, interest, and other wired payments as well as anticipated payroll and accounts payable disbursements to manage cash flow and liquidity needs.

California Municipal Treasurers' Association

The California Municipal Treasurer's Association (CMTA) is a valuable resource to the City. The Treasurer's continued attendance at the workshops and annual conference assist in being informed of the new legislation or investment instruments effecting municipalities in today's ever changing economy.

* Adjustment at year-end closing may require minor modification to this amount.

FINANCIAL IMPACT - None

Attachment #1 - Statement of Investment Policy
#2 - Resolution

STATEMENT OF INVESTMENT POLICY
FOR THE CITY OF OXNARD (CITY)
SEPTEMBER 2013

1.0 INTRODUCTION

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 of Oxnard to invest public funds in a manner which 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.

2.0 SCOPE

This investment policy applies to the City's pooled investment fund, which encompasses all monies under the direct oversight of the City Treasurer. These include 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 are not included in the City Treasurer's monthly report of the pooled investment fund. The employee's retirement and deferred compensation funds are not included.

3.0 PRUDENCE

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 investment, considering the probable safety of their capital as well as the probable income to be derived.

3.1 The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. 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 security's credit 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 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 Treasurer maintains a diversified portfolio to accomplish the primary objectives of safety, liquidity, and yield (in that order of priority).

4.1 Safety: The safety/risk associated with an investment refers to the potential loss of principal, accrued interest or a combination of these. The City seeks to mitigate credit risk by prequalifying and continual monitoring of financial institutions with which it will do business, and by careful scrutiny of the credit worthiness of the investment instruments as well as the

ATTACHMENT #1
PAGE 1 OF 30

institutions. Such resources as the Sheshunoff Performance Report, Moody's rating service, and Standard & Poor's rating service may be utilized for this review. The City seeks to mitigate rate risk through diversification of instruments as well as maturities.

4.2 Liquidity: The portfolio will be structured with sufficient liquidity to allow the City to meet 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 with immediate withdrawal provision.

4.3 Yield: A competitive market rate of return is the third objective of the 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 each year and may be renewed by the City Council (Appendix 5, Section 53607).

5.1 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.

5.2 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.

5.3 The City Treasurer retains the authority to amend the Investment Policy, Guidelines, and Procedures at any time in order to carry out the duties as chief investment officer for the City of Oxnard. Notice of any such required amendment will be given to the Investment Review Committee and the City Council.

6.0 ETHICS AND CONFLICTS OF INTEREST

The City Treasurer shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair the ability to make impartial investment decisions. The City Treasurer is governed by The Political Reform Act of 1974 regarding disclosure of material financial interests.

7.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The City Treasurer shall transact business only with banks, savings and loans, and securities dealers.

7.1 Authorization: The City may conduct business with major registered broker/dealers and with dealers designated Primary by the Federal Reserve provided all the following criteria are met. Broker/Dealers must: 1) have offices located in the State of California, 2) be adequately capitalized, 3) make markets in securities appropriate to the City's needs, 4) agree to abide by the conditions set forth in the City of Oxnard'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 (Appendix 3/4) and required documentation. An annual review of the financial condition and registrations of qualified bidders will be conducted by the City Treasurer.

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

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

California Government Code Section 53601 (Appendix 5) 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.

8.1 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.

8.2 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.

8.3 Other 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, 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.

A maximum of 15% of the portfolio may be so invested with the approval of the Investment Review Committee.

8.4 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.

8.5 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, 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.

8.6 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 Sheshunoff performance rating of A or better is required for those institutions not rated by Moody's or Standard & Poor's. NCDs are considered liquid, trading actively in the secondary market.

8.7 Certificates of Deposit (CDs): Certificates of deposit or "time deposits" of up to $100,000 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 40 percent of the portfolio and to a maximum of 15 percent deposited in any one institution. In addition, time deposits shall be placed in institutions meeting all capital requirements and which maintain a rating equivalent to Sheshunoff performance rating of A or better.

8.8 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.

8.9 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).

8.10 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 53630, are permitted investments. Section 53601(k) further defines requirements. A maximum of 15 percent of the portfolio may be so invested.

8.11 Local Agency Investment Fund (LAIF): The Local Agency Investment Fund has been established by the State Treasurer for the benefit of local agencies. The City may invest up to the maximum permitted by the LAIF.

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

8.13 With the approval of the City Council and concurrence of the City Treasurer, funds may be invested in short term loans to provide specific funding to City Programs.

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

10.0 SAFEKEEPING AND CUSTODY

Security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. Securities of duration exceeding 30 days to maturity shall be held by a third party

custodian designated by the City Treasurer. Evidence of account for each time deposit will be held in the Treasury vault.

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,

11.1 Security Type and Institution: With the exception of U.S. Treasury securities and authorized pools, no more than 50 percent of the total portfolio will be invested in a single security type and no more than 15 percent with a single financial institution. Investments are further limited by specific language relating to each investment type as stated in Section 7 of this Policy.

11.2 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 (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.

12.1 Investment Review Committee: The City Manager, Finance Director, and City Treasurer are the members of the Investment Review Committee tasked with quarterly review of procedures and adherence to this Investment Policy.

12.2 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.

12.3.1 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) outside audit firm.

13.0 PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market-average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow needs. The market-average rate of return is defined as the average return on three-month Treasury bills. In addition, the City portfolio will be compared with LAIF and expected to maintain an annual yield within 0.50 (1/2 of 1 percent) basis points of LAIF's annual yield.

14.0 REPORTING

The City Treasurer shall provide investment information to City Council.

14.1 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, and Finance Director. Within thirty days of the end of each quarter, these reports will be provided with additional information such as market pricing. Summarized reports from Trustees regarding investments of bond proceeds, deferred compensation, and retirement funds are available for review.

14.2 Annual Report: This Investment Policy will be presented annually, following the close of the fiscal year, to the City Council for approval. A detailed report of the current status of the portfolio will be included in this presentation.

14.3 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.

14.4 California Debt and Investment Advisory Commission: Effective January 1, 2001, investment reports issued to City Council will also be distributed semi-annually to the California Debt and Investment Advisory Commission.

14.5 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).

APPENDIX

No. 1 Glossary
No. 2 Investment Portfolio Guidelines
No. 3 Bank/Savings & Loan Questionnaire and Certification
No. 4 Broker/Dealer Questionnaire and Certification
No. 5 California Government Code Sections related to Investment of Public Funds

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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 interdealer 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.

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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 $100,000 per deposit.

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 Maes.

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.

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.

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.

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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.

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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 fund ledger 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 her absence, the Assistant City Treasurer will execute transactions as prescribed by the City Treasurer prior to 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 and related intent of holding until maturity. 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 Sungard 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 the Assistant City Treasurer (or designee) who enters the transaction on the cash balance spread sheet.

4. At month end the balances on the spreadsheet, maintained by the Assistant City Treasurer (or designee), must balance with the portfolio balance maintained independently by the Sungard 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 Finance Director. 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 Finance Director 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

OFFICE OF THE CITY TREASURER

BANK/SAVINGS & LOAN QUESTIONNAIRE AND CERTIFICATION

1. Name of Firm _____

2. Address _____

3. Telephone No. (____)_____ (____)_____
(Local) (National Headquarters)

4. Primary Representative: Manager:

Name: _____ Name _____

Title _____ Title _____

Telephone No. (____)_____ Telephone No. (____)_____

5. What is the total of assets of the Bank/Savings & Loan? _____

6. What are the current ratios? Prior Year?

Net Worth	_____	_____
Tangible Capital	_____	_____
Core-based Capital	_____	_____
Risk-based Capital	_____	_____

7. Has there been a year during the past three years in which the Bank/Savings & Loan did not make a profit?

8. What is the education level of the Primary Contact(s)? _____

9. How many years of related experience does the Primary Contact(s) have? _____

10. Where is the collateral for Time Deposits of the Bank/Savings & Loan held?

_____

11. Has there been a period during the past five years when Time Deposits of the Bank/Savings & Loan have not been fully collateralized? If Yes, explain.

_____

12. Describe the precautions taken by your Bank/Savings & Loan to protect the interest of the public when dealing with government agencies as depositors or investors.

_____

13. What other banking services would you be interested in providing the City of Oxnard?

14. What transaction documents and reports would we receive? _____

15. What information would you provide to our Investment Officer? _____

16. Please provide your entity's most recent certified financial statement.

17. Please provide your Contract of Deposit of Moneys pre-signed and sealed by your institution as well as any signature cards that you may require.

18. Please provide your wiring instructions. _____

-- CERTIFICATION --

I hereby certify that I have personally read the City of Oxnard's Investment Policy and the California Government Codes pertaining to the investments of the City of Oxnard, and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the City of Oxnard. All sales personnel will be routinely informed of City of Oxnard's investment objectives, strategies and risk constraints whenever we are so advised. We pledge to exercise due diligence in informing the City Treasurer of all foreseeable risks associated with financial transactions conducted with our firm. I attest to the accuracy of our responses to your questionnaire.

NOTE: Completion of Questionnaire is only part of the City of Oxnard's Certification process and DOES NOT guarantee that the applicant will be approved to do business with the City.

SIGNED _____
DATE _____

(countersigned by company president or person in charge of government security operations)

_____

CITY OF OXNARD

BROKER/DEALER QUESTIONNAIRE

SECTION I: STATEMENT OF POSITION AND GENERAL REQUIREMENTS

The City of Oxnard (hereinafter referred to as the "City") is a general law city operating under the laws of the State of California. The City manages an operational portfolio ranging in size from $150 million to $190 million which is mainly comprised of U.S. Treasury and Agency obligations, corporate and medium term notes and deposits in the State of California Local Agency Investment Fund.

A copy of the City's Investment Policy is provided with this document. Each broker/dealer must certify that he/she has read the Policy and will incorporate due diligence in conforming to the provisions of the City's Investment Policy as well as all applicable state and federal regulations as applicable to the investment activities of California municipalities.

The City maintains relationships with qualified members of the broker/dealer community who, in their opinion, understand the needs, constraints and goals of the City.

Broker/dealers will be notified of their approval by the City in writing. No transactions will be conducted with an approved broker/dealer until all paperwork required by both parties has been executed. The City solicits competitive bids and offers on the majority of its transactions. All securities will be delivered against payment to the third-party custodian named by the City.

SECTION II—PART 1: REQUEST FOR GENERAL INFORMATION FROM BROKER/DEALER CANDIDATE

1. Name of Firm _____

2. Address (local) _____

   Address (main) _____

3. Telephone (local) ( )_____ ( )_____

   Telephone (main) ( )_____ ( )_____

4. Contact Personnel (Please provide an attachment if more space is required)

_____	_____
Name (Main Contact)	Name
_____	_____
Title	Title
_____	_____
Telephone	Telephone

Provide background information concerning the account representatives listed above. Please include information on the individual's employment history as it relates to the securities industry. Official

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licenses and certificates, the history and details of any disciplinary actions or complaints and the disposition of each as well as the history of any arbitration or litigation, the nature of the case and status of disposition.

5. Please provide the following information regarding at least three comparable clients with whom the City's representative(s) listed in No. 4 has/have an established relationship.

Client Name _____ Contact _____

Address _____

Length of Relationship _____ Telephone _____

Client Name _____ Contact _____

Address _____

Length of Relationship _____ Telephone _____

Client Name _____ Contact _____

Address _____

Length of Relationship _____ Telephone _____

Client Name _____ Contact _____

Address _____

Length of Relationship _____ Telephone _____

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6. Has/have the representative(s) listed in No. 4 been authorized by the firm to be account representative(s) for the City of Oxnard?

   ❒ Yes ❒ No If yes, by whom? _____

7. List the name of the immediate supervisor of the account representative(s) named in your response to No. 4.

   _____

   Briefly describe any formal program of supervision of the account representative(s) name in No. 4, if your firm has established such a program.

   _____

   _____

   _____

8. Is your firm a member of NASD? ❒ Yes ❒ No
   If no, why not? _____

   _____

9. Place an "x" by each regulatory agency that regulates or examines your firm. (Multistate firms: It is not necessary to include regulatory agencies that do not have jurisdiction over your firm's activities in Oxnard)

   ❒ FDIC ❒ SEC ❒ NYSE ❒ Comptroller of Currency ❒ Federal Reserve System

   ❒ Other _____

   _____

10. Have you obtained all required licenses to operate as a broker/dealer in the State of California?

    ❒ Yes ❒ No

11. If you are not a bank, please provide the following information regarding your principal banking relationship.

    _____ _____
    Bank Name License Number(s)

    _____
    Address

    _____ _____
    Person to Contact Telephone

    _____

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CITY OF OXNARD

BROKER/DEALER QUESTIONNAIRE

Place an "x" by each instrument set forth below in which you make an active market (both buy and sell).

❒ T-Bills ❒ T-Notes/Bonds ❒ BAs ❒ Commercial Paper

❒ Bank CDs ❒ S&L CDs ❒ FHLBs ❒ FHLMCs ❒ FNMA ❒ MTNs

Please specify other Federal Agencies _____

Instrumentalities _____

12. Does your firm specialize in any of the instruments listed above? ❒ Yes ❒ No

If so, please specify which ones. _____

_____

13. What reports, confirmations, paper trails do you provide? _____

_____

14. Please provide samples of research reports or market information that your firm regularly provides to local agency clients. _____

_____

SECTION II—PART II: REQUEST FOR BROKER/DEALER DISCLOSURE

15. To the best of your knowledge, has there been any "material" litigation, arbitration or regulatory proceeding, either pending, adjudicated or settled, to which your firm has been subject within the last five years concerning the suitability of the sale or purchases of securities to institutional clients or fraudulent or unfair practices related to the sale of securities to an institutional client? If so, please describe each such matter briefly. For purposes of this section, proceedings are "material" if your independent accountant applying generally acceptable accounting principles determines that such proceedings required disclosure on your financial statements.

Any "material" proceedings? ❒ Yes ❒ No If yes, provide attachment with explanation.

16. Please provide your most current audited financial statements. In addition, for those dealers preparing and submitting financial statements to the following organizations, please provide publicly available financial documents filed with these agencies for the previous two years: National Association of Securities Dealers, Securities and Exchange Commission, New York Stock Exchange and Federal Deposit Insurance Corporation, U.S. Federal Reserve Bank.

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CITY OF OXNARD

BROKER/DEALER QUESTIONNAIRE

SECTION III: CERTIFICATION

I hereby certify that the preceding is true and correct to the best of my knowledge and that I am authorized to execute this request for information on behalf of the broker/dealer firm. The firm has in place reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between the firm and the City of Oxnard.

All individuals assigned to the City's account have read the City's Investment Policy, dated September 1998, understand the objectives and constraints set forth by the policy, agree to disclose potential conflicts or risks to public funds that might arise out of business transactions between the firm and the City, and will incorporate due diligence in conforming to the provisions of the policy as well as all applicable state and federal regulations as they apply to the investment activities of California municipalities.

The firm shall be provided an annual Statement of Investment Policy for the City of Oxnard and shall be informed of any changes to the policy. The firm shall be responsible to keep informed of City's Investment Policy. The undersigned certify that no securities will be sold to the City which are in violation of State code or City policy; however, the City shall be responsible for ensuring compliance with percentage limits established by State code and City policy.

Name of Firm	
Name of Broker Assigned to City Account	Signature
Title	Date
Name of Principal	Signature
Title	Date

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GOVERNMENT CODE SECTION 53600-53608

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.

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.

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.

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.

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 money in a sinking fund or money in its treasury not required for the immediate needs of the local agency may invest any portion of the money 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, which 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 United 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 United States, in addition to California.

(e) Bonds, notes, warrants, or other evidences of indebtedness of any 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 may not exceed 180 days' maturity or 40 percent of the agency's money that may be invested pursuant to this section. However, no more than 30 percent of the agency's money 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 any money in its treasury in any 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 "A" or higher by a nationally recognized statistical-rating organization (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 program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond.

(C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization (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 money 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 a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the agency's money 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 money 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 any 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.

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(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 purpose 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 "A" or better by an NRSRO. Purchases of

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medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of the agency's money 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 (o), 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 NRSRO's.

(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 (o), 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 NRSRO's.

(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 any commission that the companies may charge and shall not exceed 20 percent of the agency's money 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) Any mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by an NRSRO and rated in a rating category of "AA" or its equivalent or better by an NRSRO. Purchase of securities authorized by this subdivision may not exceed 20 percent of the agency's surplus money that may be invested pursuant to this section.

(p) Shares of beneficial interest issued by joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (o), 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 (o), inclusive.

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

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.

53601.2. As used in this article, "corporation" includes a limited liability company.

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.

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 (k) of Section 53601.

53601.8. Notwithstanding Section 53601 or any other provision of this **code**, a local agency, at its discretion, may invest a portion of its surplus funds in certificates of deposit 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 certificates of deposit, provided that the purchases of certificates of deposit pursuant to this section, Section 53635.8, and subdivision (h) of Section 53601 do not, in total, exceed 30 percent of the agency's funds that may be invested for this purpose. 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 submit the funds to a private sector entity that assists in the placement of certificates of deposit with one or more commercial banks, savings banks, savings and loan associations, or credit unions that are located in the United States, for the local agency's account.

(c) The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.

(d) The selected depository institution shall serve as a custodian for each certificate of deposit that is issued with the placement service for the local agency's account.

(e) At the same time the local agency's funds are deposited and the certificates of deposit are issued, the selected depository institution shall receive an amount of deposits from other commercial banks, savings banks, savings and loan associations, or credit unions 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 for investment.

(f) A local agency may not invest surplus funds with a selected depository institution for placement as certificates of deposit pursuant to this section on or after January 1, 2012. A local agency's surplus funds, invested pursuant to this section before January 1, 2012, may remain invested in certificates of deposit issued through a private sector entity for the full term of each certificate of deposit.

(g) Notwithstanding subdivisions (a) to (f), inclusive, no credit union may act as a selected depository institution under this section or Section 53635.8 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 certificate of 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**.

(h) It is the intent of the Legislature that nothing in this section shall restrict competition among private sector entities that provide placement services pursuant to this section.

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,

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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.

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.

53604. The legislative body may sell, or exchange for other eligible securities, and reinvest the proceeds of, the securities purchased.

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.

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 un-canceled. While held un-canceled, the bonds may be resold.

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.

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.

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD DELEGATING INVESTMENT AUTHORITY TO THE CITY TREASURER

WHEREAS, effective January 1, 1997, Government Code Section 53607 was amended to provide in part:

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

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, the City Council annually approves a Statement of Investment Policy for the City, which in Section 5.0 delegates to the City Treasurer authority to invest City funds; and

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

NOW, THEREFORE, the City Council of the City of Oxnard resolves to delegate to the City Treasurer authority to invest and reinvest City funds and to sell or exchange securities so purchased; to reaffirm such delegation of authority contained in Resolution No. 10,455; and to state that the City Council's annual review and approval of a Statement of Investment Policy that includes such delegation of authority constitutes the City Council's delegation of such authority.

.

PASSED AND ADOPTED this 24th day of September, 2013, by the following vote:

AYES:

NOES:

ABSENT:

Tim Flynn, Mayor

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:

Stephen Fischer, Acting City Attorney

CITY OF OXNARD CALIFORNIA

Meeting Date: 10 /01/2013

ACTION	TYPE OF ITEM
☐ Approved Recommendation	☐ Info/Consent
☐ Ord. No(s). _____	■ Report
☐ Res. No(s). _____	☐ Public Hearing (Info/consent)
☐ Other _____	☐ Other _____

Prepared By: Grant Dunne, Management Analyst III GD Agenda Item No. K-2

Reviewed By: City Manager KRB City Attorney SMF Finance JC Public Works

DATE: September 25, 2013

TO: City Council

FROM: Rob Roshanian, Interim Public Works Director R.R.
Public Works Department

SUBJECT: **Del Norte Facility Business and Transition Plan**

RECOMMENDATION

That City Council approve the Del Norte Facility Business and Transition Plan and authorize staff to implement the plan for the City Management, Operation and Maintenance of the Facility.

DISCUSSION

On July 30, 2013, the City Council directed staff to return to City Council with a business plan for the City to perform the management, operation, and maintenance of the Del Norte Facility. On September 24, 2013, a City Council Study Session was conducted to receive a staff report, public comments, and comments from Council regarding the Business and Transition Plan.

Staff's report provided an overview of the current functions of the Del Norte Facility, examples of private to public operated facilities, the benefits of City operation, requirements for transition, marketing of recyclable material, compliance requirements, performance standards in waste diversion, labor/staffing strategies, revenue and expense proformas, long-term capital requirements, and future automation and conversion technology.

Focal points addressed during the Study Session included the recruitment process for labor, building and equipment maintenance, and the expeditious timeline of February 1, 2014 to begin City operations of the Del Norte Facility. Staff is reviewing two scenarios for its labor recruitment process. Scenario A is to hire all management and "skilled" staff as full-time City employees and contract-out the labor used for manually sorting of refuse and recyclable material. Scenario B is to hire all management staff as full-time City employees and contract-out for "skilled" positions and labor used for sorting refuse and recyclable material.

Staff is utilizing an existing consultant agreement with Penfield and Smith to conduct a thorough mechanical inspection to determine if maintenance was sufficiently performed by Republic Services on the building and equipment at the Del Norte Facility. Penfield and Smith has completed a similar inspection for the City's Advanced Water Purification Facility. Staff will report the findings to City Council when the inspection is complete.

The purpose of the Business and Transition Plan is to identify the most efficient and effective method for the City to begin operating the Del Norte Facility on February 1, 2014. Staff will provide weekly updates to the City Council on the implementation of the Business Plan and progress toward the transition of operating the facility.

FINANCIAL IMPACT

The City's Business Plan projects a net operating savings of $2,182,000 in Fiscal Year 2014-15 with an investment of $1,250,000 for major repairs and replacement of equipment at Del Norte for net City savings of $932,000. These savings will stabilize customer refuse utility rates and provide working capital for upgrading solid waste facilities and collection systems. Beginning in FY 2015-16, an additional $2,584,500 will be available from debt service funds to upgrade processing equipment and enhance waste diversion and recycling efforts.

Attachment #1: Del Norte Facility Business Plan and Transition Plan

CITY OF OXNARD CALIFORNIA

Del Norte Regional Recycling and Transfer Station

Business and Operations Transition Plan

September 25, 2013

Prepared By:

E.Tseng & Associates

For:

City of Oxnard
Public Works Department, Environmental Resources Division

Acknowledgements

E. Tseng and Associates, Inc. would like to acknowledge the invaluable input provided by the following City of Oxnard departments and staff in the preparation of this Business and Operations Transition Plan.

City Treasurer
Danielle Navas – City Treasurer

Public Works Administration
Rob Roshanian, P.E. - Interim Public Works Director
Grant Dunne - Management Analyst III
Jay Duncan, M.P.A. – Program Manager

Environmental Resources Division
Todd Housley– Environmental Resources Superintendent

Capital Projects Management Division
Daniel R. Rydberg, P.E. - Capital Projects Manager
Thien Ng, P.E. – Senior Process Engineer
Terry Kirsch – Construction Project Manager
Asitha Withanage – Junior Civil Engineer

Wastewater Division
Jeffrey Miller, Wastewater Maintenance Manager

Communication and Public Information Office
Barbara Wulf - Outreach/Educational Specialist
Trish Honigsberg - Outreach/Educational Specialist

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Mike More – Financial Services Manager

Fleet Services
Bill Birch – Fleet Services Manager
Ken Dunham – Fleet Services Mechanic Supervisor

Information Systems
Tara Watson – Systems Administrator
Gayle Elkins – Telecommunications Coordinator

Human Resources Department
Michelle Tellez – Human Resources Director

Development Services
Cynthia Daniels – Project Manager of the original Del Norte facility contract

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EXECUTIVE SUMMARY

The Del Norte Regional Recycling and Transfer Station (Del Norte) currently serves as the critical central control hub of the City of Oxnard's overall solid waste management system. Del Norte will continue in this role for the City of Oxnard, as well as for other cities in the region, for the foreseeable future. As State and Federally mandated requirements for recycling increase, Del Norte will be increasingly important to solid waste management in the region.

The Del Norte Business and Operations Transition Plan lays out the activities needed to accomplish a safe and seamless transition of management and operations of the facility from Republic Services of Oxnard, Inc. (Republic Services) to the City of Oxnard. The transition will be accomplished in a manner that ensures continuity of services and protection of the health and safety of operational personnel.

The tasks that need to be accomplished during the transition can be grouped into five categories:

- Staffing for Management and Operation/Maintenance
- Facility Operations and Maintenance
- Marketing and Sales of Recyclables
- Facility and Equipment Repair
- Regulatory Compliance

The City will begin independent operations of the Del Norte Regional Recycling and Transfer Station facility on February 1, 2014.

In order to accomplish the transition within the proposed schedule, the City will have to quickly hire qualified staff so they can receive the necessary training, certifications, and participate in working alongside and shadowing Republic Services staff during the transition period.

The existing Del Norte facility's process equipment is almost 20 years old, which is beyond the normal operating life of equipment for a materials recovery facility. Increased maintenance and repairs will be needed to keep the facility in continuous operations until a comprehensive facility upgrade plan is developed and implemented. This upgrade will provide the City an incredible opportunity to transform a basic, first-generation materials recovery facility (MRF) into a world class state-of-the-art "Integrated MRF" which could serve as a national reference benchmark teaching facility for the solid waste management and environmental sustainability industry.

As part of the transition plan, the City completed an extensive analysis comparing the current operational costs with the costs of future City operations. The savings from the transition will be approximately $2.182 million per year. The analysis summarized in the table below shows a reduction of $931,731 dollars in the fiscal year 2014-15 processing and disposal budget by converting to City operations. This includes $1.25 million of new capital equipment and major repair expenditures which are the City's responsibility under the current contract. Appendix 1 includes detailed projected revenues and expenditures.

DEL NORTE FACILITY PRO FORMA		
Description	**Fiscal Year 2013-14 Budget**	**Fiscal Year 2014-15 Estimate**
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Expenditures		
Operating	$15,099,384	$11,853,496
Capital Equipment	$0	$890,052
Total Expenditures	$15,099,384	$12,743,548
Contribution from City Utility Rates	**$2,577,384**	**$1,645,651**
Reduction to Contributions		**($931,731)**

Note: The net savings of $931,731 is after an investment of $1.25 million in capital equipment and major facility repairs which are the City's responsibility under the current contract. Therefore, the cost savings compared to the existing contract is $2.182 million.

It is important to recognize that there are also significant new State statutory and regulatory requirements that have recently taken effect which will impact how the facility must operate in the future. To meet these new requirements as well as zero waste goals, Del Norte processing equipment will need to be upgraded. The cost of these upgrades will be significant, but may be covered by the savings from the transition and the existing revenue used for debt service on the original Del Norte bonds. These debt service payments will be complete next year.

Besides the reduction in the costs when compared to the current contract, there are other significant advantages of a City-owned and operated facility. Having control of the overall system will enable the City to develop the programmatic elements for both the soft and hard infrastructure that supports a "recycling based society" and achievement of a "zero waste" goal. The City will have the flexibility to make changes anywhere required in their solid waste infrastructure. As regulations, industry standards and waste streams change, systems optimization may require significant changes at the MRF. The City will be able to do this without making complicated and potentially expensive contractual changes every time the contract is impacted.

A City-owned and City-operated facility also provides increased flexibility to make rapid changes in operational procedures and implement facility changes to the building and equipment to meet new regulatory requirements for increased diversion goals and MRF performance requirements.

CITY OF OXNARD CALIFORNIA

Del Norte Regional Recycling and Transfer Station Business and Operations Transition Plan

Section 1: Background Information

1.1 Purpose and Objective of Report

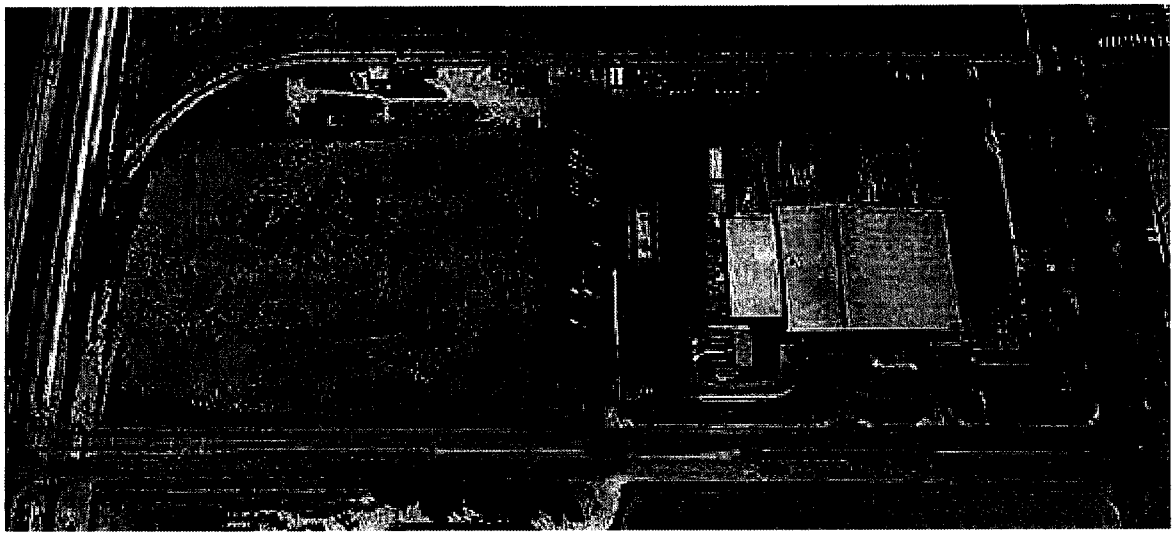
The Del Norte Business and Operations Transition Plan lays out the activities needed to accomplish a safe and seamless transition of management and operations of the facility from Republic Services to City of Oxnard. The transition will be accomplished in a manner that ensures continuity of services and protection of the health and safety of operational personnel for the City to begin independent operations of the facility on February 1, 2014.

The transition plan consists of two parts: 1) a short-term staffing and operations component to be completed by February 2014; and 2) a long-term component to upgrade the facility. The facility upgrade will incorporate current international state-of-the-art facility design and operational practices that will maximize recycling and minimize the greenhouse gas emissions of the overall solid waste management system for the City of Oxnard.

1.2 Overview of Facility

The Del Norte Regional Recycling and Transfer Station facility was built in 1995 and opened August 26, 1996. The facility was designed to sort, process, and transfer municipal solid waste and source separated recyclables from the cities of West Ventura County. The Del Norte Facility is permitted to accept 2,779 tons per day including 1,667 tons of solid waste and 1,112 tons of recyclable material.

The facility is located on a 16.55-acre industrial-zoned parcel southwest of the intersection of Del Norte Boulevard and Sturgis Road in the City of Oxnard. The City also owns an adjoining 8.5 acre parcel of land which could be used as a site for an integrated materials recovery facility (MRF) with conversion technology facility in the future.



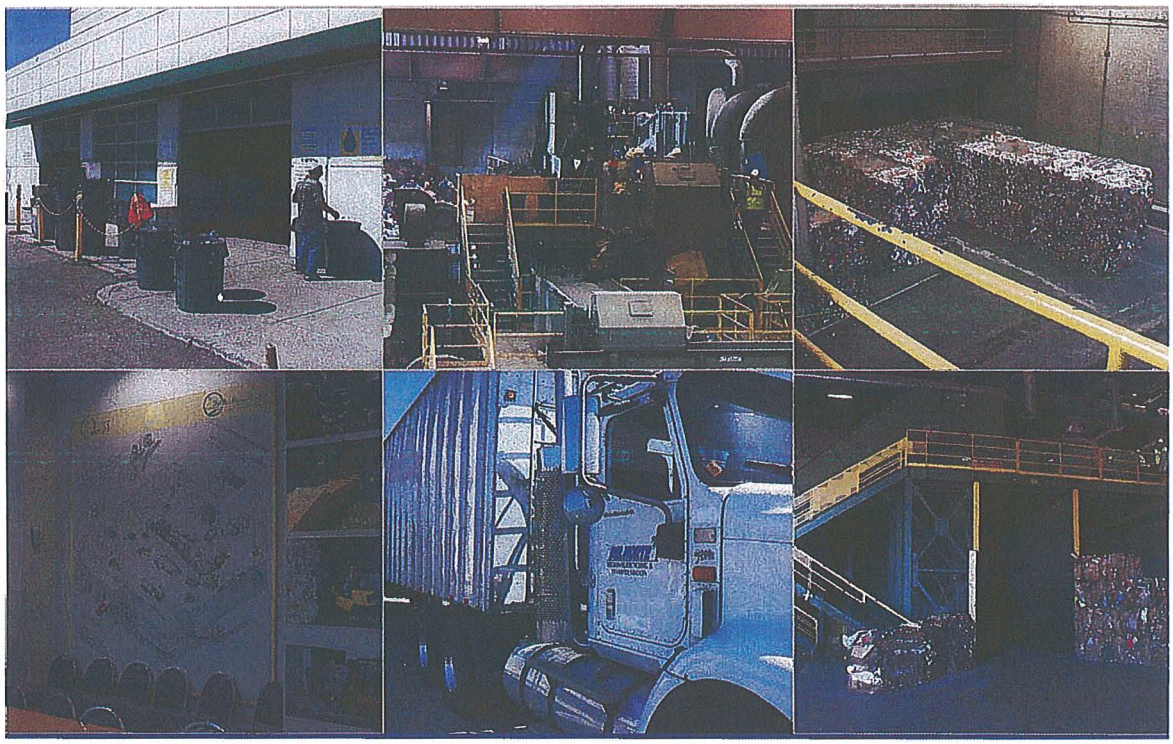
The Del Norte Facility, including land, building and equipment, is owned by the City and is currently operated by Republic Services. The Del Norte Facility receives, processes, and transfers approximately 1,100 tons per day of municipal solid waste, source-separated recyclables and yard/green waste from the western wasteshed of Ventura County. This includes the cities of Oxnard, Port Hueneme, and the County unincorporated area with limited materials delivered from Ventura and Camarillo as well as permitted haulers, commercial businesses and self-haulers.

The City provides exclusive scheduled waste, recycle and green material collection from the residential and commercial sectors in Oxnard. The City of Oxnard is the primary contributor of incoming tonnage received at the Del Norte Facility. In fiscal year 2011-12 (July 1, 2011 through June 30, 2012) the City of Oxnard delivered to the Del Norte Facility 40,067 tons of residential waste, 90,680 tons of commercial/industrial waste, 8,120 tons of residential curbside recycle material, and 2,640 tons of commercial recycle material. In addition to City tons, the Del Norte Facility received 105,662 refuse tons and 27,937 tons of source separated recyclable material from permitted waste haulers, commercial businesses and self-haulers.

Currently, the majority of long-haul transfer of waste residue to the two landfills in Ventura County is performed by the City with City-owned and operated transfer-trailers, and the balance of the long-haul transfer is done by a contract hauler.

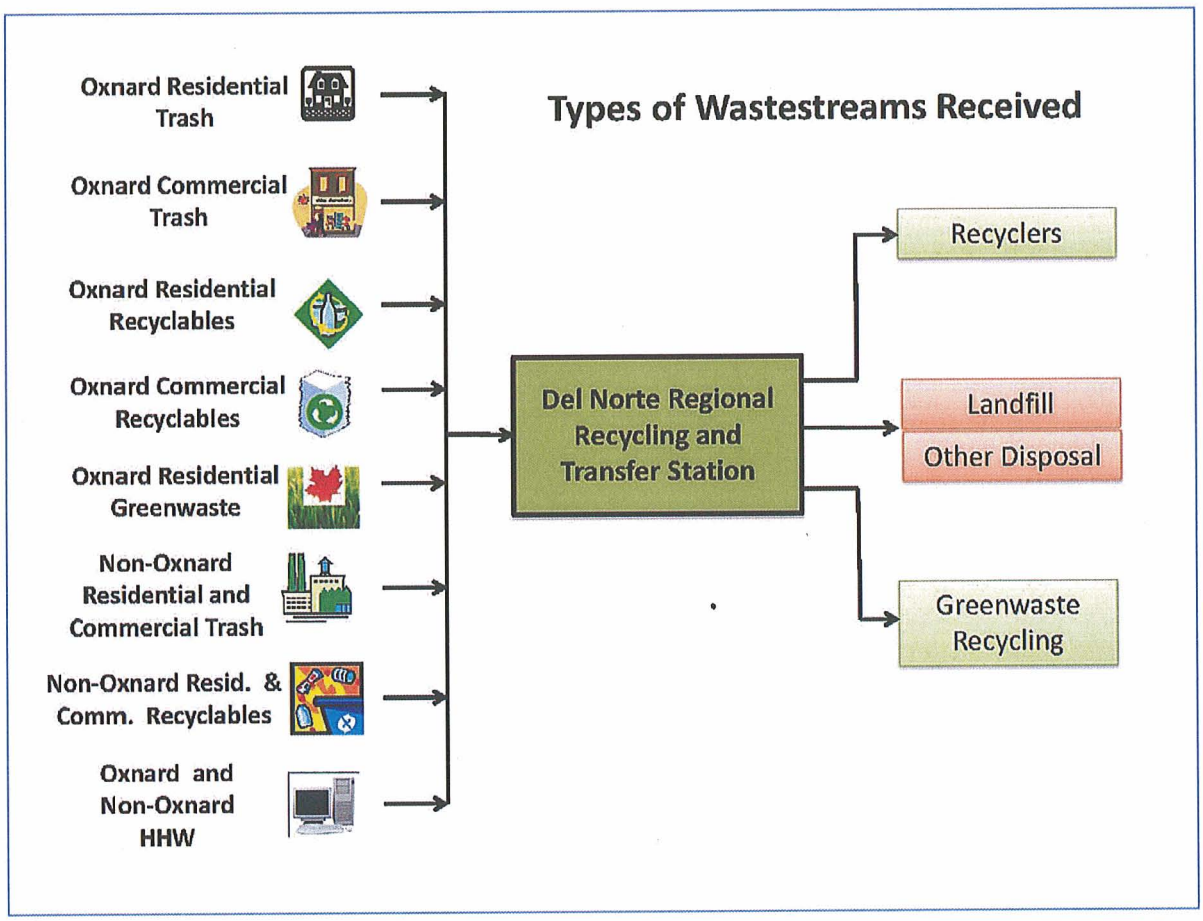
The Del Norte Facility is comprised of approximately 149,635 square feet of building space, including administrative offices, and waste tipping and processing areas. These consist of:

- Administrative Offices/Visitors Area (6,131 sq. ft.);
- Transfer/Tipping Floor Building (47,429 sq. ft.);
- Material Recovery Facility (62,050 sq. ft.); and
- Construction & Demolition Building (34,025 sq. ft.).



A public buy-back center is attached to the east side of the Transfer/Tipping Building. The center purchases recyclable materials such as cans, bottles, paper, and other recyclables from the general public. The facility has a free drop-off recyclable household hazardous waste (HHW) residential and small business center that accepts antifreeze, all batteries, motor oil, paints, high intensity and florescent lighting, and electronic (E-Waste). The facility also has an Education/Community Center.

The facility serves as the critical central control hub for the overall solid waste management system for the City of Oxnard, and as such, contributes to meeting compliance with State recycling mandates such as the current 50% diversion rate. As state and federally mandated requirements for recycling increase, Del Norte will be increasingly important to solid waste management in the region.



Besides the reduction in operations cost, a City-operated facility provides some significant advantages:

1) A City-owned and City-operated facility provides increased flexibility to make rapid changes in operational procedures and implement facility changes to the building and equipment to meet new regulatory requirements for increased diversion goals and MRF performance requirements.

2) Since the City already operates the collection of the recyclables and the trash, the addition of the MRF operation by City staff, the City can make changes anywhere in the

overall solid waste infrastructure to optimize the overall system. Systems optimization may require significant changes at the MRF design/operations, and the City can do this without going through complicated contractual negotiations every time the contract is impacted.

3) The facility will be better maintained due to the self-interest in regular maintenance of equipment vs. having a separate non-city operations contractor pay for routine maintenance but not pay for major maintenance (City pays for major repairs/replacements and major maintenance under the current contract.) Better maintenance will lengthen the life of expensive equipment and reduce costly repairs and shutdowns.

4) The City is in a unique position because it controls the wasteshed, the wastestream, the collection, and the MRF that serves as the central processing hub for the entire solid waste management infrastructure. The City will be able to enact and adopt model zero waste policies and in the future enable the upgrade to transform the current facility and operations, which is primarily a MRF for recovering recyclables from comingled source separated materials and a transfer station, to be a world class reference "integrated MRF" benchmark. Having control of the overall system will enable the City to develop the programmatic elements for both the soft and hard infrastructure that supports a "recycling based society" and achievement of a "zero waste" goal.

5) The project consultant believes that when the Del Norte MRF is upgraded to incorporate international state-of-the-art integrated MRF design and operational practices, it can serve as the national reference benchmark teaching facility for the solid waste management and environmental sustainability industry.

1.3 Estimated Cost of City Operations

1.3.1 Previous Cost Studies

In January 1999, the contract was assigned by the original operator BLT Enterprises, Inc. to Republic Services for an undisclosed amount of money. The City of Oxnard has contracted for various types of studies to evaluate the costs and the performance of Republic Services under the conditions set forth in the contract between the City of Oxnard and BLT Enterprises, Inc. ("Management and Operation of a Materials Recovery Facility and Transfer Station, Transfer of Waste for Disposal, and Marketing of Recovered Materials"). It is important to note that the

studies varied in scope and methodology, and each was limited by time and resource constraints. The studies included the following:

December 2002 - Del Norte Regional Recycling and Transfer Station Optimization Study (E. Tseng). This study, presented to all five Councilmembers, served as the impetus to bring the operator (Republic Services) to the negotiating table based on the reduced number of operational staff on the facility's floor and key operational positions per the contract.

March 2003 - Comparative Cost Study of Contractor and City Operations of the Del Norte Regional Recycling and Transfer Station (E. Tseng). This study indicated that the City could save approximately $1 million by operating the facility. This was a limited to evaluating the cost of operations by City staff, and did not address "fees and charges" allowed for in the contract.

December 2003 - Del Norte Recycling Facility Analysis (Fieldman, Rolapp & Associates) This study found an additional $800,000 in savings beyond the March 2003 report. The study also estimated that the City was paying $2.2 to $2.9 million per year more than the cost and profit to run the MRF.

July 2004 – Brown & Caldwell – This study indicated that the MRF contract cost could be reduced by $2.4 million per year.

The above analyses indicate that over the 15 year contract period, the City paid approximately $36 million more than it could have for the same services. The current contract does not require the contractor to disclose its profit and does not limit the contractor's profit. However, based on the 2003 and 2004 reports as well as the current cost estimate for running the MRF it is likely that the contractor's current profit margin is 30% to 35% of the $6.8 million operating costs. In 2004 Republic Services of Oxnard offered to pay $1 million and reduce their base service fee by $2.3 million per year and if the City extended the contract 15 years from the signing date. The offer was not accepted and eventually a settlement was reached that reduced the cost of operating the MRF by about $500,000 per year for 5 years.

December 2012 – HF&H Consultants (HF&H). The study by HF&H provides estimates of cost based on proposals submitted to the City of Oxnard in response to a request for proposal (RFP) issued in the year 2010. The costs in the responses are not for the same requirements as the original RFP, and also reflect the cost of new requirements. This study included only the base service fee and did not include the additional $1.4 million in fees to Republic Services. In addition, the analysis assumed that the profit was 8% and that all other contractor revenue was for expenses.

1.3.2 Current City Cost Estimate of City Operations of Del Norte Facility

As part of the transition plan, the City completed an extensive analysis comparing the current operational costs with the costs of future City operations. The savings from the transition will be approximately $2.182 million per year. The analysis summarized in the table below shows a reduction of $931,731 dollars in the fiscal year 2014-15 processing and disposal budget by converting to City operations. This includes $1.25 million of new capital equipment and major repair expenditures which are the City's responsibility under the current contract. Appendix 1 includes detailed projected revenues and expenditures.

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Reduction to Contributions		**($931,731)**

Note: The net savings of $931,731 is after an investment of $1.25 million in capital equipment and major facility repairs which are the City's responsibility under the current contract. Therefore, the cost savings compared to the existing contract is $2.182 million.

Note that there will be increased costs for maintenance and there will be increased capital expenditures in the future to meet the new regulatory requirements and MRF performance standards. These requirements did not exist under Republic Services' contract. The City took great care in matching up the personnel and the other operational expenses.

It is also important to recognize that there are also significant new State statutory and regulatory requirements that have recently taken effect which will impact how the facility must operate in the future. To meet these new requirements as well as zero waste goals, Del Norte

processing equipment will need to be upgraded. The cost of these future upgrades will be significant, but may be covered by the savings from the transition and the existing revenue used for debt service on the original Del Norte bonds. These debt service payments will be complete next year.

The cost of the future facility upgrades will depend upon a number of factors:

- New State Regulatory Requirements
- City's Zero Waste and Climate Change / Sustainability Goals
- Type of Overall Facility (e.g., Basic MRF or State-of-the-Art "Integrated MRF")
- Changes in the Wastestream Composition
- Integration and Optimization of Facility with City's Overall Solid Waste Infrastructure
- Projected Changes in Tonnage / Wasteshed
- Level of Automation (basic manual sorting vs. maximum automation)
- New "MRF Performance Requirements" (new CalRecycle standards)
- Incorporation of various types of Conversion Technologies

The savings from the transition to City operations will be needed to meet the new statutory requirements and to upgrade the facility design and operations. A comprehensive list of needed upgrades will be developed after the transition to City operations.

Section 2: Business and Operations Transition Plan

2.1 Short Term: October 2013 to February 2014

The Business and Operations Transition Plan lays out the activities needed to accomplish a safe and seamless transition of the Del Norte Regional Recycling and Transfer Station facility management and operations from the current staff of Republic Services to City of Oxnard personnel in a manner that ensures continuity of services and protection of the health and safety of operational personnel by February 1, 2014.

A successful transfer of the administration, management and operations knowledge base needs to be accomplished if the transition is to be seamless. There are many documents that describe the operations and maintenance of the facility (e.g., equipment operations and guidance manuals, safety procedures, load check programs, fire extinguisher recharge records, etc.). The single most important operational manual document is the Transfer Process Report (TPR) for the facility. This is a legal document that describes the existing operational procedures and protocols and forms the basis of the determination by regulatory agencies that the facility operator can meet the minimum State standards. This is required for the facility to maintain the Solid Waste Facility Permit.

The TPR is reviewed (every 5 years) and approved by the Local Enforcement Agency (LEA), the local regulatory enforcement agency representing CalRecycle. If there is a change to the way the facility is operated, or equipment proposed to be added (e.g., change in facility design or operations), this document must be updated and submitted to the LEA for review and approval. The facility operations are periodically inspected by the LEA and the operations are evaluated according to the protocols and operational procedures described in this document. The TPR also describes the various regulatory reports and documentation that are required to be maintained and/or filed with the appropriate agencies.

The short term transition tasks are divided into the following components:

- Staffing for Management and Operation/Maintenance
- Facility Operations and Maintenance
- Marketing and Sales of Recyclables
- Facility and Equipment Repair
- Regulatory Compliance

Major tasks that need to be accomplished for each of the components are described below.

2.1.1 Staffing for Management and Operation/Maintenance

The administrative, management, and operational transition from Republic Services to a City-operated facility will be totally dependent upon having qualified, experienced City staff for 1) management and administrative functions, 2) key supervisory (including health and safety, and regulatory compliance, and 3) operations and maintenance (including skilled staff).

In order to maintain the Solid Waste Facility Permit, the TPR requires that the experience of the management personnel and the organizational structure be described and submitted for LEA (and CalRecycle) approval. Each City management staff and key supervisory staff will need to prepare a short resume for updating the TPR. A revised organizational chart will need to be provided for the TPR update. Based upon feedback from regulatory authorities, the City staffing and contracted staffing levels may need to be adjusted to satisfy the TPR. In order to protect the Health and Safety of the Public and employees, staffing levels will be sufficient to satisfy all regulatory requirements.

Task 1. Update the Transfer Processing Report and submit for approval by the LEA.

Task 2. Update the organization chart to describe the requirements needed for each management and key supervisory staff position. Match City staff personnel with the appropriate education, training, and experience with the corresponding Republic Services staff currently assigned to each TPR task. For operational staff, determine if special licensing or certifications are required for operation or maintenance of specialized equipment, then plan and arrange for training.

Specifically designate the Health and Safety manager and a Regulatory Compliance manager. The below chart shows current staffing levels under Republic Services, projected City staff required by transition of the MRF from Republic Services, and future City staff required after upgrades are made to the facility.

Description of Position	Current Personnel (Republic Services)	Projected City Personnel Required by Transition*	Projected Personnel Required to Operate Facility After Upgrades
Management	3	4	4
Lead Workers	4	0	0
Gate Attendants/Scale Operators/Buyback Center	4	5	5
Dispatcher	1	1	1
Mobile Equipment Operators	8	6	4-6
Maintenance Technician	2	3	4
Electrical/SCADA Technicians	0	0	1-2
Contracted Labor			
Spotters	6	6	6
Sorters	15	10-15	5-10
TOTAL	**43**	**35-40***	**30-38***

*Total City Staff assigned to MRF operations will be a larger number due to current Republic Services' tasks being absorbed by existing City Staff. However, in comparison to current Republic Services levels, the total number will appear slightly less due to contracting of Recyclable Marketing tasks. Administrative/Clerical staff are not represented in this table.

Task 3. Familiarize management staff and key supervisory staff with the TPR. Review existing procedures and protocols to determine if the TPR must be updated.

Task 4. Determine the required training and certifications needed for each job classification. For example, for personnel assigned with the task of conducting the Load Check Program will need to be trained in the identification of hazardous waste (RCRA waste), universal waste, and the procedures for removal, and safe storage (compatibility of waste type, etc.). These personnel require the OSHA 40-hour HAZWOPER training, and the supervisors will require additional supervisor training. Regular training and certification will be required for assigned staff.

Task 5. Arrange/schedule for facility management, supervisory staff, and transfer haul drivers to take the SWANA Certification course on "Managing Transfer Station Systems". Staff should

also take the "Transfer Station Certification Exam." For new positions, maintaining certification by passing exams should be a condition of continued employment. For existing positions, management should negotiate with the union to add this requirement. The staff should be able to do the following after passing the exam:

1) Discuss and understand the steps, factors, local requirements in site selection and development and conceptual design,

2) Describe site specific characteristics such as peak flows, waste processing and hauling technologies, and building design,

3) Implement procedures in protecting transfer station property, identifying problematic waste and compliance requirements,

4) Minimize risk to personnel, maintain and properly use diverse equipment,

5) Plan and ensure all regulatory requirements and develop a comprehensive recordkeeping program are incorporated, and

6) Learn to employ proactive communication with employers, customers, and general public.

Task 6. Determine physical and medical health requirements for each MRF position. Many of the jobs require certification as well as require medical testing and monitoring, e.g., HAZWHOPER 40-hr training requires medical clearance for use of respirators.

Task 7. Begin recruitment and contracting for all positions required for City to begin operation of the MRF on February 1, 2014. Existing labor agreements between the City and IUOE, Local 501 and the City and SEIU, Local 721 will require mandatory meet and confer meetings regarding recruitment.

Staff is recommending that the four management positions and the 15 skilled positions (represented in the above table as Gate Attendants, Scale Operators, Buyback Center Technicians, Dispatcher, Mobile Equipment Operators, and Maintenance Technicians) be recruited as full-time City employees, and that the Sorter and Spotter positions be hired through a labor contract. Extensive research of publicly-operated MRFs in the U.S., has shown that this is the staffing model used almost exclusively. It is preferred to have all full time City staff hired and contracts in place by the February 1, 2014 transition date. However, given the

aggressive timeline, the City may need to consider some temporary contract options to guarantee staffing by this date.

Republic Services currently contracts for sorting and spotting staffing. The City can contract to use the same employees for these tasks. Using these existing employees under the same contracting structure would allow for a seamless transition as they are familiar with the Del Norte facility and have been trained in the specific tasks.

It is the City's desire to hire the skilled positions as full-time City employees. These are expressed in the table as Gate Attendants, Scale Operators, Buyback Center Technicians, Dispatcher, Mobile Equipment Operators, and Maintenance Technicians. In order to guarantee staffing by February 1, 2014 it may be necessary to temporarily contract for these positions. The City may arrange for existing workers currently performing these functions to work through a labor contract while permanent City recruitment proceeds. As the positions are filled by full-time City employees, the number of contracted workers can be reduced. In order to proceed with the process of using existing workers in the transition, City staff will need to enter into an agreement for contract labor.

Regardless of the recruiting process, MRF planning staff must work directly with the Human Resources Department and contract administrators to assure that the TPR requirements are addressed in job descriptions and in the interview process. For example, requirements to maintain certain certifications may need to be built into existing job classifications and new job classifications that are in the process of being created.

In order to proceed with this plan, Council will need to approve the positions identified in this report. Two of the four (4) management positions identified in this report are existing Environmental Resources Division Supervisor positions that are frozen due to previous Council action associated with early retirement incentives. Council will also need to approve reactivating these positions.

2.1.2 Facility Operations and Maintenance

All aspects of the existing Del Norte facility operations and maintenance, as well as ancillary services provided by Republic Services, e.g., Anti-freeze, Battery, Oil, and Paint (ABOP)

operations, Buy-Back, marketing / sales of recyclables, public relations, vector control, etc., will need to be covered after the transition to City operations.

The following is a description of the major operations that occur at the Del Norte facility:

2.1.2.1 Scale House Operations:

- Weigh all materials entering and exiting the Facility
- Generate computerized weight-ticket/receipts for each collection vehicle entering the Facility to identify, record and collect all pertinent information to include type and weight of incoming material, collection point, hauling company, material fee charge, vehicle number, and time and date of entry to the Facility
- Link scale house weight transactions to a computerized system for City electronic "read-only" access to targeted operational data and reports.
- Provide tare weights of repeat customers and code them into the scale house computer system
- Maintain State certified motor vehicle scales in accordance with applicable law
- Develop cash handling and quality assurance procedures

2.1.2.2 Load Checking

- Ensure the screening and removal of unpermitted materials, as necessary and sufficient to meet the requirements of the Operating Manual
- Remove unpermitted materials delivered to the Facility, which were rejected following load checking
- Except for materials rejected through the load checking program, accept all permitted materials delivered to the Facility.

2.1.2.3 Transfer Station

- Furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the waste transfer services required
- Manage/supervise the following:
    - Turnaround times for waste collection vehicles from scale house to exiting the Facility
    - Traffic flow of vehicles entering and exiting from the transfer station

- Use of equipment for handling waste on the transfer floor and loading waste into transfer-trailers
- Customer service in self-haul vehicle area and main tipping floor area for permitted waste haulers
- Traffic safety and personnel safety of equipment operators
- Floor sorters and traffic directors.
- Remove non-acceptable materials from floor
- Conduct "load check" of incoming loads
- Report "special occurrences" to the LEA in a timely manner
- Accompany visitors and oversight personnel from regulatory agencies

- Transfer of MSW and Processing Residues for Disposal
  - Load transfer trailers
  - Ensure City meets its current tonnage disposal commitments at the Simi Valley Landfill and Toland Road Landfill.
- Transfer of Yard Trimmings for Composting
  - Following processing, load transfer-trailer vehicles with yard trimmings, for transport of the material to a City-approved location(s) proposed by the successful Contractor.
  - Meet contractual requirements contained in this agreement(s), including those for maximum allowable contamination of delivered material.

2.1.2.4 Operate Materials Recovery Facility (MRF)

- MRF activities include:
  - removing contamination from residential yard trimmings delivered by City collection vehicles as necessary to meet required maximum contamination levels at City-contracted composting facilities
  - processing and recovering recyclable materials for highest and best use
  - QA/QC to ensure that recyclables meet marketing specifications
  - bale or containerize recovered recyclables for transport
  - develop environmental metrics for reporting of diversion and disposal by jurisdiction of origin for the Disposal Reporting System (this is a regulatory reporting requirement)

2.1.2.5 Operate Buy-Back Center

- Operate the Buy-Back Center, accepting recyclable material from the public, including, but not limited to, aluminum cans, glass bottles, plastic containers, newspaper, cardboard, magazines, tin cans, phone books and scrap metals.
- Weigh the materials on a platform scale and reimburse customers according to the prices posted and scheduled.
- Accept white goods, and have chlorinated fluoro-carbons removed prior to marketing for scrap.
- Have a minimum of one employee present to operate the Buy-Back Center during hours open to the public (7:00 a.m. to 4:00 p.m. Monday-Saturday).
- Prepare documentation/reporting required of AB 2020 buy back centers

2.1.2.6 Operate Recycle Household Hazardous Waste Drop-Off Site

- Operate the Recycle Household Hazardous Waste (RHHW) Center, providing residents of Oxnard and Port Hueneme 'no charge' drop-off of antifreeze, batteries, used motor oil and filters, latex paint, electronic waste, fluorescent tubes, high intensity lamps and other items as permitted.
- Accept up to 500 pounds of Household Hazardous Waste daily.
- Have a minimum of one employee present to operate the RHHW Center during hours open to the public.
- Pay the direct costs of transportation and proper disposal for such materials. The RHHW Center has available customer parking accessible from Del Norte Boulevard.
- Handle each type of waste separately, provide safe and separate containment, and manifest materials as provided in State law.
- Provide for recycling or reuse of such materials at permitted facilities other than landfills, through licensed contractors, in accordance with applicable law. Hours open to the public are 7:00 a.m. to 4:00 p.m. Monday through Saturday.
- Maintain permits and prepare documentation/reporting required of HHW centers

The above descriptions are of the actual operations that occur at the Del Norte MRF. There are many supporting tasks which are being done by Republic Services regional and/or corporate offices that support the direct operations, e.g., maintenance of regulatory compliance documents, regional health and safety assessment by corporate office, etc. These tasks will have to be taken over by the City.

In order to ensure that all of the activities needed to operate and maintain the facility are covered, the following tasks need to be done by the City during the transition period:

Task 8. Provide for the following administrative and contract services:

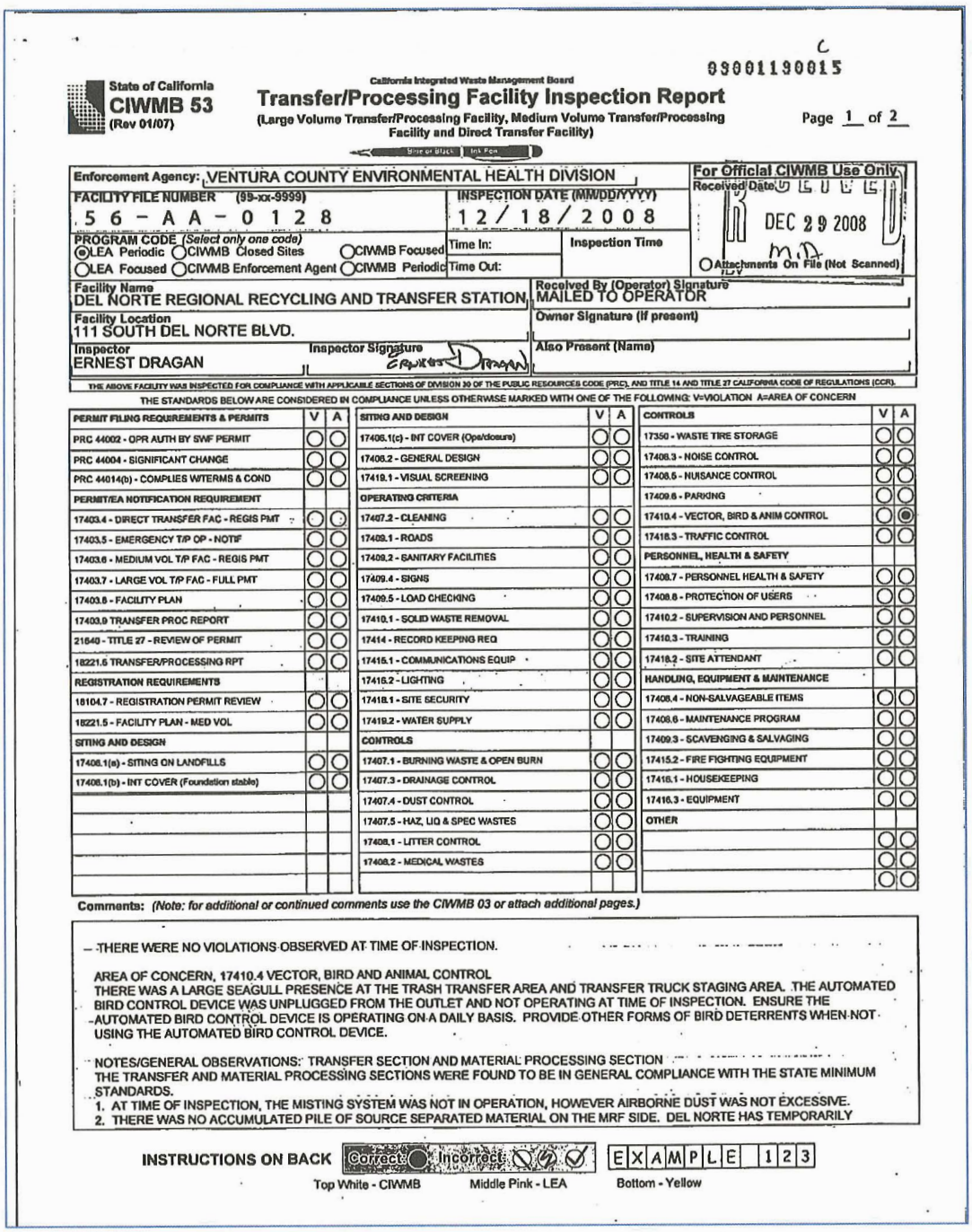
- Services that Republic Services provides for via corporate or with other internal resources to support the operations and maintenance of the Del Norte facility
  - Financial
  - Human Resources
  - Risk management
  - Legal
  - Information Systems
  - Payroll

- Services that Republic Services subcontracts
  - Alarm System
  - Collection of recyclable household hazardous waste – anti-freeze, car batteries, used oil, latex paint
  - Disposal of hazardous waste collected from load check programs
  - Freon extraction
  - Mattress recycling
  - Portable restroom service
  - Propane tank disposal
  - Sweeping MRF, yard and parking area
  - Used/Recycle Tire Collection
  - Falcon (Seagull abatement)
  - Fire extinguisher and sprinkler certification
  - Janitorial
  - Landscape Maintenance
  - MRF optimization
  - Pest Control
  - Security

Task 9. Develop an equipment, tool, facility mobile equipment (e.g., cherry picker, excavator, portable trommel, etc.) inventory listing of tools that is used in the operations. This should include health and environmental instrumentation equipment (e.g., methane detectors, CO_2 detectors, noise meters, etc.) that may not be kept onsite, but utilized periodically.

Task 10. Compile a list of backup services and backup equipment suppliers which Republic Services utilizes to supplement their existing operations. This includes getting a list of the critical operational supplies and spare parts (including their potential lead time for availability) so that the City can determine the need to be in the spare parts inventory.

Task 11. Using the following sample Transfer Station inspection form utilized by the LEA, assign the responsibilities to City staff person(s) who will be responsible for ensuring compliance with of each of the listed minimum State standards. Those City staff members must be familiar with the operational protocol and procedures described in the TPR for each of the compliance evaluation areas. Should the City prefer a substantially different procedure or protocol, these must be noted and updated into the operations manual (TPR document) and submitted for review and approval with the LEA. Provide the specific operations training for each job.



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State of California
CIWMB 53
(Rev 01/07)

California Integrated Waste Management Board

Transfer/Processing Facility Inspection Report

(Large Volume Transfer/Processing Facility, Medium Volume Transfer/Processing Facility and Direct Transfer Facility)

Page 1 of 2

Enforcement Agency: VENTURA COUNTY ENVIRONMENTAL HEALTH DIVISION

For Official CIWMB Use Only
Received Date: DEC 29 2008

FACILITY FILE NUMBER (99-XX-9999): 56-AA-0128

INSPECTION DATE (MM/DD/YYYY): 12/18/2008

PROGRAM CODE (Select only one code)
(●) LEA Periodic ( ) CIWMB Closed Sites ( ) CIWMB Focused
( ) LEA Focused ( ) CIWMB Enforcement Agent ( ) CIWMB Periodic

Time In:
Time Out:
Inspection Time

( ) Attachments On File (Not Scanned)

Facility Name: DEL NORTE REGIONAL RECYCLING AND TRANSFER STATION

Received By (Operator) Signature: MAILED TO OPERATOR

Facility Location: 111 SOUTH DEL NORTE BLVD.

Owner Signature (if present)

Inspector: ERNEST DRAGAN

Inspector Signature: ERNEST DRAGAN

Also Present (Name)

THE ABOVE FACILITY WAS INSPECTED FOR COMPLIANCE WITH APPLICABLE SECTIONS OF DIVISION 30 OF THE PUBLIC RESOURCES CODE (PRC), AND TITLE 14 AND TITLE 27 CALIFORNIA CODE OF REGULATIONS (CCR).

THE STANDARDS BELOW ARE CONSIDERED IN COMPLIANCE UNLESS OTHERWISE MARKED WITH ONE OF THE FOLLOWING: V=VIOLATION A=AREA OF CONCERN

PERMIT FILING REQUIREMENTS & PERMITS	V	A
PRC 44002 - OPR AUTH BY SWF PERMIT	( )	( )
PRC 44004 - SIGNIFICANT CHANGE	( )	( )
PRC 44014(b) - COMPLIES W/TERMS & COND	( )	( )
PERMIT/EA NOTIFICATION REQUIREMENT		
17403.4 - DIRECT TRANSFER FAC - REGIS PMT	( )	( )
17403.5 - EMERGENCY T/P OP - NOTIF	( )	( )
17403.6 - MEDIUM VOL T/P FAC - REGIS PMT	( )	( )
17403.7 - LARGE VOL T/P FAC - FULL PMT	( )	( )
17403.8 - FACILITY PLAN	( )	( )
17403.9 TRANSFER PROC REPORT	( )	( )
21640 - TITLE 27 - REVIEW OF PERMIT	( )	( )
18221.6 TRANSFER/PROCESSING RPT	( )	( )
REGISTRATION REQUIREMENTS		
18104.7 - REGISTRATION PERMIT REVIEW	( )	( )
18221.5 - FACILITY PLAN - MED VOL	( )	( )
SITING AND DESIGN		
17406.1(a) - SITING ON LANDFILLS	( )	( )
17406.1(b) - INT COVER (Foundation stable)	( )	( )

SITING AND DESIGN	V	A
17406.1(c) - INT COVER (Ops/closure)	( )	( )
17406.2 - GENERAL DESIGN	( )	( )
17412.1 - VISUAL SCREENING	( )	( )
OPERATING CRITERIA		
17407.2 - CLEANING	( )	( )
17409.1 - ROADS	( )	( )
17409.2 - SANITARY FACILITIES	( )	( )
17409.4 - SIGNS	( )	( )
17409.5 - LOAD CHECKING	( )	( )
17410.1 - SOLID WASTE REMOVAL	( )	( )
17414 - RECORD KEEPING REQ	( )	( )
17415.1 - COMMUNICATIONS EQUIP	( )	( )
17416.2 - LIGHTING	( )	( )
17418.1 - SITE SECURITY	( )	( )
17419.2 - WATER SUPPLY	( )	( )
CONTROLS		
17407.1 - BURNING WASTE & OPEN BURN	( )	( )
17407.3 - DRAINAGE CONTROL	( )	( )
17407.4 - DUST CONTROL	( )	( )
17407.5 - HAZ, LIQ & SPEC WASTES	( )	( )
17408.1 - LITTER CONTROL	( )	( )
17408.2 - MEDICAL WASTES	( )	( )

CONTROLS	V	A
17350 - WASTE TIRE STORAGE	( )	( )
17408.3 - NOISE CONTROL	( )	( )
17408.5 - NUISANCE CONTROL	( )	( )
17409.6 - PARKING	( )	( )
17410.4 - VECTOR, BIRD & ANIM CONTROL	( )	(●)
17416.3 - TRAFFIC CONTROL	( )	( )
PERSONNEL, HEALTH & SAFETY		
17408.7 - PERSONNEL HEALTH & SAFETY	( )	( )
17408.8 - PROTECTION OF USERS	( )	( )
17410.2 - SUPERVISION AND PERSONNEL	( )	( )
17410.3 - TRAINING	( )	( )
17416.2 - SITE ATTENDANT	( )	( )
HANDLING, EQUIPMENT & MAINTENANCE		
17408.4 - NON-SALVAGEABLE ITEMS	( )	( )
17408.6 - MAINTENANCE PROGRAM	( )	( )
17409.3 - SCAVENGING & SALVAGING	( )	( )
17415.2 - FIRE FIGHTING EQUIPMENT	( )	( )
17416.1 - HOUSEKEEPING	( )	( )
17416.3 - EQUIPMENT	( )	( )
OTHER		
	( )	( )
	( )	( )
	( )	( )

Comments: (Note: for additional or continued comments use the CIWMB 03 or attach additional pages.)

– THERE WERE NO VIOLATIONS OBSERVED AT TIME OF INSPECTION.

AREA OF CONCERN, 17410.4 VECTOR, BIRD AND ANIMAL CONTROL
THERE WAS A LARGE SEAGULL PRESENCE AT THE TRASH TRANSFER AREA AND TRANSFER TRUCK STAGING AREA. THE AUTOMATED BIRD CONTROL DEVICE WAS UNPLUGGED FROM THE OUTLET AND NOT OPERATING AT TIME OF INSPECTION. ENSURE THE AUTOMATED BIRD CONTROL DEVICE IS OPERATING ON A DAILY BASIS. PROVIDE OTHER FORMS OF BIRD DETERRENTS WHEN NOT USING THE AUTOMATED BIRD CONTROL DEVICE.

NOTES/GENERAL OBSERVATIONS: TRANSFER SECTION AND MATERIAL PROCESSING SECTION
THE TRANSFER AND MATERIAL PROCESSING SECTIONS WERE FOUND TO BE IN GENERAL COMPLIANCE WITH THE STATE MINIMUM STANDARDS.
1. AT TIME OF INSPECTION, THE MISTING SYSTEM WAS NOT IN OPERATION, HOWEVER AIRBORNE DUST WAS NOT EXCESSIVE.
2. THERE WAS NO ACCUMULATED PILE OF SOURCE SEPARATED MATERIAL ON THE MRF SIDE. DEL NORTE HAS TEMPORARILY

INSTRUCTIONS ON BACK Correct: ● Incorrect: ⊘ ⊘ ✓ EXAMPLE 123

Top White - CIWMB Middle Pink - LEA Bottom - Yellow

Each section of the LEA-approved TPR document that describes the procedures and protocols should be matched to the appropriate California Code of Regulations (CCR), Title 14, so that key personnel understand what is the minimum State regulatory standard that has to be met, and how what specific procedure and protocols (including documentation and reporting) Republic Services is currently utilizing.

2.1.3 Marketing and Sales of Recyclables

Republic Services provided the service for marketing and sales of the recyclables. Republic Services charged for "marketing services" (which also included transportation costs) and the net profit was split 50% to the City and 50% to Republic Services.

The City has conducted some initial inquiries and received preliminary marketing and recyclable sales service offers from several well-known firms. One local Southern California firm has offered to market the recyclables at 15% of their net sales price F.O.B. or $10.00 per short ton and 5% of sales price whichever is best for the City of Oxnard. The items they could move under this agreement are: mixed paper, newspaper (grades 6 & 7), cardboard, office paper, and all normal grades of plastic (PET, HDPE, etc.) and all grades of scrap metal. The other recycler offered to market and sale the recyclables for 25% of the revenue. Under both these scenarios, the City would see additional revenues.

Task 12. Continue discussions with potential recyclers/brokers to develop several potential types of contractual options for the transportation, marketing, and sale of the recyclables recovered at the facility. Develop and issue a RFP for the transportation, marketing, and sale of the recyclables recovered at the facility.

Task 13. Analyze the types of materials and associated tonnage for the last several years and the costs associated with the marketing, transportation, and sales of the recyclables (including the sales price, both gross and net, by commodity type). Also obtain the end markets that Republic Services utilized for the last several years. The material type and tonnage data will be needed by the City for contract negotiations with potential service providers for the transportation, marketing and sale of recyclables.

2.1.4 Facility and Equipment Repair

The existing equipment is almost 20 years old, which is beyond the normal operating life of equipment for a materials recovery facility. An informal facility equipment evaluation was conducted by City staff and the determination has been made that Del Norte facility must undergo major repair/maintenance of the existing equipment in order to continue operations. The existing contract requires Republic Services to conduct routine maintenance (which the City does not pay for separately), but the City pays for all major maintenance/repairs directly. This

creates a financial disincentive for Republic Services to keep the equipment in top condition with ongoing routine maintenance.

Task 14. Conduct a comprehensive evaluation of the MRF unit processing equipment and materials handling systems components to determine the repairs needed to maintain operations until the next major facility upgrade. This evaluation should also determine the key spare parts inventory requirements (especially for long lead-time parts) that are necessary to keep the facility in continuous operations. For outdated equipment and parts that are not available, determine what unit process equipment are needed to replace those specific units.

Task 15. From the inventory listing of tools that is used in the operations, including health and environmental instrumentation equipment (e.g., methane detectors, CO_2 detectors, noise meters, etc.), determine what is needed for City operations of the facility and determine the training requirements needed for the proper usage of the equipment. Allow for training time for proper usage of equipment during the transition. If equipment needs calibration, the City will need to schedule for this service.

2.1.5 Regulatory Compliance

There is a statutory notification requirement for a change of operators at a permitted solid waste facility; the Public Resources Code Section 44005 describes the Operator's requirements as follows:

A) *Owners and/or operators of a SWF or disposal site who plan to sell, encumber, transfer or convey the ownership or operation of the facility to a new owner or operator must notify the enforcement agency (EA) and the California Integrated Waste Management Board (CIWMB) 45 days prior to the transaction. Although this is similar to the previous requirement for a change in owner, it significantly reduces the requirements for incorporating a new operator into the SWFP.*

B) *The new owner or operator is required to submit specific information to the EA and CIWMB and to meet specific requirements. The information and requirements are as follows:*

    1. *Name(s), address(es), where notice can be sent and phone number(s) of the new owner/operator;*

2. *Documentation that the new owner/operator meets the financial assurance and operating liability requirements, when applicable;*
3. *A signed affidavit certifying that the owner/operator has read the governing permit and conditioning documents and will operate in accordance with the terms and conditions of the existing SWFP and conditioning documents and that all new information submitted is correct; and*
4. *Amendments to the Report of Facility Information (RFI) which reflect the change in owner/operator, and/or facility name.*

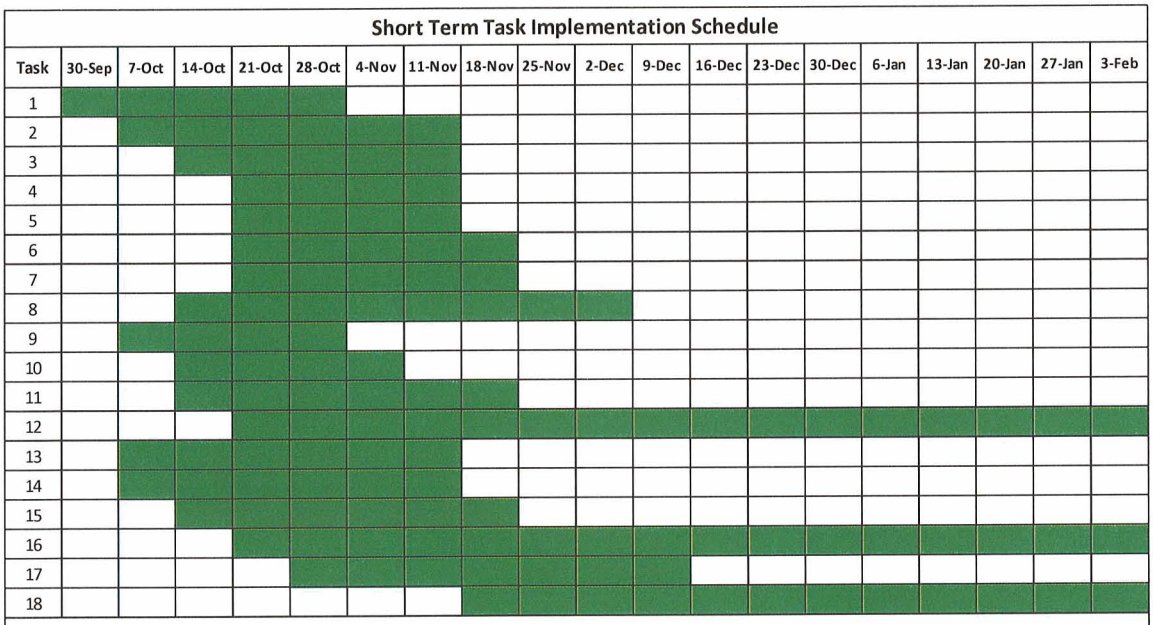
C) *All information provided pursuant to this advisory and PRC section 44005 shall not be a matter of public record and shall be considered confidential until such time as the owners have encumbered, sold, transferred or conveyed the property.*

Task 16. As required by the Public Resources Code, provide notification and set up meeting with the Ventura County Local Enforcement Agency and CalRecycle to provide written notice of pending change in the operator, and receive a written list of actions required by the enforcement agency. Please note that local requirement may be above and beyond the State minimum requirements listed in the Public Resources Code. Determine a schedule for all the other documents that will need to be filed or updated, e.g., TPR, etc.

Task 17. Get from Republic Services the Disposal Reporting System reporting database (allocation of trash and recyclables tonnages by jurisdiction of origin, and the forms needed for meeting the reporting requirements of the CalRecycle Disposal Reporting System, and any additional reporting required by Ventura County. Disposal Reporting of tonnage by jurisdiction of origin is required of every facility. The facility also has to report unallocated tonnage, and the host jurisdiction is charged for this tonnage as part of this disposal.

Task 18. There are numerous other statutory notification requirements associated with the operations of the Del Norte Household Hazardous Waste Facility and Buy Back Center operations, e-waste collection, etc. The City needs to assign a person to make sure that all of the administrative, regulatory licensing, certifications, and reporting requirements are complied with. Coordinate with Republic Services and develop a schedule for the activities that need to be done for each of these facility operations.

2.2 Short Term Project / Task Schedule



Task	Task Description
1	Update the Transfer Processing Report and submit for approval by the LEA
2	Update the organization chart to describe the requirements needed for each management and key supervisory staff position. Match City staff personnel with corresponding Republic staff currently assigned to each TPR task.
3	Familiarize management staff and key supervisory staff with the TPR. Review existing procedures and protocols to determine if the TPR must be updated
4	Determine the required training and certifications needed for each job classification.
5	Arrange/schedule for facility management, supervisory staff, and transfer haul drivers to take the SWANA Certification course on "Managing Transfer Station Systems" and take the "Transfer Station Certification Exam." (Note: Superintendent already completed course)
6	Determine physical and medical health requirements for each MRF position
7	Begin recruitment and contracting for all positions required for City to begin operation of the MRF on February 1, 2014.
8	Provide for the following administrative and contract services: 1) Services that Republic provides for via corporate or with other internal resources to support the operations and maintenance of the Del Norte facility, 2) Services that Republic subcontracts
9	Develop an equipment, tool, facility mobile equipment
10	Compile a list of backup services and backup equipment suppliers which Republic utilizes to supplement their existing operations and determine the spare parts inventory requirements.
11	Assign the responsibilities to City staff person(s) who will be responsible for ensuring compliance with of each of the listed minimum State standard. Provide operations training for each job.
12	City to continue discussions with potential recyclers/brokers to develop several potential types of contractual options for the transportation, marketing, and sale of the recyclables recovered at the facility. Develop an issue a RFP for the transportation, marketing, and sale of the
13	Analyze the types of materials and associated tonnage for the last several years and the costs associated with the marketing, transportation, and sales of the recyclables
14	Conduct a comprehensive evaluation of the MRF unit processing equipment and materials handling systems components to determine the repairs needed to maintain operations until the next major facility upgrade.
15	Determine what is needed for City operations of the facility and determine the training requirements needed for the proper usage of the equipment.
16	Provide notification and set up meeting with the Ventura County Local Enforcement Agency and CalRecycle to provide written notice of pending change in the operator, and to get a written list of actions required by the enforcement agency.
17	Get from Republic Services the Disposal Reporting System reporting database (allocation of trash and recyclables tonnages by jurisdiction of origin, and the forms needed for meeting the reporting requirements of the CalRecycle Disposal Reporting System
18	File statutory notification requirements associated with the operations of the Del Norte Household Hazardous Waste Facility and Buy Back Center operations, e-waste collection, etc.

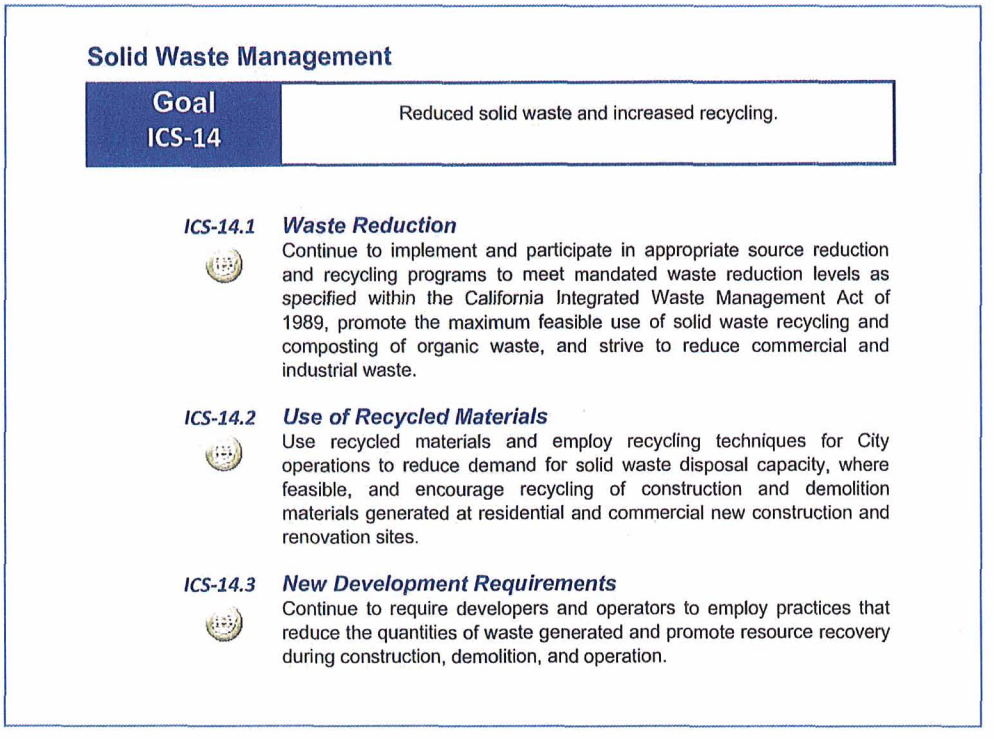
2.3 Long Term: After February 2014

Long term facility upgrades planning refers to the development of plans to determine the future solid waste and sustainability infrastructure, as well as roles/functions of the Del Norte facility. This planning process would start after the business and operations transition and after the needed repairs and maintenance is completed. This long term planning process would involve input from the community and other stakeholders to determine what the future of the overall sustainability and of solid waste programs should be for Oxnard. Stakeholder input and meaningful participation by the impacted community is the core of Environmental Justice.

2.3.1 Factors Impacting Future City Operations and MRF Facility Design

To understand the current and future facility and equipment upgrades, as well as future operational requirements, it is important to understand some of the major factors that will determine what type of equipment and facility repairs/upgrades are needed to maintain current operations, to meet future operational requirements.

The City of Oxnard's General Plan has broad goals as shown by the figure below:



Solid Waste Management

Goal ICS-14	Reduced solid waste and increased recycling.

ICS-14.1 Waste Reduction

Continue to implement and participate in appropriate source reduction and recycling programs to meet mandated waste reduction levels as specified within the California Integrated Waste Management Act of 1989, promote the maximum feasible use of solid waste recycling and composting of organic waste, and strive to reduce commercial and industrial waste.

ICS-14.2 Use of Recycled Materials

Use recycled materials and employ recycling techniques for City operations to reduce demand for solid waste disposal capacity, where feasible, and encourage recycling of construction and demolition materials generated at residential and commercial new construction and renovation sites.

ICS-14.3 New Development Requirements

Continue to require developers and operators to employ practices that reduce the quantities of waste generated and promote resource recovery during construction, demolition, and operation.

In 1989, the California Legislature passed the landmark legislation, the Integrated Waste Management Act of 1989 (Sher), which imposed an extensive set of planning and programmatic requirements on each jurisdiction, with penalties of up to $10,000 per day for non-compliance.

The Del Norte facility was originally built in response to meeting the legislative mandates of AB 939, which required a 50% diversion rate by the year 2000 and the need for creating a consolidation center for the efficient transport of trash for landfill disposal.

The City of Oxnard has already achieved a remarkable city-wide diversion rate of approximately 73% for the Year 2012. In the future, this facility will continue to have a critical role in the City's ability to meet the new statutory and regulatory requirements that the State has mandated. Some of the major new requirements that the City must address are the following:

- New State "Recycling Rate" of 75% goal
- Mandatory Commercial and Multi-Family Building Recycling Requirement (AB 341)
- CalRecycle's Proposed "MRF Performance Standards"
- Climate Change Goals (AB 32)

With the passage of AB 341, the Mandatory Commercial Recycling Law, the Del Norte facility and operations will be required to change significantly. Irrespective of what diversion rate is achieved, AB 341 requires all businesses that generate four or more cubic yards of waste weekly to recycle and multi-family housing with five units or more to offer recycling services to their residents. The City is responsible for the education and outreach to the residents and the businesses regarding the requirements of this law. The City is also responsible for tracking and monitoring the status of the recycling programs at the businesses.

This law is driving the change in MRF facility design, equipment upgrades, and operations. The law provides two alternatives for meeting the recycling requirement, either an onsite source separation recycling program for all business and multifamily buildings, and/or "MRFing" the mixed wastes to recover the recyclables.

The mixed waste MRFing option has a very significant requirement, and that is the MRFing must provide "equivalent" results as a source separation program. CalRecycle has begun to develop the MRF "Performance Standards" and the other technical requirements to show equivalency. The State-wide average recovery of recyclables from mixed municipal solid waste is approximately 20% (CalRecycle Statewide Waste Characterization Study 2006), Note that the Del Norte MRF recovers less than 5% from the mixed commercial waste stream that is currently being directly transferred to landfill.

At the current time, the Del Norte facility will NOT be able to meet this basic AB 341 requirement for mixed waste processing. In the short-term, the primary goal of the transition plan will be to accomplish a safe and seamless transition of the facility management and operations from the current staff of Republic Services to City of Oxnard personnel in a manner that ensures continuity of services.

For the longer term, a plan will be needed to upgrade the Del Norte facility and equipment so that it will be able to meet all of the new regulatory requirements without interrupting the service it provides.

The Del Norte facility has not been upgraded for almost 20 years, and does not technically reflect the international best management practices approach of an "Integrated Materials Recovery Facility" (integrated MRF) design or operations. The integrated MRF approach is a key technical component of environmental sustainability / climate action plans that has a Zero Waste policy in Europe and Asia. The most modern MRF facilities are designed to meet a specific waste management technical approach and zero waste goal.

The goal of a "Zero Waste Policy" is to recognize that the waste currently going to landfill is a valuable resource; to reduce the generation of waste, and to maximize the reuse, recycle, or conversion of this resource to energy and other beneficial products for the purpose of reducing the emissions of greenhouse gases and to minimize disposal at landfills.

The following sections will provide a brief overview of the new generation of MRFs being designed and built to meet the new State requirements and "zero waste" policies that cities are adopting.

2.3.2 The Integrated Waste Management Hierarchy and the Integrated MRF Approach

The City has the opportunity and the capability to create a world-class teaching reference benchmark integrated materials recovery facility.

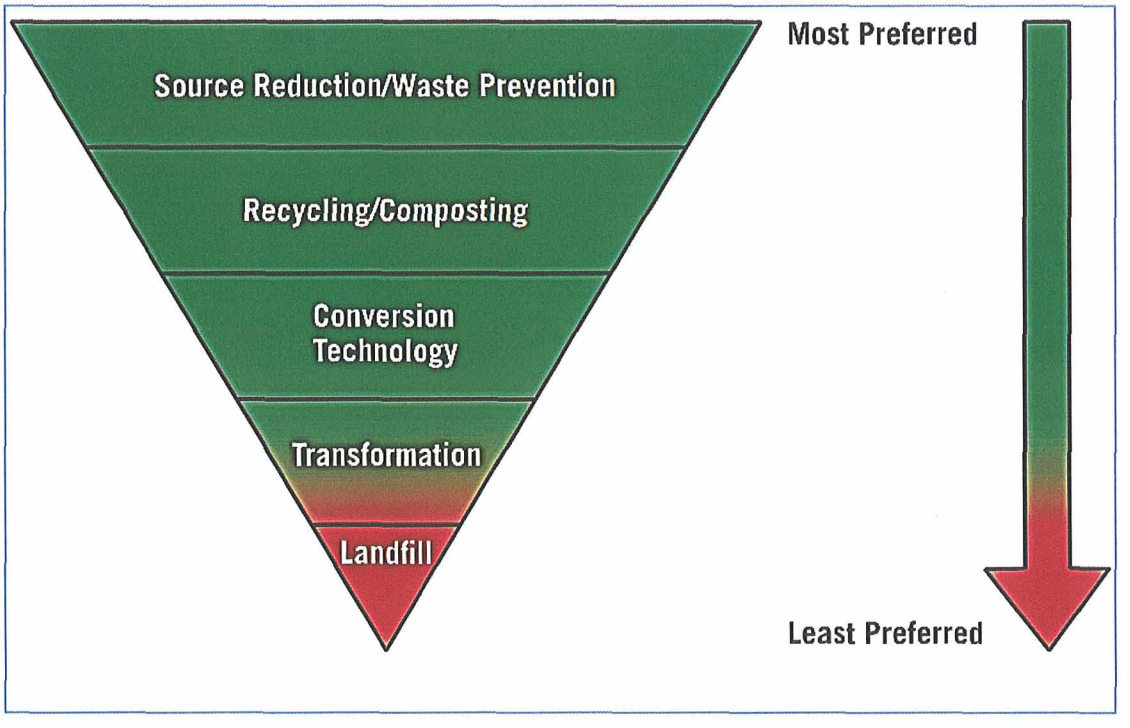
In order to determine what needs to be done to transition the MRF to City operations, and to determine what the future upgrades of the MRF are needed, the following broad policies and "guiding principles have been used as the basis for the development of the short-term and long-term business and operations transition plan:

- Protection of public health and the environment
- Adoption of integrated waste management approach to minimize landfill disposal and reducing greenhouse gas generation

- City leadership as a model for zero waste practices
- Implement new, safe environmental technology
- Improve economic and operational efficiency
- Creation of "Green Jobs" with a meaningful career path
- Maximizing diversion with an "integrated MRF" approach as part of the City's Environmental Sustainability and Climate Action goals
- Consistency with long-term sustainable technical and social/cultural infrastructure
- Addressing Environmental Justice issues in program planning and implementation
- Adopt the principle of continuous process improvement in environmental planning, program implementation, facility design/operations, and management

2.3.3 Integrated Waste Management Hierarchy

The following diagram reflects the recommended "integrated waste management hierarchy" for the City of Oxnard. The hierarchy describes the preferential order of waste management options; reducing the generation of waste, recycling and composting whenever practical, and utilizing the waste as a resource to convert to energy or other useful products, and then, as the last option, disposal of waste in the landfill.



2.3.4 Integrated Materials Recovery Facility (Integrated MRF)

In the short-term, the Del Norte facility must undergo significant and major repair and maintenance of the existing equipment, as the facility' equipment is almost 20 years old, which is beyond the normal operating life of most of the existing equipment. As these maintenance activities and upgrades are being done, the City of Oxnard will need to plan to determine the future role for this facility. A key fact is that this facility will continue to play a significant role as the central hub of the overall solid waste management system for the City of Oxnard and for other cities in the region.

In the future, the Del Norte facility will need to be flexible enough to meet the new legislative mandates and resulting programmatic changes that will occur. For example, with the State emphasis on recovering of organics, e.g., food waste, greenwaste, etc., from the wastestream, the City may implement a source separated food collection program. Whatever new programs implemented through collection, the Del Norte MRF will have a potential role. With this in mind, it is important for the City of Oxnard to develop the most "flexible" facility to enable it to deal not only with the changing wastestream, but also with new programs that the City (or other cities) may implement.

Within the last 10 years, the most successful MRFs in the European Union and in Japan that have achieved the highest of recovering recyclables and diversion levels of non-recyclable are the "integrated MRF facilities" that have an extensive system for recovery of recyclables together with a combination of conversion technologies and other project components that can address the entire municipal solid waste stream of a wasteshed, (including greenwaste, construction and demolition waste recycling, sewage sludge, and other types of wastes).

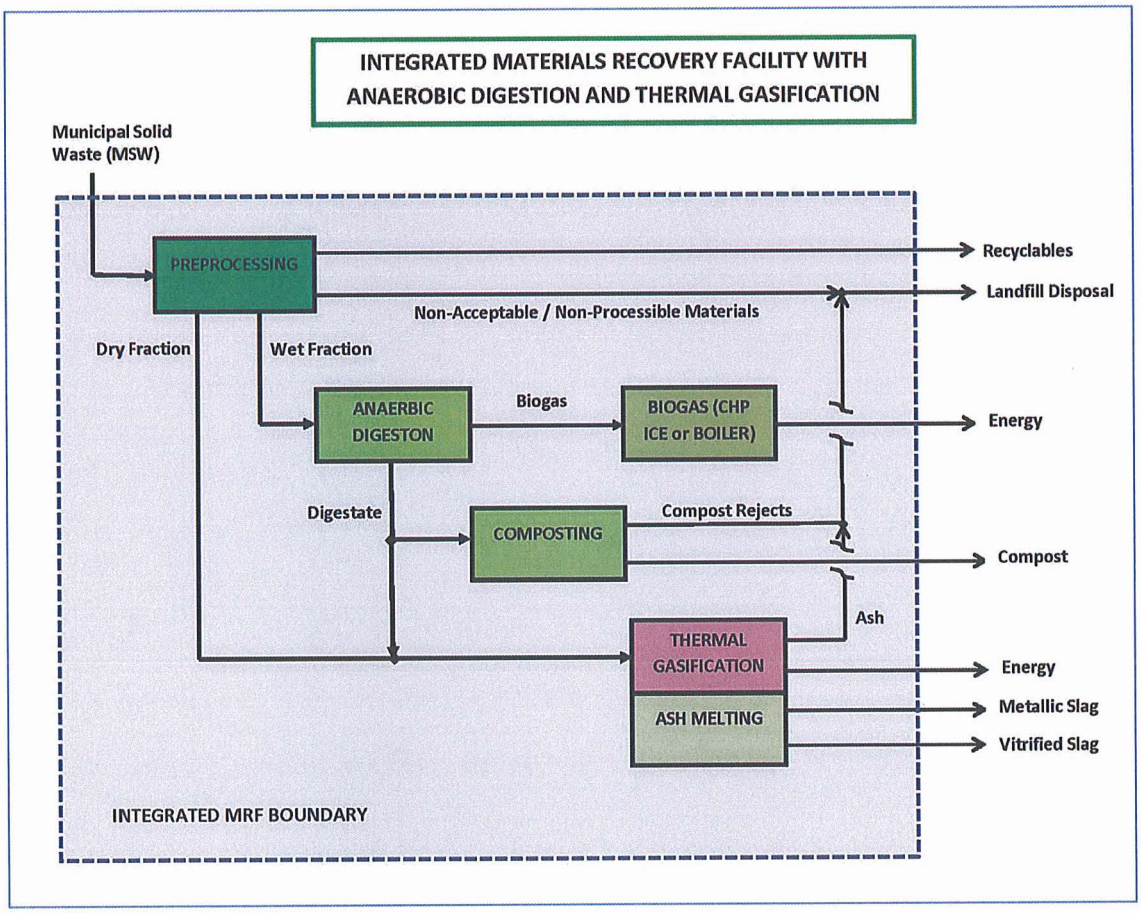
"Conversion Technologies" are an array of emerging technologies capable of converting post-recycled residual solid waste into useful products and chemicals, green fuels like ethanol and biodiesel, and clean, renewable energy. Adopting this revised hierarchy takes into account the impacts of waste management options within a greater context of environmental sustainability and climate change. These technologies will keep materials, which cannot be source separated for recycling or composting, from reaching landfill disposal, other than a small percentage of inert residuals from the processes.

The ultimate goal of the integrated MRF facilities is to minimize waste sent for disposal at landfills and to lower the greenhouse gas emissions of the overall solid waste management system. It is now a widely-accepted project design philosophy to use an integrated facility

approach to maximize beneficial use of the various components of the waste stream before the application of thermal treatment.

The integrated MRF facility project design approach reflects a public, social, and political reality that mandates maximum waste reduction and recycling first, including aerobic digestion (composting) of source separated and/or organics separated from the mixed municipal waste stream, including energy recovery of through the production of biogas from anaerobic digestion, and only as a "last option" the recovery of energy through the use of thermal technologies.

It is important to emphasize that an integrated MRF with conversion technology project meets the combined environmental goals of maximizing recycling, minimizing landfill diversion, and reducing greenhouse gas emissions. Below is a macro level process diagram for an idealized state-of-the-art integrated materials recovery facility with conversion technology.



The City of Oxnard's long-term goal will be to upgrade and transform the current facility and operations, which is primarily a MRF for recovering recyclables from comingled source separated materials and a transfer station, to be a world class reference "integrated MRF" benchmark. Since the existing Del Norte facility already serves as a central hub for the City's waste management system, in the future, it will play a much more comprehensive role with new facility improvements and new equipment.

2.3.5 Plans to be Developed

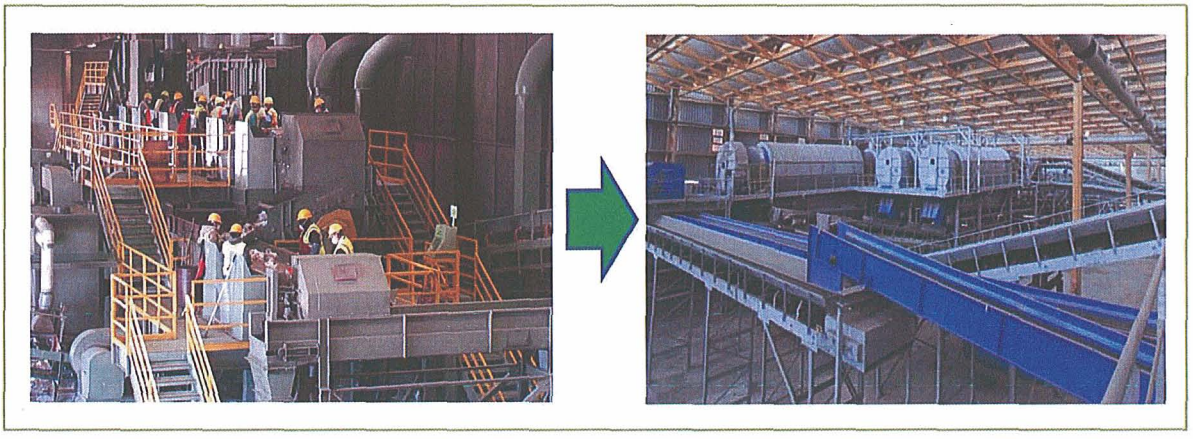
After the transition to City operations of the Del Norte MRF, the following plans need to be developed for the overall municipal solid waste management infrastructure:

1) Repair equipment to enable continued operations until plan to develop an upgraded facility can be implemented
2) Develop and implement a full cost accounting systems for the City's solid waste operations
3) Development of a Zero Waste Plan and the programmatic elements
4) Plan and implementation of AB 341 requirements
5) Develop a Green Business Certification Program
6) Develop a Business Technical Assistance Program
7) Develop and adopt a "MRF First Policy" to supplement new IWM Hierarchy
8) Waste characterization of the City of Oxnard's wastestream
9) Waste characterization to determine the recovery efficiency of the MRF (by material type)
10) Develop a plan to upgrade the existing MRF into an "integrated MRF (with conversion technology")
11) Research utilizing other waste streams within the integrated MRF (e.g., sludge, ag waste, etc.)
12) Research feasibility of developing a public-private partnership for the integrated MRF facility, potentially with wastes from other cities, and with the Navy, and private companies.
13) Re-negotiate tonnage commitments at landfills
14) Incorporate solid waste management into Disaster Planning

The future upgrades to the Del Norte facility depend on how the City plans to optimize the overall solid waste management infrastructure to meet the policy and programmatic goals from the above plans.

The current international trend and design standards for MRF facility design and operations are to move towards increased automation and incorporation of conversion technologies. Increased automation results in improved worker health and safety, increased recovery of recyclables, and creation of more skilled jobs. The City will need to determine the desired level of automation, the future facility type, and the role of the facility so as to optimize the overall solid waste management infrastructure.

The Del Norte facility will need to be significantly upgraded from its current form as a first-generation manual MRF to be transformed into a modern MRF with increased automation to be able to meet new MRF performance requirements and maximize diversion from landfill.



Del Norte MRF

Reference Benchmark Integrated MRF (EveRe)

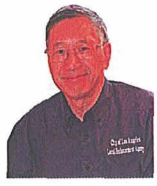
The transformation and upgrades will need to be completed in various phases in a manner to enable the City to continue operations during the transformation. The long term goal for the Del Norte MRF is to upgrade the facility and operations to become the national reference benchmark teaching facility for the solid waste management and environmental sustainability industry.

The transition plan project team and consultant recommend adoption of "Continuous Improvement" as a guiding principle in the implementation of existing and proposed plans and programs. "Continuous improvement" refers to a Japanese management principle called "kaizen," which focuses on continuous small improvements. Commitment to the continuous improvement principle requires developing, testing, evaluation, and monitoring of environmental and other performance based metrics that can be used to quantitatively assess each program, preferably on an annual basis. Continuous improvement is a fundamental concept within environmental sustainability.

Upgrading and transforming the existing Del Norte facility, while also addressing the City's climate action and environmental sustainability goals, will be a complex process involving many City departments and other stakeholders. This long term planning process would involve input from the community and other stakeholders to determine what the future of the overall sustainability and of solid waste programs should be for Oxnard. Stakeholder input and meaningful participation by the impacted community is the core of Environmental Justice. The most successful solid waste /sustainability projects reflect a combination of complementary programmatic elements in both the soft infrastructure (e.g., education, outreach, policy goals, etc.) and the hard infrastructure, (e.g., facility design, equipment, technology, civil works, etc.). There is a huge role to be played by community groups, non-profits, youth job training programs, educational institutions, and other non-governmental organizations (NGOs) in a successful solid waste management program.

The City has the opportunity and the capability to create a world-class teaching reference benchmark integrated materials recovery facility and solid waste management / sustainability program. The leadership role that the City has is critical to the success of the overall program.

About the Consultant:



Eugene Tseng, J.D.
E. Tseng and Associates, Inc.
818-802-7111 etseng@aol.com

Dr. Eugene Tseng is an environmental engineer and an attorney specializing in solid waste management and environmental sustainability infrastructure planning and program implementation (in the specialty area of solid waste management), and regulatory compliance / environmental law. He has 16 years with private industry designing, constructing, and operating MRFs, transfer stations, and waste-to-energy facilities. He is a holder of several patents for construction products made from solid waste.

In 2010, Dr. Tseng had the honor of being selected as the Project Director/Instructor for the U.S. government's federal task force on conversion technology (for solid waste) and environmental sustainability. Dr. Tseng conducted engineering best management practices teaching tours to Germany, France, Spain, Belgium, Japan, Taiwan, Australia, Canada, and around the United States. The work included developing a national "project blueprint" for integrated MRF (with conversion technology) projects. In 2012, Dr. Tseng was commissioned by the Bureau of Sanitation to complete an independent evaluation of the City of Los Angeles' progress towards zero waste, and provided the detailed programmatic recommendations to reach zero waste.

Eugene Tseng has been on the forefront of solid waste industry. He authored the State of California's Uniform Waste Characterization Methodology and also the CalRecycle's (formerly CIWMB) generator-based composition database, and well as the generation-based diversion measurement methods used by the State of California to determine diversion rates for jurisdictions.

Eugene Tseng is an Environmental Law and also an Engineering professor; and teaches a series of courses at UCLA Engineering Extension; courses include Environmental Sustainability, Environmental Law, and a series of Recycling/Municipal Solid Waste Management Engineering courses. He is an Adjunct Professor at the University Of West Los Angeles School Of Law and teaches International Environmental Law/Policy. Eugene Tseng also teaches a graduate mechanical engineering course titled "Municipal Solid Waste Technology Management and Engineering Design" at Cal State University at Northridge (CSUN).

Eugene Tseng served as a founding member of the U.S. EPA's National Advisory Council for Environmental Policy and Technology, he served on both the Technology Transfer Subcommittee and Education Subcommittee, he has worked on behalf of the United Nations Environment Programme to effectuate transfer of "appropriate technology" to developing nations.

Eugene Tseng is a member of the Los Angeles County Alternative Technology Committee. Eugene Tseng serves on the Editorial Advisory Board for MSW Management Magazine. He was awarded the US EPA's Environmental Achievement Award for his work on Conversion Technology, Environmental Justice, and Environmental Education in 2006, and was awarded the Distinguished Teacher Award by UCLA in 2008. Dr. Tseng was appointed to the Board of Directors of Green Seal, the oldest and most respected science-based environmental certification firm, in 2008.

Appendix 1
Projected Revenues and Expenditures

Del Norte Regional Recycling & Transfer Facility
Projected Revenues and Expenditures
Fiscal Years 2013-14 - 2015-16

	Republic	City Operation		
	2013-14*	2013-14*	2014-15	2015-16
Revenues				
Del Norte Host Fee	$ 23,333	$ 16,667	$ 40,000	$ 40,000
E-Waste Recycling	20,417	14,583	35,000	35,000
Construction/Demolition Debris Fee	87,500	62,500	150,000	150,000
Tipping Fees	2,770,834	1,971,611	4,731,867	4,495,274
MRF Reimbursement	350,000	-	-	-
MRF Recycle Material Sale	4,046,583	2,420,143	6,131,028	7,992,168
Misc. Revenue	5,833	4,167	10,000	10,000
Total Revenues	**$ 7,304,500**	**$ 4,489,671**	**$ 11,097,895**	**$ 12,722,441**
FY 2013-14 Full Year		11,794,171		
Expenses				
Personnel Costs				
Direct Labor-Regular	$ 431,880	$ 660,764	$ 1,585,835	$ 1,608,046
Direct Labor-Temporary	19,803	14,145	33,948	34,966
Overtime	58,333	90,986	218,365	221,365
PERS	88,482	141,307	339,133	360,554
PARS	22,762	26,160	62,786	63,957
Employee Benefits (Other)	80,772	142,307	341,536	341,536
Workers Comp Insurance	31,581	48,318	115,964	117,588
Sub-total	$ 733,613	$ 1,123,987	$ 2,697,567	$ 2,748,012
Non-personnel Operating Costs				
Contract Labor*	-	587,254	1,409,408	1,409,408
Sub-total	$ -	$ 587,254	$ 1,409,408	$ 1,409,408
Supplies				
Office Supplies	1,167	2,883	3,050	3,050
Shop & Field	1,167	833	2,000	2,000
Parts, Materials & supplies	-	3,125	7,500	7,500
Safety equipment & Supplies	-	2,250	450	450
Janitorial equipment & supplies	-	750	450	450
First aid supplies	-	585	2,700	2,700
Uniforms	4,083	11,562	24,290	24,290
PPE	-	9,500	19,000	19,000
Boots	-	2,375	4,750	4,750
Sub-total	$ 6,417	$ 33,863	$ 64,190	$ 64,190
Contractual Services				

Del Norte Regional Recycling & Transfer Facility
Projected Revenues and Expenditures
Fiscal Years 2013-14 - 2015-16

	Republic	City Operation		
	2013-14*	2013-14*	2014-15	2015-16
Services - Audit	$ 1,983	$ 1,417	$ 3,399	$ 3,399
Other Consulting	25,000	-	-	-
VC Mail	583	417	1,000	1,000
Utility Billing	5,250	3,751	9,000	9,000
Alarm System**	700	500	1,200	1,200
Portable Restroom Service**	21,000	15,000	36,000	36,000
Propane Tank Disposal **	1,400	1,000	2,400	2,400
Sweeping MRF, Yard and Parking Area**	21,000	15,000	36,000	36,000
Used/Recycle Tire Collection**	21,000	15,000	36,000	36,000
Falcon (Seagull Abatement)**	-	2,084	5,000	5,000
Fire Extinguisher and Sprinkler Certification**	-	833	2,000	2,000
Janitorial**	-	17,333	41,600	41,600
MRF Optimization Consultant**	-	10,417	25,000	25,000
Sales Auditing Consultant**	-	10,417	25,000	25,000
Security**	-	56,333	135,200	135,199
Car Wash	8,750	6,250	15,000	15,000
Memberships	-	1,180	1,180	1,180
Subscriptions	-	600	600	600
D/Service-Accounting Serv.	1,458	1,041	2,499	2,499
Training/Workshop/Meeting	583	417	1,000	1,000
Training	-	20,600	20,600	20,600
Service from Other Programs	1,167	833	1,999	1,999
Contract maintenance	-	10,417	25,000	25,000
Sub-total	$ 109,875	$ 190,839	$ 426,677	$ 426,676
Internal Service and Administrative Charges				
Telephone Chgs/HIPC	-	2,000	2,000	2,000
Data Processing-Operation	3,316	21,000	21,000	21,000
Liability Insurance	23,107	36,119	83,886	83,886
Indirect Prorated CST CHG	484,873	363,654	872,771	872,771
Sub-total	$ 511,296	$ 422,773	$ 979,657	$ 979,657
Processing Fees/Costs				
Del Norte Facility Base Fee	3,074,750	-	-	-
Recyclable Purchases	3,083,599	1,982,298	4,757,514	6,439,625
Recyclable Processing Fees	253,104	-	-	-
Contractor Share of Profit	513,333	-	-	-
Marketing fees	-	276,230	679,086	860,949
Greenwaste Processing	38,633	-	-	-
Greenwaste Hauling	130,456	93,183	223,639	223,639

Del Norte Regional Recycling & Transfer Facility
Projected Revenues and Expenditures
Fiscal Years 2013-14 - 2015-16

	Republic	City Operation		
	2013-14*	2013-14*	2014-15	2015-16
Greenwaste disposal	390,808	279,149	669,956	669,956
Supp. Waste Hauling	405,338	289,527	694,865	694,865
Del Norte -Other than City	467,895	-	-	-
Collection of Recyclable Household Hazardous Waste**	35,000	25,000	60,000	60,000
Freon Extraction**	2,917	2,083	5,000	5,000
Mattress Recycling**	49,000	35,000	84,000	84,000
Sub-total	$ 8,444,832	$ 2,982,470	$ 7,174,060	$ 9,038,034
Refuse Disposal				
Simi	2,245,833	1,604,167	3,850,000	3,850,000
Tolland	1,837,500	1,312,500	3,150,000	3,150,000
Other	40,833	29,167	70,000	70,000
Sub-total	$ 4,124,167	$ 2,945,833	$ 7,070,000	$ 7,070,000
Taxes & Fees				
Tipping Fees	75,834	54,167	130,000	130,000
Taxes and Filing Fees	21,000	15,000	35,999	35,999
Waste Control fees	-	17,500	42,000	42,000
Sub-total	$ 96,834	$ 86,667	$ 207,999	$ 207,999
Utilities				
Electricity	64,167	47,917	115,000	115,000
Natural Gas	1,750	1,251	3,000	3,000
Wastewater	292	208	500	500
Water	7,875	5,625	13,500	13,500
Sub-total	$ 74,083	$ 55,001	$ 132,000	$ 132,000
Office Furniture/Equipment				
Furniture	-	30,000	2,000	2,000
Computers	-	12,000	4,000	4,000
Office Software	-	4,560	1,520	1,520
Specialty Software	-	10,000	10,000	10,000
Office equipment	-	2,400	1,980	1,980
Minor Equipment - Office	1,750	-	-	-
Sub-total	$ 1,750	$ 58,960	$ 19,500	$ 19,500
Equipment/Tools				
Sorting - Specialty tools	-	30,760	12,000	12,000
Other - Specialty tools	-	16,000	3,000	3,000
Cell Phone	-	5,400	3,600	3,600

Del Norte Regional Recycling & Transfer Facility
Projected Revenues and Expenditures
Fiscal Years 2013-14 - 2015-16

	Republic	City Operation		
	2013-14*	2013-14*	2014-15	2015-16
Telephone - cell and Pager	58	42	100	100
Radios	-	1,900	380	380
Individual tools	-	45,000	3,000	3,000
Minor Equip-Shop/Field	4,667	3,333	8,000	8,000
Rental-Vehicle & Equipment	17,500	-	-	-
Sub-total	$ 22,225	$ 102,435	$ 30,080	$ 30,080
Facility Maintenance/Repair				
Replace/Repair	-	94,251	100,000	-
Landscape Maintenance**	-	16,001	38,401	38,400
Sub-total	$ -	$ 110,252	$ 138,401	$ 38,400
Equipment Maintenance Charges				
Transfer Trailer	577,500	412,500	990,000	891,000
MRF Rolling Stock	-	172,621	57,895	58,559
Sub-total	$ 577,500	$ 585,121	$ 1,047,895	$ 949,559
Fuel				
Transfer Trailer	240,333	171,667	412,000	424,360
MRF Rolling Stock	-	75,941	182,260	182,260
Sub-total	$ 240,333	$ 247,608	$ 594,260	$ 606,620
Major Repairs/Replacement				
Building - Major Repair	-	165,113	85,000	9,713
MRF equipment Major repair	-	225,000	275,000	225,000
Sub-total	$ -	$ 390,113	$ 360,000	$ 234,713
Total Operating Expenses	**$ 14,942,924**	**$ 9,923,176**	**$ 22,351,694**	**$ 23,954,848**
FY 2013-14 Full Year		24,866,100		
Capital Equipment				
Mobile Equipment	$ -	$ -	$ 770,120	$ 302,225
Network/Servers	-	112,000	-	-
Equipment Lease	-	50,000	120,000	120,000
Transfer Vehicles	-	-	-	962,642
Total Capital Equipment	**$ -**	**$ 162,000**	**$ 890,120**	**$ 1,384,867**
Total Expenses and Capital Equipment	**$ 14,942,924**	**$ 10,085,176**	**$ 23,241,814**	**$ 25,339,715**
FY 2013-14 Full Year		25,028,100		
FY 2013-14 Budget		25,598,584		

Del Norte Regional Recycling & Transfer Facility
Projected Revenues and Expenditures
Fiscal Years 2013-14 - 2015-16

	Republic	City Operation		
	2013-14*	2013-14*	2014-15	2015-16
Required from Rates	**$ 7,638,424**	**$ 5,595,505**	**$ 12,143,919**	**$ 12,617,274**
FY 2013-14 Full Year		13,233,929		

* Assumes 7 months under Republic Operation and 5 months by City.

** Paid to Republic either as part of base fee or separate charges.

AGENDA ITEM NO.
S-1

MINUTES

OXNARD CITY COUNCIL
Regular Meeting
September 10, 2013

A. ROLL CALL/POSTING OF AGENDA

At 4:34 p.m., the regular meeting of the Oxnard City Council convened in the Council Chambers. Councilmembers Timothy B. Flynn, Bryan A. MacDonald, Carmen Ramirez, Dorina Padilla and Bert Perello were present. The City Clerk stated that the agenda was posted on Thursday in the Library and City Clerk's Office. Mayor Flynn presided and called the meeting to order. Staff members present were: Daniel Martinez, City Clerk; Karen Burnham, Interim City Manager; Stephen Fischer, Acting City Attorney; Michelle Téllez, Human Resources Director; Grace Magistrale Hoffman, Deputy City Manager; and Martin Erickson, Deputy City Manager.

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

The following individuals provided comments: Maria Gallegos-Herrera; Marcos Vargas; Danny Carrillo; Martin Vasquez and Rachel Flores.

C. CLOSED SESSION

At 4:49 p.m. the City Council recessed to a closed session for the following purposes and pursuant to Government Code section 54957.6 to give instructions to negotiators Karen Burnham, Interim City Manager; Michelle Téllez, Human Resources Director regarding salaries, salary schedules, or compensation paid in the form of fringe benefits for employees represented by the Service Employees International Union (SEIU), Local No. 721 and other matters within scope of representation. In addition, instructions will be given to the City's negotiator Michelle Téllez, Human Resources Director and City's labor attorney, Jeffrey C. Freeman, regarding the voluntary recognition request from Oxnard Mid-Managers' Association and other matters within the scope of requested representation.

The City Council will also recess to a closed session pursuant to Government Code section 564956.9(d)(4), based on existing facts and circumstances, to decide whether to initiate litigation in one potential case.

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

D. OPENING CEREMONIES

At 6:29 p.m., the regular meeting of the Oxnard City Council reconvened in the Council Chambers, concurrently with the Community Development Commission Successor Agency. The meeting opened with the pledge of allegiance to the flag of the United States, followed by a moment of silence. Mayor Flynn presided. Additional staff members present were: Danielle Navas, City Treasurer; Jeri Williams, Police Chief; Rob Roshanian, Interim Public Works Director; William "Bill" Wilkins, Housing Director; Matthew Winegar, Development Services Director; Sofia Balderrama, Special Projects Manager; Anthony Emmert, Water Resources Manager; Michael Henderson, General Services Manager; and Karl Lawson, Compliance Services Manager.

E. CEREMONIAL CALENDAR

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

The following individuals provided comments: Donald Thibeault; Thomas Greer, William Terry; Russell Sydney; Nancy Pedersen; Nancy Lindholm; Casey Showers; Woodrow Thomas; Irma Lopez; Comite Cultural Mexicano; James Reach; Dan Pinedo; Morey Navarro; Daniel Lechliter; Roy Prince; Maria Herrera; Danny Carrillo; Angela Portillo; Richard Duarte, Ted Wakai; Vince Behrens; and Larry Stein.

G. TRANSMITTAL OF INFORMATION ONLY ITEMS

H. INFORMATION/CONSENT PUBLIC HEARINGS

ACTION: Mayor Flynn declared the public hearing open.
DISCUSSION: The City Clerk reported on posting, publication and that there were no written communications received.

Housing Department

1. SUBJECT: The City of Oxnard's Consolidated Annual Performance and Evaluation Report (CAPER) for the Fiscal Year 2012-2013. (001)
RECOMMENDATION: Accepts the City of Oxnard's CAPER for FY 2012-2013.
DISCUSSION: The Housing Director reviewed the outreach process and the time schedule for public review. The Special Projects Manager reviewed "Youth Master Plan" development, priorities, grants and updates. The Compliance Services Manager reviewed the scope of grants with the purpose of retention of housing and loan assistance.

   The following individual provided comments: Eileen Tracy.

   The Council discussed: 1) grant funding deadlines; 2) accountability of funds; and 3) public outreach.

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

I. PUBLIC HEARINGS

Mayor Flynn opened the public hearing. The City Clerk reported on publication and that there were no written communications received.

Development Services Department

1. SUBJECT: Planning & Zoning (PZ) Permit Nos. 12-535-01 (Density Bonus) and 12-500-06 (Special Use Permit), Located at 300 W. Ninth Street. Filed by Albert Group Architects on behalf of the property owner Press-Courier Lofts, LLC. (009)

RECOMMENDATION: 1) Adopt **Resolution No. 14,433** approving a Density Bonus (PZ No. 12-535-01) for the Press-Courier Lofts 115-unit senior affordable housing project, subject to the conditions set forth in Planning Commission Resolution No. 2013-15; and 2) Adopt **Resolution No. 14,434** upholding the Planning Commission's approval of a Special Use Permit (PZ No. 12-500-06), subject to the conditions set forth in Planning Commission Resolution No. 2013-14.
DISCUSSION: The Development Services Director outlined the proposed housing project, parking along "B" Street and communications with the Elks Club.

Richard Bracmonte, Elks Club, reviewed the concerns of the Elks Club including parking, water drainage and entrance of site.

The following individuals provided comments: David O'Malley; Alejandro Cara; Pat Brown; Richard Bracamonte; Larry Stein; Abel Magana and William Terry.

The Council discussed the proposed development including parking issues; bonus density and transportation issues.

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

J. APPOINTMENT ITEMS

K. REPORTS

L. PUBLIC COMMENTS ON REPORTS

N. CITY COUNCIL BUSINESS /COMMITTEE REPORTS

City Manager Department

2. SUBJECT: League of California Cities Annual Conference Voting Delegate/Alternate 2013. (121)
RECOMMENDATION: Designate a voting delegate and a voting alternate to the League of California Cities Annual Conference.
ACTION: Moved to appoint Perello as voting member with Mayor Flynn as alternate. (Flynn/Ramirez) Ayes: Perello, Flynn, Ramirez, MacDonald and Padilla.

O. STUDY SESSION

Public Works Department

1. SUBJECT: Hydraulic Fracturing "Fracking" and Potential Impacts upon Source Water Quality. (127)
RECOMMENDATION: Receive a report on petroleum well stimulation methods, including hydraulic fracturing, and associated potential negative source water quality impacts and provide direction to staff.
DISCUSSION: The Water Resources Manager reviewed fracking process and oil well production in the local area.

DRAFT

The Council discussed local oil well activities including the underground storage of oil production "waste" materials.

Public comments were received from: Nancy Pedersen; Reynal Guillen; Lupe Anguiano; Maria Elena Cruz; Daniel Lechliter; Jose Barrera; Jesus Cardenas; Pat Brown; Orlando Dozier; William Terry and Steve Nash.

ACTION: The City Council provided comments to staff.

N. CITY COUNCIL / COMMITTEE REPORTS

City Clerk Department

1. SUBJECT: Appointment Councilmember to Various Boards, Commissions, and Committees. (111)
RECOMMENDATION: Continue to future date.
ACTION: The Council concurred to continue this item.

P. PUBLIC COMMENTS ON STUDY SESSION

M. REPORT OF CITY MANAGER

Q. REVIEW OF INFORMATION/CONSENT AGENDA

The City Council discussed S-1 and S-3(d). Comments were received from: General Services Manager (S-4).

R. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

Public comments were received from: Pat Brown; Larry Stein and Daniel Lechliter.

S. INFORMATION/CONSENT AGENDA

City Attorney Department

1. SUBJECT: City Manager Recruitment Consulting Services Agreement. (131)
RECOMMENDATION: Approve and authorize the Mayor to execute an agreement with Bob Murray & Associates (A-7616) in the amount of $27,400 for City Manager recruitment consulting services.

City Clerk Department

2. SUBJECT: Minutes of the Regular Meetings of the Oxnard City Council for June 11, 18 and 25, 2013; and July 2, 2013. (163)
RECOMMENDATION: Approve.

DRAFT

City Manager Department

3. SUBJECT: Agreements for City Council Review. (195)
RECOMMENDATION: Pursuant to Ordinance 2835 and Resolution 13,932, approve and authorize the Interim City Manager, to execute the attached agreements/contracts and change orders/amendments in amounts more than $25,000 but less than $250,000.

4. SUBJECT: Project Plans and Specification No. GS09-04 for Construction of East Village Park. (201)
RECOMMENDATION: Adopt plans, specifications, and working details for Project Specification No. GS09-04 to construct a new park to be called East Village Park located at 2051 Jacinto Drive.

5. SUBJECT: Project Specification No. GS13-11 for Vineyards Park Improvements Walking Track. (203)
RECOMMENDATION: Adopt plans, specifications, and working details for Project Specification No. GS13-11 to rework the walking track at the Vineyards Park located at 2790 Smokey Mountain Road, River Park development.

Development Services Department

6. SUBJECT: Special Budget Appropriation for Oxnard Boulevard Bicycle and Pedestrian Path. (205)
RECOMMENDATION: Approve a special budget appropriation recognizing federal revenue and appropriating $334,000 to "Oxnard Blvd. Pedestrian & Bike Path" to construct the bicycle and pedestrian path east of Oxnard Boulevard and south of Gonzales Road.

7. SUBJECT: Project Specification No. DS13-03 for Landscaping for Ventura Blvd., Santa Clara Avenue, and Auto Center Drive, and Special Budget Appropriation. (209)
RECOMMENDATION: 1) Adopt plans, specifications, and working details for Project Specification No. DS13-03 to install landscaping and irrigation at Ventura Boulevard, Santa Clara Avenue, and Auto Center Drive north of the 101 Freeway; and 2) Approve a special budget appropriation to recognize and appropriate federal revenue in the amount of $273,330 and appropriate local matching funds of $35,413 from Air Pollution Buy-down Fund Balance.

8. SUBJECT: Joint Use Agreement, Easement Deed for Southern California Edison Company (SCE) for Rice/Santa Clara Avenue Interchange Improvements at Highway 101. (215)
RECOMMENDATION: 1) Approve and authorize the Mayor to execute an agreement with SCE (A-7614) for joint use of public right of way at Santa Clara Avenue and Ventura Boulevard; and 2) Approve and authorize the Mayor to execute a grant of easement to SCE to replace property acquired for the Rice/Santa Clara Avenue Interchange improvements at Highway 101.

Fire Department

9. SUBJECT: Authorization to Accept a Reimbursement from Ventura County Emergency Medical Services Agency and Purchase of Computer Software. (233)
RECOMMENDATION: 1) Approve a special budget appropriation recognizing and appropriating reimbursement from the Ventura County Emergency Medical Services Agency (VCEMSA) for the purchase of required software program in the amount of $75,000; and 2) Authorize the Fire Chief or designee to purchase the required software program.

Housing Department

10. SUBJECT: Affordable Housing and Rehabilitation Division Loan Program Policies. (235)
RECOMMENDATION: Approve revisions to the Affordable Housing and Rehabilitation Division loan program policies.

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

COMMUNITY DEVELOPMENT SUCCESSOR AGENCY

At 11:44 p.m. the joint meetings with the Community Development Successor Agency Commission concluded.

M. REPORT OF CITY MANAGER

The Interim Public Works Director reported the MRF business plan would be presented to the Council on September 24, 2013.

N. CITY COUNCIL / COMMITTEE REPORTS

The Council discussed: having weekly update reports regarding the MRF; McGrath State Park site; youth violence in the community; status of the former Halaco property; the hiring of a City Attorney; Public Access Channel; use of Measure "O" funds and the Oxnard Performing Arts Center.

T. ADJOURNMENT

At 12:08 a.m., the City Council concurred to adjourn the meeting.

DANIEL MARTINEZ
City Clerk

TIM FLYNN
Mayor

DRAFT

MINUTES

OXNARD CITY COUNCIL
Regular Meeting
September 17, 2013

A. ROLL CALL/POSTING OF AGENDA

At 6:21 p.m., the regular meeting of the Oxnard City Council convened in the Council Chambers concurrently with the Commission Development Commission Successor Agency and Oxnard Industrial Development Financing Authority. Councilmembers Timothy B. Flynn, Carmen Ramirez, Bryan A. MacDonald, Dorina Padilla and Bert Perello were present. The City Clerk stated that the agenda was posted on Thursday in the Library and City Clerk's Office. Mayor Flynn presided and called the meeting to order. Staff members present were: Daniel Martinez, City Clerk; Karen Burnham, Interim City Manager; and Stephen Fischer, Acting City Attorney.

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

C. CLOSED SESSION

The Council announced the Closed Session items would be removed from the agenda.

D. OPENING CEREMONIES

The meeting opened with the pledge of allegiance to the flag of the United States, followed by a moment of silence. Additional staff members present were: Jeri Williams, Police Chief; Rob Roshanian, Interim Public Works Director; William "Bill" Wilkins, Housing Director: Matthew Winegar, Development Services Director; James Cameron, Chief Financial Officer: Michael Henderson, General Services Manager; Martin Erickson, Deputy City Manager; Anthony Emmert, Water Resources Manager; Cynthia Daniels, Project Manager; Kymberly Horner, Interim Redevelopment Services Manager; Michael More, Financial Resources Manager; Anthony Emmert, Water Resources Manager; Chris Williamson, Principal Planner; Jason M. Samonte, Traffic Engineer; Karl Lawson, Compliance Services Manager.

E. CEREMONIAL CALENDAR

1. SUBJECT: Presentation of Proclamation Designating September 21, 2013 as "Coastal Clean Up Day"
   DISCUSSION: Trish Honigsberg, Outreach & Education Specialist, commented on "Coastal Clean Up Day" and presented a video to the Council in the chambers.

2. SUBJECT: Presentation of Proclamation Designating September 22-28, 2013 as "Fall Awareness Week"
   DISCUSSION: Thomas Duncan, Ventura County Medical Center, commented on the importance of being aware of "falls" with the majority of "fall" accidents happening in the home. He invited the public to an upcoming awareness event.

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

The following individuals provided comments: William Terry, Gloria Roman, Pat Brown, Steve Nash and Juan Delego.

G. TRANSMITTAL OF INFORMATION ONLY ITEMS

H. INFORMATION/CONSENT PUBLIC HEARINGS

I. PUBLIC HEARINGS

J. APPOINTMENT ITEMS

K. REPORTS

Community Development Department

1. SUBJECT: Oxnard Downtown Management District (ODMD) Annual Report – Abel Magana, Executive Director.
RECOMMENDATION: Receive verbal report and provide comments.
DISCUSSION: Abel Magana explained the "Property Business Improvement District" concept which focus on: public safety; the cleaning of downtown district, removing of graffiti and promoting downtown district.

Public comments received from: Gary Blum; Dan Pinedo; Gustavo Macias and Steve Nash.

The City Council discussed downtown events, opening of new businesses, honoring of long-time businesses and future of downtown.

ACTION: Received report and provided comments.

L. PUBLIC COMMENTS ON REPORTS

M. REPORT OF CITY MANAGER

1. SUBJECT: Verbal Report on Oxnard Community Development Commission Successor Agency and Status of Redevelopment Activities in the City of Oxnard.
RECOMMENDATION: Receive and consider report.
DISCUSSION: The Interim Redevelopment Services Manager commented on recent community meeting discussing status of former redevelopment properties; update of upcoming Oversight meeting; litigation information.

Public comments received from: Steve Nash.

The Council discussed: recovery of initial loans to Redevelopment Agency; amount of redevelopment debt; and functions of the Successor Agency;

ACTION: Received report and provided comments.

2. SUBJECT: Update Status to the Management, Operation, and Maintenance of the Del Norte Regional Recycling and Transfer Station (Del Norte Facility). (001)
RECOMMENDATION: Receive an update status to the City's Business Plan for the management, operation, and maintenance of the Del Norte Facility.
DISCUSSION: The Interim Public Works Director outlined the status of the Del Norte Facility including developing a business plan and investigating other public transferring stations.
The Acting City Attorney stated that the Council had directed staff to: 1) stop the "Request For Proposal" process and 2) to prepare a "business plan" to manage and operate the facility.

   Public comments received from: Lucas Zucker; William Terry; Francine Castanon; and Dan Pinedo.

   The Council discussed: classification of employees; hiring process; schedule to change to public facility and applying for possible grants.

   ACTION: Received report and provided comments.

RECESS

At 8:53 p.m., City Council recessed while the Industrial Development Financing Authority held a special meeting and at 9:01 p.m., the City Council reconvened.

N. CITY COUNCIL / BUSINESS/COMMITTEE REPORTS

COMMUNITY DEVELOPMENT SUCCESSOR AGENCY AND INDUSTRIAL DEVELOPMENT FINANCING AUTHORITY

At 9:11 p.m. the joint meetings with the Community Development Successor Agency and Industrial Development Financing Authority concluded.

O. STUDY SESSION

P. PUBLIC COMMENTS ON STUDY SESSION

Q. REVIEW OF INFORMATION/CONSENT AGENDA

Comments were received from: Police Chief (S-2(c)); Interim Redevelopment Services Manager (S-2(a)); and Water Resources Manager (S-3).

R. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

Public comments were received from: Eileen Tracy (S-2(c)), (S-3); and Dan Pinedo (S-2(c)).

S. INFORMATION/CONSENT AGENDA

City Clerk Department

1. SUBJECT: Minutes of Regular Meeting of the Oxnard City Council for July 9, 16, and 23, 2013. (003)
RECOMMENDATION: Approve.

City Manager Department

2. SUBJECT: Agreements for City Council Review. (025)
RECOMMENDATION: Approve and authorize the Interim City Manager, to execute the attached agreements/contracts and change orders/amendments in amounts more than $25,000 but less than $250,000.

Public Works Department

3. SUBJECT: Agreement for Professional Services with Prousys, Inc. for Supervisory Control and Data Acquisition Systems Support Services for the Water, Wastewater and Recycled Water Systems. (027)
RECOMMENDATION: Approve and authorize the Mayor to execute an agreement with Prousys, Inc. (A-7612) for an amount not to exceed $600,000, for three years of Supervisory Control and Data Acquisition (SCADA) systems support services for the Water, Wastewater and Recycled Water Systems.

4. SUBJECT: Project Specification PW13-08 Victoria Avenue Improvement Project. (047)
RECOMMENDATION: 1) Approve Project Specification No. PW03-18 for the design and construction of sidewalk and drainage improvements and modification of striping to provide for three Northbound through lanes and a bike lane along Victoria Avenue from Gonzales Road to Gum Tree Street and to authorize staff to solicit bids; and 2) Approve a Special Budget Appropriation recognizing the State of California Department of Transportation (Caltrans) for Surface Transportation Act (STA) federal aid grant funding in an amount of $914,857 for the construction of the Victoria Avenue Improvement Project and $60,000 from the Transportation Development Act (TDA) Fund for local matching funds of the project.

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

N. CITY COUNCIL / COMMITTEE REPORTS

The Council discussed: "electric car" charging stations; Cultural Arts Committee grants; city's fees charged to non-profits organizations; Neighborhood "clean-up" program; stopping the storage of "wastewater" from oil production; and senior mobile home parks.

T. ADJOURNMENT

At 10:02 p.m. the City Council concurred to adjourn the meeting.

DANIEL MARTINEZ
City Clerk

TIM FLYNN
Mayor

MINUTES

OXNARD CITY COUNCIL
Special Meeting
Special 17, 2013

A. ROLL CALL/POSTING OF AGENDA

At 4:36 p.m., the special meeting of the Oxnard City Council convened in the Council Chambers. Councilmembers Tim Flynn, Carmen Ramirez, Bryan A. MacDonald, Dorina Padilla and Bert Perello were present. The City Clerk stated that the agenda was posted on Monday in the Library and City Clerk's Office. Mayor Flynn presided and called the meeting to order. Staff members present were: Daniel Martinez, City Clerk; Karen Burnham, Interim City Manager; and Steve Fischer, Acting City Attorney.

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

Public comments were received from: Steve Nash, Eileen Tracy and Maricela Morales.

C. CLOSED SESSION

At 4:48 p.m. the City Council recessed to a closed session for the following purposes and pursuant to Government Code section 54957.6 to give instructions to negotiators Karen Burnham, Interim City Manager and Jeffrey C. Freeman, Special Counsel regarding salaries, salary schedules, or compensation paid in the form of fringe benefits for employees represented by the Service Employees International Union (SEIU), Local No. 721 and other matters within scope of representation.

The City Council will also recess to a closed session pursuant to Government Code section 564956.9(d)(1),to confer with its attorneys. The title and case number of the litigation being discussed is City of Oxnard v. Procter & Gamble, et al., VCSC Case No. 56-2012-00428233-CU-BC-VTA.

D. ADJOURNMENT

At 6:19 p.m. the City Council reconvened and adjourned the special meeting.

DANIEL MARTINEZ
City Clerk

TIM FLYNN
Mayor

CITY OF
OXNARD
CALIFORNIA

Meeting Date: 10//01/13

ACTION	TYPE OF ITEM
☐ Approved Recommendation	■ Info/Consent
☐ Ord. No(s). _____	☐ Report
☐ Res. No(s). _____	☐ Public Hearing (Info/consent)
☐ Other _____	☐ Other _____

Prepared By: Karen R. Burnham, Interim City Manager Agenda Item No. S-2

Reviewed By: City Manager KRB City Attorney SMF Finance Bell for JE Other *(Specify)*

DATE: February 25, 2013

TO: City Council

FROM: Karen R. Burnham, Interim City Manager
City Manager's Office

SUBJECT: **Agreements for City Council Review**

RECOMMENDATION

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

DISCUSSION

On November 16, 2010, the City Council approved changes to the City's Purchasing Procedures reducing the threshold for City agreements/contracts and change orders/amendments requiring City Council approval to $25,000. The agreements/contract and change orders/amendments described on the attached list involve amounts above $25,000 and up to $250,000.

FINANCIAL IMPACT

Funding information is included on the attached list.

Attachment - #1 – List of Agreements/Contracts and/or Change Orders/Amendments

NOTE: Copies of the agreement/contracts and change orders/amendments on the list are available in the City Clerk's Office after 10:00 a.m. on Thursday prior to the Council meeting.

City Manager Contract List for 10/01/2013

Item	Type	Department/Contact	Vendor/Agreement Number	Description/Purpose	Amount
01	Amendment	**Communication and Public Information**	**All Languages Interpreting and Translating**	**Interpretation Services at City Council Meetings**	**$57,800**
		Christina Aerenlund	Agreement No. 5753-12-CM	First Amendment to agreement for English-Spanish/Spanish-English Interpretation services at City Council meetings thru September 30, 2014. Staff used a Request for Proposals (RFP) in 2011 to solicit proposals from qualified providers and an ad hoc selection committee reviewed the twelve proposals received and All Languages Interpreting and Translating was ranked as the best qualified for the work.	
		385-7593	Amendment 1	**Total Contract Amount: $115,600**	
				FundingSource: Measure O	
A	Amendment	**Public Works Utilities Services - Water Production**	**Test America, Inc.**	**Laboratory Chemical Testing for Water Resources**	**$26,660**
		Anthony Emmert	Agreement No. 4855-09-PW	The Agreement with Test America, Inc. expired on February 12, 2013; however, the City continued to have Test America perform regulatory-related laboratory analysis until an RFP process for a new vendor had been completed. The Fifth Amendment extends the term to May 31, 2013 and adds $26,660.	
		207-1669	Amendment 5	**Total Contract Amount: $366,660**	
				FundingSource: Wastewater Treatment Enterprise Fund and Wastewater Collection Enterprise Fund	
B	Purchase Order	**Fleet Services**	**Raceway Ford**	**Replacement Vechicle for Environmental Resources**	**$27,515**
		Bill Birch	Purchase Order No. 1251	City conducted a bid for a sedan. Fifteen vendors were contacted. Four bids were received and purchase order is awarded to the lowest bidder.	
		385-8080		**Total Contract Amount: $27,515**	
				FundingSource: 631 - Solid Waste Fund	
C	Purchase Order	**Public Works Utilities Services - Environ. Res. Residential**	**Toter, Inc.**	**Residential Carts and Parts**	**$200,000**
		Todd Housley	Purchase Order No. 1310	Automated residential waste collection carts and parts for the term ending December 31, 2014. The Purchase Order implements the equipment replacement program for the residential collection program which includes residential waste, recycling, green waste carts and assorted parts. On March 18, 2008, the City Council approved the lease purchase and vendor agreement for the acquisition of carts to implement the three-cart system. The Environmental Resources Division recommends Wastequip/Toter to be the sole provider of residential carts since Wastequip maintains the original cart design.	
		890-3153		**Total Contract Amount: $200,000**	
				FundingSource: Environmental Resouces Residential Collection Enterprise Fund	

ATTACHMENT 1 PAGE 1 OF 1

AGENDA ITEM NO.

S-3

CITY COUNCIL OF THE CITY OF OXNARD

ORDINANCE NO. 2872

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING PLANNING & ZONING PERMIT NO. 13-570-03 (ZONE CHANGE) FOR THREE PARCELS WITH SITE ADDRESSES OF 3000 THROUGH 3450 SOUTH ROSE AVENUE (ASSESSOR'S PARCEL NUMBERS 224-0-012-255, 224-0-012-265, 224-0-012-275), CHANGING THE ZONING DESIGNATION FROM MULTIPLE-FAMILY RESIDENTIAL (R-2-PD) TO COMMUNITY RESERVE (C-R). FILED BY THE OXNARD FIRE DEPARTMENT, 360 WEST SECOND STREET, OXNARD, CALIFORNIA 93030.

WHEREAS, the application for Planning & Zoning Permit No. 13-570-03 (Zone Change), filed by the Oxnard Fire Department on behalf of Oxnard Fire Station, LLC, was recommended for approval by the Planning Commission on September 5, 2013; and

WHEREAS, the City Council has reviewed the application, staff report, resolutions, and record of proceedings for the Planning Commission public hearing; and

WHEREAS, on September 24, 2013, the City Council conducted a public hearing and received evidence in favor of and opposed to Planning & Zoning Permit No. 13-570-03; and

WHEREAS, the City Council adopted a resolution on January 30, 2006, certifying the College Park Master Plan Environmental Impact Report (Master Plan EIR) No. 01-05 (SCH 2004111057), upholding the Planning Commission's certification of said Master Plan EIR; and adopted Findings of Fact, a Statement of Overriding Considerations for the unavoidable significant adverse impact of the removal of the Petit Ranch structures of historic merit on a 4.2-acre site at the northwest corner of the College Park project area, and a Mitigation Monitoring & Reporting Program; and

WHEREAS, since certification of the Master Plan EIR, the approximately 14,000-square-foot fire station, training facility, and site improvements on approximately 2.5 acres (approximate) have been substituted for the 30,000-square-foot community use facility included in the Master Plan EIR project description; and

WHEREAS, the remaining 1.7 acres (approximate) of the 4.2-acre site of the former Petit Ranch structures will remain College Park consistent with the Section 6(f)(3) Boundary Map approved by the County of Ventura and appropriate State and Federal agencies; and

WHEREAS, the City Council finds that Addendum No. 1 to the College Park Master Plan Environmental Impact Report (EIR No. 05-01) was prepared in accordance with Section 15164 of Title 14 of the California Code of Regulations for the preparation of environmental documents imposed by the California Environmental Quality Act, and the City Council approved Addendum No. 1 on June 11, 2013, and has considered the information contained in the Addendum and EIR, and further finds that subsequent or supplemental environmental documentation is not required because there are no changes to the project considered in Addendum No. 1, changed circumstances, or available new information related to the project; and

WHEREAS, the City Council adopted Resolution No. 14,349 on June 11, 2013, adopting Addendum No. 1 to the College Park Master Plan EIR and directing the City Clerk to file a "Notice of Determination"; and

WHEREAS, the "Notice of Determination" was prepared and posted in accordance with State CEQA Guidelines and was filed with the Ventura County Clerk on June 14, 2013; and

WHEREAS, the City Council finds after due study and deliberation that the proposed zone designation as Community Reserve (C-R) will bring the subject properties into conformance with the 2030 General Plan designation as Park (PRK); and

WHEREAS, the City Council finds after due study and deliberation that the public interest and general welfare require the adoption of Planning & Zoning Permit No. 13-570-03; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OXNARD DOES ORDAIN AS FOLLOWS:

Part 1. The zoning governing the properties located at 3000 to 3450 South Rose Avenue (APN's 224-0-012-255, 224-0-012-265, 224-0-012-275), as shown on the map on file with the City Clerk, is changed from Multiple-Family Residential Planned Development (R-2-PD) to Community Reserve (C-R).

Part 2. Pursuant to Government Code Section 65863.5, the City Clerk shall mail a copy of this ordinance to the Assessor of Ventura County within thirty (30) days from the adoption of this ordinance.

Part 3. Within fifteen (15) days after passage, the City Clerk shall cause this ordinance to be published one time in a newspaper of general circulation, published and circulated in the City. Ordinance No. _____ was first read on _____, 2013, and finally adopted on _____, 2013, to become effective thirty (30) days thereafter.

PASSED AND ADOPTED this day of , 2013, by the following vote:

AYES:

NOES:

ABSENT:

Tim Flynn, Mayor

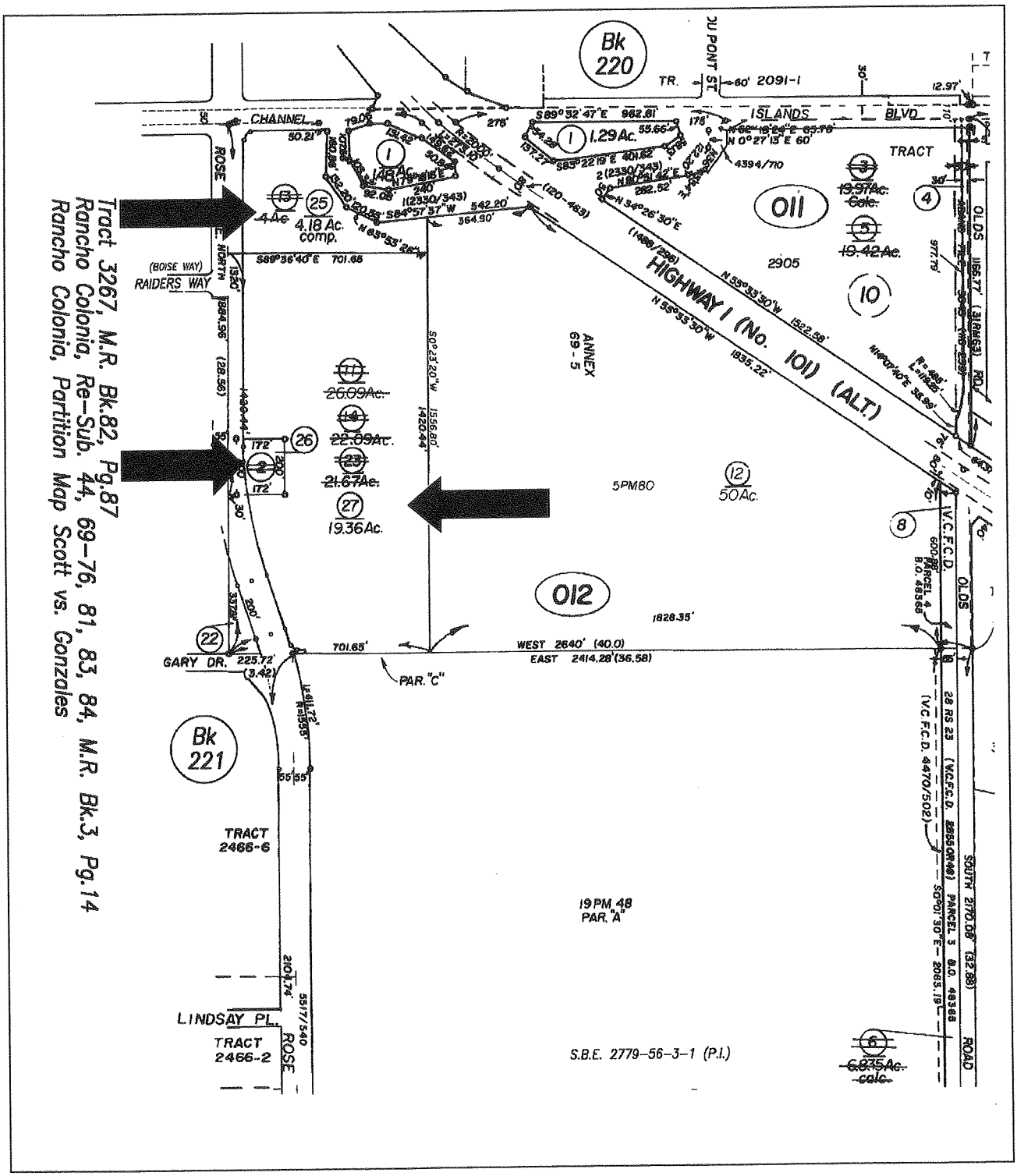
ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, Acting City Attorney

EXHIBIT A


Tract 3267, M.R. Bk.82, Pg.87
Rancho Colonia, Re-Sub. 44, 69-76, 81, 83, 84, M.R. Bk.3, Pg.14
Rancho Colonia, Partition Map Scott vs. Gonzales
Bk 220
Bk 221
011
012
2905
ISLANDS BLVD
TRACT
HIGHWAY 1 (No. 101) (ALT.)
ROSE
CHANNEL
RAIDERS WAY
(BOISE WAY)
GARY DR.
LINDSAY PL.
TRACT 2466-6
TRACT 2466-2
ANNEX 69 - 5
5PM80
19PM 48 PAR. "A"
PAR. "C"
S.B.E. 2779-56-3-1 (P.I.)
1.29Ac.
14.6Ac.
4.18Ac. comp.
4Ac
26.09Ac.
22.09Ac.
21.67Ac.
19.36Ac.
50Ac.
13.97Ac. Calc.
19.42Ac.
6.835Ac. calc.
I.V.C.F.C.D.
OLDS
SOUTH
ROAD

CITY COUNCIL OF THE CITY OF OXNARD

ORDINANCE NO. 2873

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD, CALIFORNIA, AMENDING CHAPTER 16 (ZONING) OF THE CITY CODE TO REVISE SECTIONS 16-257(N), 16-260, 16-261, 16-262 AND 16-263 PERTAINING TO THE COMMUNITY RESERVE (C-R) ZONE.

WHEREAS, the Planning Commission reviewed the application for Planning & Zoning Permit No. 13-580-04 (Zone Text Amendment) proposing amendment to City Code sections 16-257(N), 16-260, 16-261, 16-262 and 16-263, and recommended adoption to the City Council; and

WHEREAS, the City Council has reviewed the application, staff report, resolutions, and record of proceedings for the Planning Commission public hearing; and

WHEREAS, on September 24, 2013, the City Council conducted a public hearing and received evidence in favor of and opposed to Planning & Zoning Permit No. 13-580-04; and

WHEREAS, the City Council finds that Addendum No. 1 to the College Park Master Plan Environmental Impact Report (EIR No. 05-01) was prepared in accordance with Section 15164 of Title 14 of the California Code of Regulations for the preparation of environmental documents imposed by the California Environmental Quality Act, and the City Council approved Addendum No. 1 on June 11, 2013, and has considered the information contained in the Addendum and EIR, and further finds that subsequent or supplemental environmental documentation is not required because there are no changes to the project considered in Addendum No. 1, changed circumstances, or available new information related to the project; and

WHEREAS, Master Plan EIR Addendum No. 1 concluded that there are no additional or increased possible environmental effects associated with the substitution of Fire Station No. 8 and related site improvements on 2.5 acres (approximate) compared to the Master Plan EIR project description of a 30,000-square-foot community use facility; and

WHEREAS, the City Council adopted Resolution No. 14,349 on June 11, 2013, adopting Addendum No. 1 to the College Park Master Plan EIR and directing the City Clerk to file a "Notice of Determination"; and

WHEREAS, the "Notice of Determination" was prepared and posted in accordance with State CEQA Guidelines and was filed with the Ventura County Clerk on June 14, 2013; and

WHEREAS, the City Council finds that the proposed zone text amendment is consistent with the 2030 General Plan and the Community Reserve (C-R) zone; and

WHEREAS, the City Council finds after due study and deliberation that the public interest and general welfare require the adoption of Planning & Zoning Permit No. 13-580-04; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OXNARD DOES ORDAIN AS FOLLOWS:

Part 1. Subsection (N) of section 16-257 of the City Code is hereby amended to read as follows:

"(N) Police or fire stations;"

Part 2. Section 16-260 of the City Code is hereby amended to read as follows:

"Two stories in height shall be permitted, not to exceed 25 feet, except as otherwise provided in this chapter. Additional height may be permitted on approval of a special use permit as provided in sections 16-530 to 16-553."

Part 3. Section 16-261 of the City Code is hereby amended to read as follows:

"There shall be a front yard of not less than 25% of the depth of the parcel; provided that such front yard need not exceed 50 feet. A reduction to the setback required by this section may be permitted on approval of a special use permit as provided in sections 16-530 to 16-553."

Part 4. Section 16-262 of the City Code is hereby amended to read as follows:

"(A) There shall be a side yard of not less than 10% of the width of the parcel; provided that such side yard need not exceed 50 feet. A reduction to the setback required by this section may be permitted on approval of a special use permit as provided in sections 16-530 to 16-553.

(B) The street side yard shall not be less than five feet on a minor street or less than ten feet on a major thoroughfare. A reduction to the setback required by this section may be permitted on approval of a special use permit as provided in sections 16-530 to 16-553."

Part 5. Section 16-263 of the City Code is hereby amended to read as follows:

"There shall be a rear yard of not less than 25% of the depth of the lot; provided that such rear yard need not exceed 50 feet. A reduction to the setback required by this section may be permitted on approval of a special use permit as provided in sections 16-530 to 16-553."

Part 6. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

Part 7. The City Clerk shall certify as to the adoption of this ordinance and shall cause this ordinance to be published within fifteen calendar (15) days of the adoption and shall post a certified copy of this ordinance, including the vote for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on _____ , _____ , 2013, and finally adopted on _____ , _____ , 2013, to become effective thirty (30) days thereafter.

AYES:

NOES:

ABSENT:

_____
Tim Flynn, Mayor

ATTEST:

_____
Daniel Martinez, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Fischer, Acting City Attorney