

Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.org.



AGENDA
OXNARD CITY COUNCIL
PUBLIC WORKS AND TRANSPORTATION COMMITTEE
Council Chambers, 305 West Third Street
February 23, 2021
Regular Meeting - 8:30 to 10:00 PM
(TEMPORARY MEETING TIME CHANGE)

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

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

The public may provide comments to the City Council via email at cityclerk@oxnard.org no later than 12:00 p.m. on the day of the meeting. Please identify the committee name, meeting date, and agenda item in the email Subject line.

A telephone option for public comments is also available at this time due to the State of California "Stay At Home" order. Requests to speak must be submitted no later than 12:00 p.m. on the day of the meeting. Use the form on the city's website to submit your request: Oxnard.org/city-meetings, or call the City Clerk's Office at (805) 385-7803, or email your request to cityclerk@oxnard.org.

*The City has filed pre-election and post-election lawsuits regarding the validity of Measure M. The judge has not yet ruled on the legal sufficiency of Measure M.

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of thirty minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker requests shall be submitted as set forth on the first page of this agenda. Speakers are limited to three minutes. If the allotted 30 minute time period expires before all speakers have had the opportunity to speak, the remaining speakers will be given an opportunity to speak prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager/Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing.

C. CONSENT AGENDA

D. REPORTS

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

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

1. Public Works Department

SUBJECT: First Amendment to Purchase Order #7634 with Badger Meter, Inc. for Water Meters and Parts. (0/5/5)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council authorize the Mayor to execute a First Amendment to Purchase Order #7634 with Badger Meter, Inc. in the amount of \$200,000 for a new total not to exceed value of \$450,000 for water meters and parts.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/XZgaunWZofQ>

Contact: Rosemarie Gaglione, (805) 385-8055

2. Public Works Department

SUBJECT: Award Agreement to Alltech Industries, Inc. for Armed Security Services at the Water Campus. (0/5/5)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute Agreement A-8293 with Alltech Industries, Inc. in the amount not to exceed \$334,466 for a two-year term ending March 15, 2023 for armed security services at the Water Campus.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/Su4fuyFiY0c>

Contact: Rosemarie Gaglione, (805) 385-8055

3. Public Works Department

SUBJECT: Agreement for On-Call Channel Maintenance and Repair Services for Waterways Assessment Districts Specification SD 21-43. (0/5/5)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council award and authorize the Mayor to execute Agreement A-8298 with Harbor Offshore, Inc. for an amount not to exceed \$600,000 for a three-year term ending April 30, 2024 for on-call channel maintenance and repair services for Waterways Assessment Districts Zone 1 Mandalay Bay, Waterways Assessment District Zone 2 Harbour Island, Westport CFD 2 and Seabridge CFD 4.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/hqYbqJ5rmol>

Contact: Rosemarie Gaglione, (805) 385-8055

4. Public Works Department

SUBJECT: Water Infrastructure Finance and Innovation Act (WIFIA) Loan Application. (0/5/5)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to adopt a resolution authorizing the City Manager to submit an application for an amount not to exceed \$27,600,000 from the Water Infrastructure Finance and Innovation Act Loan program administered by the U.S. Environmental Protection Agency; designating the amount of project expenditures to be reimbursed by proceeds from the Water Infrastructure Finance and Innovation Act loan; and dedicating and pledging revenues and funds for the repayment of the Water Infrastructure Finance and Innovation Act loan from the U.S. Environmental Protection Agency.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/leSnShxN5lo>

Contact: Rosemarie Gaglione, (805) 385-8055

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT



PUBLIC WORKS AND TRANSPORTATION COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.1

DATE: February 23, 2021

TO: Public Works and Transportation Committee

FROM: Rosemarie Gaglione, Public Works Director, (805) 385-8055, rosemarie.gaglione@oxnard.org

SUBJECT: First Amendment to Purchase Order #7634 with Badger Meter, Inc. for Water Meters and Parts. (0/5/5)

RECOMMENDATION

That the Public Works and Transportation Committee recommend that the City Council authorize the Mayor to execute a First Amendment to Purchase Order #7634 with Badger Meter, Inc. in the amount of \$200,000 for a new total not to exceed value of \$450,000 for water meters and parts.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/XZgaunWZofQ>

BACKGROUND

The City of Oxnard's Water Division installs and replaces water meters for residential, commercial, irrigation, industrial, and fire service applications for over 43,000 water accounts. The current Automated Meter Reading (AMR) system requires staff to collect meter readings via a special radio installed in a city vehicle. Water Division staff drive past the meters that emit a radio signal containing the meter reading to the radio in the vehicle. The Water Division has begun planning the transition to an Advanced Metering Infrastructure (AMI) and it is estimated to be completed within the next two (2) to three (3) years. A vendor for the AMI system is expected to be selected by the end of Fiscal Year 2020-21. In order to minimize future costs, replacing failing water meters with AMI-capable water meters is essential in order to be able to add these meters to the new AMI system when implemented.

DISCUSSION

The City issued a public bid (PW 20-45) in early 2020 for water meters and parts resulting in Badger Meter, Inc. having submitted the only qualified bid that met all requirements and specifications. On May 19, 2020, the City Council approved a purchase order to Badger Meter Inc. for a total not to exceed value of \$250,000 with a term date of June 30, 2021.

The existing water meter infrastructure was installed in 2001 and meters are failing at an average rate of approximately 50 per week. In order to test the viability of AMI in the City, staff implemented a pilot project in the La Colonia neighborhood in August 2020. The meters for the pilot program were ordered in October 2020 and the total cost was over \$62,000. The increasing failure rate of current meters coupled with the pilot

program has resulted in the purchase order with Badger Meter Inc. being expended sooner than originally anticipated. The ability to continue purchasing replacement meters until an AMI vendor is selected is critical to achieving customer satisfaction and water billing accuracy. Due to this critical need, the Water Division proposes an amendment to increase the purchase order with Badger Meter, Inc. by a value of \$200,000 for a new total not to exceed \$450,000 and keeping the term date of June 30, 2021.

STRATEGIC PRIORITIES

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

FINANCIAL IMPACT

The total cost for this First Amendment with Badger Meter, Inc. is \$200,000 for a total new value of \$450,000. This cost will be funded with existing appropriations from the Water Operating Fund 601 (account 601-6003-843-8121) in the current FY 2020-21 Budget.

Prepared by: Omar Castro, Water Division Manager

ATTACHMENTS

1. Presentation

FIRST AMENDMENT TO PURCHASE ORDER #7634 WITH BADGER METER, INC. FOR WATER METERS AND PARTS

Public Works and Transportation Committee
February 23, 2021

Omar Castro
Water Division Manager

That the Public Works and Transportation Committee recommend that the City Council authorize the Mayor to execute a First Amendment to Purchase Order #7634 with Badger Meter, Inc. in the amount of \$200,000 for a new total not to exceed value of \$450,000 for water meters and parts.

- The City of Oxnard's Water Division installs and replaces water meters for residential, commercial, irrigation, industrial, and fire service applications
- The current Automated Meter Reading (AMR) system collects meter reads through a special radio that is driven in a vehicle
- Current infrastructure installed in 2001
- A new Advanced Metering Infrastructure (AMI) that uses cellular technology will be replacing the existing AMR system within the next 2-3 years

- City issued Bid PW 20-45 for AMI-capable water meters in early 2020
- May 19, 2020: Council approved a purchase order to Badger Meter Inc. for \$250,000 with term date of June 30, 2021
- Meters are failing at an average rate of about 50 per week
- An unanticipated AMI meter pilot program and increasing meter failures have exhausted the purchase order
- Replacing failing meters is critical in providing excellent customer service and accurate billing data

- Total cost for this First Amendment with Badger Meter, Inc. is \$200,000 for a new total not to exceed value of \$450,000
- Cost will be funded with existing appropriations from the Water Operating Fund 601 for remainder of FY 2020-21.



QUESTIONS



PUBLIC WORKS AND TRANSPORTATION COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.2

DATE: February 23, 2021

TO: Public Works and Transportation Committee

FROM: Rosemarie Gaglione, Public Works Director, (805) 385-8055, rosemarie.gaglione@oxnard.org

SUBJECT: Award Agreement to Alltech Industries, Inc. for Armed Security Services at the Water Campus.
(0/5/5)

RECOMMENDATION

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute Agreement A-8293 with Alltech Industries, Inc. in the amount not to exceed \$334,466 for a two-year term ending March 15, 2023 for armed security services at the Water Campus.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/Su4fuyFiY0c>

BACKGROUND

The Water Division is responsible for the transmission and distribution of potable water to City customers. The City water system includes: 10 water wells, six (6) turnouts, one (1) desalter facility, six (6) blending stations, and over 500 miles of transmission and distribution pipelines. The Water Campus, located at 251 South Hayes Avenue, is the main headquarters for the Water Division. The Water Campus consists of an Administration Building, Meter Shop Building Distribution Building, Materials Depot, Reverse Osmosis Desalter Facility, Multi-purpose Training Building, Chemical Tank Storage, and three (3) generators. In addition to this infrastructure, the Water Division's fleet of vehicles and heavy equipment machinery are also stored at the Water Campus.

The Water Campus has an antiquated camera surveillance system that is failing and is currently in the planning process of being replaced with a more modern system. Without a secure surveillance system, the Water Campus is more vulnerable to vandalism, theft, and trespassing. Armed security is necessary to safeguard the City's water supply, assets, and personnel until the camera surveillance system replacement is completed.

Armed security services, as opposed to unarmed security, is needed due to the high transient activity in the area. The armed security services for the Water Campus will be provided from 6:00 p.m. to 7:00 a.m. during weekdays and around the clock on weekends and holidays. An average of 133 hours of security will be provided on a weekly basis.

DISCUSSION

On November 16, 2020, the City's Purchasing Division published Request for Bid PW 21-32 for Armed Security Services at the Water Campus. Information regarding the solicitation was posted on the City's website, in addition to publicpurchase.com, a website where the City's solicitations are publicly posted. A total of nine (9) qualified bids were received by the closing date of December 10, 2020. After extensive review by City staff, Alltech Industries, Inc. provided the lowest, qualified bid for the armed security services to the Water Campus (see table 1). Staff has confirmed that Alltech Industries, Inc. meets all required City contractual provisions including possession of a City business tax certificate, insurance certificates and corporate filing with the California Secretary of State.

Table 1. - Bid Results

#	Vendor	Total Bid (two-years)
1	Alltech Industries	\$334,465.92
2	Servexo Protective	\$349,266.72
3	Professional Security Consultants	\$363,750.32
4	Patrol Solutions	\$365,117.94
5	Triumph Protection	\$366,528.00
6	Absolute International	\$373,256.50
7	American Guard Services	\$381,912.48
8	SR Global Security	\$455,770.00

STRATEGIC PRIORITIES

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

FINANCIAL IMPACT

The cost for this two-year agreement with Alltech Industries, Inc. is \$334,466 with a spending plan of \$55,744.32 for the remainder of Fiscal Year 2020-21. This cost will be funded with existing appropriations from the Water Security and Contamination Prevention Fund 608 (account 608-6015-842-8209). The remaining contract balance will be requested in the budgets of subsequent fiscal years (2021-22 & 2022-23).

Prepared by: Omar Castro, Water Division Manager

ATTACHMENTS

1. Alltech Industries, Inc. - A-8293
2. Alltech Industries, Inc. Response
3. Presentation - Armed Security Water Campus

**AGREEMENT FOR TRADE SERVICES
COVER PAGE**

- (1) Agreement Start Date: March 16, 2021
- (2) Vendor: Alltech Industries, Inc.
- (3) Services: Armed Security Services for the Water Campus Yard
- (4) Schedule of Services: The services must be completed within 730 calendar days of the Agreement Start Date listed above.
- (5) Agreement Ending Date: March 15, 2023
- (6) Total Agreement Amount: \$334,466
- (7) City's Project Manager: Chris Peyton, Water Operations Manager
- (8) Vendor's Project Manager: Oscar Gamez, General Manager
- (9) Insurance Coverage: INS-A
- (10) What wages are required for this Project?

☒ Living wage but not prevailing wages, in which case: Section 20(a) through (d) and the Living Wage Policy Exhibit are incorporated and are required; but Section 20(e) and the Prevailing Wage Exhibit are not incorporated and are not required.

☐ Prevailing wages but not living wage, in which case: Section 20(e) and the Prevailing Wages Exhibit are incorporated and are required; but Section 20(a) through (d) and the Living Wage Policy Exhibit are not incorporated and are not required.

☐ Both living wage and prevailing wages, in which case Section 20, the Living Wage Policy Exhibit, and the Prevailing Wages Exhibit are incorporated and required.

☐ Neither living wage nor prevailing wages, in which case Section 20, the Living Wage Policy Exhibit, and the Prevailing Wages Exhibit are not incorporated and are not required.

- (11) Addresses for Notice:

FOR VENDOR:

PO Box 4042
Montebello, CA 90640
Attn: Oscar Gamez, General Manager

FOR CITY:

305 West Third Street, East Wing, Third Floor
Oxnard, CA 93030
Attn: Chris Peyton, Water Operations Manager

- (12) Contact Emails:

VENDOR'S PROJECT MANAGER:

ogamez@alltechguards.com

CITY'S PROJECT MANAGER:

chris.peyton@oxnard.org

The Agreement for Trade Services is attached hereto and incorporated herein by this reference. The following exhibits are also attached hereto and incorporated herein by this reference into the Agreement:

- | | |
|---|--|
| ☒ Scope of Services Exhibit | ☒ Living Wage Policy Exhibit |
| ☒ Rates and Costs Exhibit | ☐ Prevailing Wages Exhibit |
| ☐ Schedule of Services Exhibit | ☒ Insurance Exhibit (INS-A) |

AGREEMENT FOR TRADE SERVICES

THIS AGREEMENT FOR TRADE SERVICES ("Agreement") is entered into in Ventura County, California, on the date that is written as "(1) Agreement Start Date" on the Cover Page, which is attached hereto and incorporated herein by this reference. This Agreement is entered by and between the City of Oxnard ("City") and the person or entity listed as "(2) Vendor" on the Cover Page, subject to the following terms and conditions:

1. Scope of Services. Vendor shall provide to City the services listed as "(3) Services" on the Cover Page (the "Services"). Vendor shall provide the Services during the term of this Agreement, as set forth below, according to the schedule written as "(4) Schedule of Services" on the Cover Page, and as further explained in the Scope of Services Exhibit, which is attached hereto and incorporated herein by this reference. In the event of any conflict between the terms of this Agreement and any incorporated document(s), the terms of this Agreement shall control.
2. Term. This Agreement shall begin on the date that is written as "(1) Agreement Start Date" on the Cover Page and shall end on the date that is written as "(5) Agreement Ending Date" on the Cover Page. Time is of the essence in this Agreement.
3. Compensation. For the Services performed during the term of this Agreement, City shall pay Vendor an amount not to exceed the amount that is listed as "(6) Total Agreement Amount" on the Cover Page, at the rates listed in the Rates and Costs Exhibit, attached hereto and incorporated herein by this reference. The rates in the Rates and Costs Exhibit shall be in effect through the end of this Agreement unless otherwise stated therein.
4. Invoices. Vendor shall submit a payment request to City by the end of each calendar month listing the Services provided, costs of those Services, and total amount due for the month. Each invoice must also list the current balance on the Agreement, including that invoice, as well as the months remaining on the term of the Agreement. Invoices may be emailed to: invoices@oxnard.org.
5. Most Favored Nation. Throughout the term of the Agreement, in the event Vendor provides the Services having terms more favorable than this Agreement to any person or entity other than City, Vendor shall notify City within 10 calendar days of signing the other contract, or if there is no other contract, of finalizing that deal or providing any services, whichever occurs first in time. In that notice, Vendor shall offer City to amend this Agreement to reflect such more favorable terms into this Agreement without any contingency to amend any other provision of this Agreement.
6. Acceptance of Payment. Vendor's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Vendor for anything completed, finished or relating to the Services. City's payment shall not constitute nor be deemed a release of the responsibility and liability of Vendor for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Vendor and its employees, agents and subcontractors. Vendor shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Vendor or materials or products provided to City by Vendor, Vendor shall pay the sales tax. City shall not reimburse Vendor for sales taxes paid by Vendor.
7. Non-binding Terms. Any terms and conditions that are typed, printed, or otherwise included in any Vendor invoice rendered pursuant to this Agreement shall be deemed to be solely for the convenience of the parties. No such term or condition shall be binding upon City, and no action by City (including, without limitation, the payment of any such invoice in whole or in part) shall be construed as binding City with respect to any such term or condition, unless the specific term or condition has been previously agreed to by Vendor and City in this Agreement or in a binding amendment thereto.
8. Non-Appropriation of Funds. Payments to be made to Vendor by City for the Services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted and unencumbered appropriation of City. In the event City does not appropriate sufficient funds for payment of the Services beyond the current fiscal year, this Agreement shall cover payment for the Services only up to the

conclusion of the last fiscal year in which City appropriated sufficient funds and shall automatically terminate at that fiscal year's conclusion.

9. Coordination of Services. The Services shall be coordinated with the person in the position listed in "(7) City's Project Manager" on the Cover Page, subject to the direction of the City Manager or Department Director. Vendor hereby designates the person in the position listed in "(8) Vendor's Project Manager" on the Cover Page as the person responsible for the Services who shall coordinate with City's Project Manager in making binding decisions in line with this Agreement on behalf of Vendor.

10. Personnel. Vendor represents that it has or shall secure at its own expense all personnel required to perform the Services. Vendor shall make reasonable efforts to maintain the continuity of Vendor's staff who are assigned to perform the Services. Vendor may associate with or employ associates or subcontractors in the performance of the Services, but at all times shall Vendor be responsible for its associates and subcontractors' labor, advice or materials provided in furtherance of providing the Services. Should any of Vendor's employees, assigns or subcontractors not conduct him- or herself appropriately, as determined by the City's Project Manager, in the process of providing the Services or any portion thereof, the City's Project Manager may notify the Vendor's Project Manager, who shall immediately handle the problem, as determined appropriate by him or her, such that the problem does not persist.

11. Additional Work. City may request additional specified work under this Agreement. The City's Project Manager must authorize all such work in writing before commencement. Vendor shall perform such work, and City shall pay for such additional work, in accordance with the Rates and Costs Exhibit. Should the work not fall under any such listed rate or cost, Vendor shall submit a quote for all additional work, which the City's Project Manager must approve in writing by before any such work may commence. The City shall compensate Vendor for any work that does not fall under a rate or cost listed in the Rates and Costs Exhibit, and for which Vendor did not obtain the City's Project Manager's written approval before work commenced, as determined by the City's Project Manager in his or her sole discretion.

12. Advertising and Publicity. Vendor shall not use the name of or refer to City directly or indirectly in any advertisement, news release, or professional or trade publication without prior written approval from the City Manager. This Section shall survive the termination of this Agreement.

13. Audit. City shall have the option of inspecting, auditing and/or reproducing all records and other written materials: used by Vendor in preparing its billings to City as a condition precedent to any payment to Vendor; or for other purposes relating to the Agreement. Vendor will promptly furnish all documents requested by City. Additionally, if this Agreement is in excess of \$10,000, the State Auditor may examine and audit Vendor for a period of 3 years after final payment under the Agreement. Regardless of whether a State audit is permitted, Vendor shall maintain and preserve all such records for a period of at least 3 years after final payment under the Agreement or until an audit has been completed and accepted by City, whichever occurs later. Vendor shall maintain all such records in City or to promptly reimburse City for all reasonable costs incurred in conducting the audit at a location other than in City, including but not limited to expenses for personnel, salaries, private auditor, travel, lodging, meals and overhead. Vendor shall include a copy of this Section in all contracts with its subcontractors, and Vendor shall be responsible for immediately obtaining those records or other written material from its subcontractors upon a request by the State Auditor and/or City.

14. Termination. City may terminate this Agreement at any time, with or without cause and without penalty, upon 15 calendar days' prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 15 calendar days from the date of the notice. Vendor may terminate this Agreement at any time, with or without cause and without penalty, upon 30 calendar days' prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 30 calendar days from the date of notice and only if all assignments accepted by Vendor have been completed before the date of termination. In the event of termination of this Agreement by either party due to no fault or failure of performance by Vendor, City shall pay Vendor compensation for all Services satisfactorily completed in accordance with all of the terms and provisions of this Agreement, as determined by the City, before the effective date of termination; provided, in no event shall the Vendor receive an amount exceeding that which would have been paid to Vendor for

the full performance of the Services. If City pays for any materials, City shall be entitled to the title and possession of such.

15. Hold Harmless, Defense and Indemnity.

To the fullest extent permitted by law, Vendor shall immediately defend, indemnify, and hold harmless City, its legislative and advisory bodies, and the City's officials, directors, officers, employees, and agents (the "Indemnitees") from and against all liabilities regardless of nature, type, or cause, arising out of or resulting from or in connection with Vendor's performance of this Agreement or Vendor's failure to comply with any of its obligations contained in this Agreement. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. Vendor's obligation to indemnify applies unless it is adjudicated that any of the liabilities covered by this Section 15 are the result of the sole active negligence or sole willful misconduct of any of the Indemnitees.

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

b. The review, acceptance or approval of Vendor's work or work product by any of the Indemnitees shall not affect, relieve or reduce Vendor's indemnification or defense obligations. This Section 15 shall survive completion of the Services or termination of this Agreement. The provisions of this Section 15 shall not be restricted by and do not affect the provisions of this Agreement relating to insurance.

16. Insurance. Vendor shall obtain and maintain during the performance of any services under this Agreement the insurance coverages listed within the insurance document stated in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit, which is attached hereto and incorporated herein by this reference, unless the Risk Manager waives, in writing, the requirement that Vendor obtain and maintain such insurance coverages. Such insurance must be issued by a company satisfactory to the Risk Manager. Vendor shall, before performance of any Services pursuant to this Agreement, file with the Risk Manager evidence of insurance coverage as specified in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit. Maintenance of insurance coverages by Vendor is a material element of this Agreement. Vendor's failure to maintain or renew insurance coverages or to provide renewal evidence may be considered a material breach of this Agreement.

17. Documents and Materials.

a. All final computations, exhibits, files, plans, correspondence, reports, drawings, designs, data, photographs, specifications, information, images, video files, media, or other deliverables prepared, created, drawn, calculated, photographed or developed by Vendor pursuant to this Agreement ("Documents and Materials") shall be the property without restriction or limitation upon its use, duplication or dissemination by the City. All Documents and Materials shall be considered "works made for hire," and all Documents and Materials and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of the City without restriction or limitation upon their use, duplication or dissemination by the City. Vendor shall not obtain or attempt to obtain copyright protection as to any Documents and Materials. Vendor hereby assigns to the City all ownership and any and all intellectual property rights to the Documents and Materials that are not otherwise vested in the City pursuant to this Section 17.

b. Vendor shall deliver all Documents and Materials to City's Project Manager upon completion of the Services or termination of this Agreement without additional cost or expense to the City. Additionally, anytime at City's request, City shall be entitled to possession of, and Vendor shall furnish to City's Project Manager within 10 calendar days, any or all of the Documents and Materials without additional cost or expense to the City. In both situations, if Vendor prepares Documents and Materials on a computer, Vendor shall provide City with said Documents and Materials both in a printed format and in an electronic format that is acceptable to the City. Vendor may retain copies of these Documents and Materials but must request permission from the City before use, duplication or dissemination these Documents and Materials for any purpose other than for the Services provided to the City pursuant to this Agreement.

c. Any substantive modification of the Documents and Materials by City staff or any use of the completed Documents and Materials for other City projects, or any use of uncompleted Documents and Materials, without the written consent of Vendor, shall be at City's sole risk and without liability or legal exposure to Vendor.

d. Vendor warrants and represents that it has secured all necessary licenses, consents or approvals to use any instrumentality, thing or component as to which any intellectual property right exists, including computer software, used in the rendering of the Services and the production of all Documents and Materials, and that the City has full legal title to and the right to use, duplicate or disseminate the Documents and Materials. Vendor shall defend, indemnify and hold Indemnitees harmless from any loss, claim or liability in any way related to a claim that City's use of any of the Documents and Materials is violating federal, state or local laws, any contractual provisions, or any laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and/or interests in products or inventions. Vendor shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the services and Documents and Materials. In the event the use of any of the Documents and Materials by the City is held to constitute an infringement and the use of any of the same is enjoined, Vendor, at its own expense, shall: secure for City the right to continue using the Documents and Materials by suspension of any injunction, or by procuring a license or licenses for City; or modify the Documents and Materials so that they become non-infringing while remaining in compliance with the requirements of this Agreement.

e. This Section 17 shall survive the termination of this Agreement.

18. Confidentiality of Information.

a. For the purposes of this Agreement, "Confidential Information" means all information, in whatever form transmitted, relating to the past, present or future business affairs of the City, including without limitation, (i) technical information, including patent, copyright, trade secret, and other proprietary information, techniques, sketches, drawings, models, inventions, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulas; or (ii) non-technical information, including without limitation finances, financial and accounting data and information, suppliers, customers, customer lists, purchasing data and any other information belonging to the City or to a third party whose information is in the City's possession or control under obligations of confidentiality, and which is disclosed to Vendor or is developed by Vendor in whole or in part at the City's expense.

b. All Documents and Materials shall be considered Confidential Information and shall not be reproduced, transmitted, disclosed or used by the Vendor without the written consent of the City, except as may be necessary for Vendor to fulfill its obligations to the City.

c. Notwithstanding the above, these limitations shall not apply to information that (i) is already known to Vendor at the time of that information's disclosure or becomes publicly known through no wrongful act or omission of Vendor, (ii) is communicated to a third party with the express written consent of City and is not subject to restrictions on further use or disclosure, (iii) is independently developed by Vendor and has no relation to this Agreement, or (iv) is required by law, court order, court-issued subpoena or other legal process to be disclosed; provided, however, that before making such disclosure, Vendor shall immediately provide City with written notice

and a reasonable opportunity for City to object to the disclosure or to take action to maintain the confidentiality of the information, unless such prior disclosure is legally impermissible.

d. Vendor shall use reasonable care to protect the Confidential Information. In the event of a breach or threatened breach of this Agreement, City shall be entitled to obtain an injunction prohibiting any such breach, the costs of which shall be paid by Vendor. Any relief granted shall be in addition to and not in lieu of any other legal or equitable relief, including money damages. The parties acknowledge that Confidential Information is valuable and unique and that disclosure of the Confidential Information in breach of this Agreement may result in irreparable injury to the City.

e. Other than an obligation upon the City to deal in good faith, the City makes no warranties and shall bear no liability or responsibility for errors or omissions in any Confidential Information disclosed under this Agreement or for any business decisions made by Vendor in reliance on any Confidential Information disclosed under this Agreement.

f. This Section 18 shall survive the termination of this Agreement.

19. Independent Contractor. Vendor is and shall at all times remain, as to City, a wholly independent contractor. Neither City nor any of its employees or agents shall have control over the conduct of Vendor or any of its employees, except as stated in this Agreement. Vendor has and shall retain the right to exercise full control over the employment, direction, means of performance, location, compensation and discharge of all persons assisting Vendor, and it is free to dispose of all portions of its time which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations as Vendor wishes except as expressly provided in this Agreement. This Agreement shall not be interpreted to prevent or preclude Vendor from rendering any services for Vendor's own account or to any other person or entity as Vendor in its sole discretion shall determine; provided, however, that performing such services shall not materially interfere with the Services Vendor shall perform for the City. Except as City's Project Manager specifies in writing, Vendor and its employees and agents have no authority, express or implied, to act on behalf of City in any capacity, to incur any debt, obligation or liability on behalf of City, bind City in any manner, or otherwise act on behalf of City as an agent. Vendor and its employees are not employees of City. Vendor and its employees are not entitled to receive from City any of the benefits or rights afforded employees of City, including but not limited to reserve leave, sick leave, vacation leave, holiday leave, compensatory leave, Public Employees Retirement System benefits, and health, life, dental, long-term disability and workers' compensation insurance benefits. Vendor shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Vendor agrees to pay all required taxes on amounts paid to Vendor under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Vendor shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Vendor's subcontractors, material suppliers, directors, officers, employees, agents and representatives, including compliance with social security requirements, federal and State income tax withholding, and all other regulations governing employer-employee relations, as applicable. City shall have the right to offset against the amount of any compensation due to Vendor under this Agreement any amount due to City from Vendor as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section.

20. Wages. If the first option is selected in response to (10) on the Cover Page and, thus, the payment of living wage is required, only this paragraph and subsections (a) through (d) of this Section 20 shall apply. If the second option is selected in response to (10) on the Cover Page and, thus, the payment of prevailing wages (and related Labor Code provisions) is required, only this paragraph and subsection (e) of this Section 20 shall apply. If the third option is selected in response to (10) on the Cover Page and, thus, both the payment of living wage and prevailing wages (and related Labor Code provisions) is required, this paragraph and subsections (a) through (e) shall apply, meaning Vendor shall compensate all of its employees providing services to City in accordance with both the City's Living Wage Policy and State-required prevailing wages. In the event of a conflict between the City's Living Wage Policy and State-required prevailing wages, the higher of the two shall prevail. If the fourth option is selected in response to (10) on the Cover Page and, thus, neither the payment of living wage nor prevailing wages (and related Labor Code provisions) is required, no part of this Section 20 shall apply.

If either the first or third option is selected in response to (10) on the Cover Page, Vendor shall compensate any employee of Vendor who provides Services to the City under this Agreement in accordance with the Living Wage Policy Exhibit, which is attached hereto and incorporated herein by this reference. While this Agreement is in effect, Vendor shall pay such employee no less than \$16.30 per hour for each hour that such employee provides services under this Agreement. This hourly rate shall be adjusted on July 1, 2021, and each July 1 thereafter, according to the percentage change in the Consumer Price Index, all items, prepared by the Bureau of Labor Statistics for the Los Angeles area relating to all urban consumers (CPI-U), index base 1982-84=100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

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

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

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

d. If either the second or third option is selected in response to (10) on the Cover Page, in accordance with Labor Code Section 1770 *et seq.*, the Project is a “public work.” The Vendor shall pay wages in accordance with the determination of the Director of the Department of Industrial Relations (“DIR”) regarding the prevailing rate of per diem wages. Copies of those rates are on file with the Public Works Director and are available to any interested party upon request. The Vendor shall post a copy of the DIR’s determination of the prevailing rate of per diem wages at the job site. The Vendor shall comply with all provisions of the Prevailing Wage Exhibit, which is attached hereto and incorporated herein by this reference.

21. Nondiscriminatory Employment. Vendor shall not unlawfully discriminate against any individual based on race, color, religion or religious creed, national origin, ancestry, ethnic group identification, primary language, physical disability, mental disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, sex, sexual orientation, age, immigration status, citizenship or military and veteran status. Vendor understands and agrees that it is bound by and will comply with all legal nondiscrimination mandates. For every subcontractor who will perform Services, Vendor shall be responsible for such subcontractor’s compliance with this Section.

22. Vendor’s Representations. Vendor represents, covenants and guarantees that: a) Vendor is licensed, qualified, and capable of furnishing the labor, materials, and expertise necessary to perform the Services in accordance with the terms and conditions set forth in this Agreement; b) there are no obligations, commitments, or impediments of any kind that will limit or prevent Vendor’s full performance under this Agreement; c) to the extent required by the standard of practice, Vendor has investigated and considered the scope of Services performed, has carefully considered how the Services should be performed, and understands the facilities, difficulties and restrictions attending performance of the Services under this Agreement.

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

24. Conflict of Interest. If, in performing the Services set forth in this Agreement, Vendor makes, or participates in, a “governmental decision” as described in Title 2, Section 18701(a)(2) of the California Code of Regulations, or performs the same or substantially all the same duties for City that would otherwise be performed by a City employee holding a position specified in City’s conflict of interest code, Vendor shall be subject to City’s

conflict of interest code, the requirements of which include the filing of one or more statements of economic interests disclosing the relevant financial interests of Vendor's personnel providing the Services set forth in this Agreement. Furthermore, Vendor shall not to accept any employment or representation during the term of this Agreement or within 12 months after completion of the Services which is or may likely make Vendor "financially interested," as provided in California Government Code Sections 1090 and 87100, in any decisions made by City on any matter in connection with which Vendor has been retained pursuant to this Agreement.

25. Fictitious Name. If Vendor has a fictitious name, Vendor shall submit to City a new Fictitious Business Name Statement approved by any California county before Vendor's prior Fictitious Business Name Statement expires if such expiration may occur during the term of this Agreement, including any term amendment.

26. Non-Assignability. Vendor shall not assign or transfer any interest in this Agreement or any part thereof, whether by assignment or novation, without City's prior written consent, which may be withheld for any reason or for no reason at all. Any purported assignment without written consent shall be null, void, and of no effect, and Vendor shall hold harmless, defend and indemnify Indemnitees regarding all Claims arising from or relating to any unauthorized assignment.

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

28. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Vendor.

29. Applicable Law; Venue. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to the Agreement shall be in the Ventura County Superior Court.

30. Titles. The titles used in this Agreement are for convenience only and shall in no way define, limit or describe the scope or intent of this Agreement or any part of it.

31. Force Majeure. Neither City nor Vendor shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include but are not be limited to acts of God, riots, acts of war, epidemics, fire, earthquakes, or other disasters.

32. Authority. Any person executing this Agreement on behalf of Vendor warrants and represents that s/he has the authority to execute this Agreement on behalf of Vendor and to bind it to the performance of these obligations.

33. Binding Agreement. The parties do not intend this Agreement to be binding upon them and shall not be held liable to its terms until it is fully executed by all required signers.

34. Cumulative Remedies. All rights and remedies of City herein shall be in addition to all other rights and remedies available at law or in equity, including, without limitation, specific performance for the enforcement of this Agreement, and temporary and permanent injunctive relief.

35. Integration; Amendment. This Agreement, including any other documents incorporated herein by specific reference, constitutes the entire and integrated agreement of City and Vendor regarding the subject matter described herein. This Agreement supersedes all prior oral or written communications, negotiations, representations, agreements and promises. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing, signed by both parties, that expressly refers to this Agreement.

36. Construction. In the event of any asserted ambiguity in or dispute regarding the interpretation of any matter herein, the interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or who drafted the Agreement in whole or in part.

37. No Waiver. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by City of any payment to Vendor constitute or be construed as a waiver by City of any breach of covenant, or any default that may then exist on the part of Vendor, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

38. Attorneys' Fees. The prevailing party shall be entitled to recover reasonable costs, attorneys' fees (including the reasonable value of the services rendered by the City Attorney's Office) and expenses, including investigation fees and expert witness fees, in addition to any other relieve to which that party may be entitled, in any legal action or other proceeding, including an action for declaratory relief, for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with this Agreement.

39. Notice. Except as otherwise required by law, a notice or communication authorized or required by this Agreement shall be in writing and shall be deemed received—on (a) the day of delivery if delivered by hand or overnight courier service during City's regular business hours or (b) on the third business day following deposit in the United States mail, postage prepaid—to the addresses listed as "(11) Addresses for Notice" on the Cover Page or to such other address as one party may notify the other in writing.

40. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one and the same agreement. A signed copy of this Agreement transmitted by email to either of City or Vendor's Project Managers' emails listed in "(12) Contact Emails" on the Cover Page or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

41. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date that is written as “(1) Agreement Start Date” on the Cover Page.

CITY OF OXNARD

ALLTECH INDUSTRIES, INC.

☒ John C. Zaragoza, Mayor¹ Date
☐ Alexander Nguyen, City Manager
☐ Daniel Willhite, Purchasing Manager
☐ Buyer

Hilda Perez, President ² Date

Oscar Gamez, Vice President Date

ATTEST:

Rose Chaparro, City Clerk Date
(only if Mayor signs)

APPROVED AS TO FORM:

Stephen M. Fischer, City Date
Attorney (always required)

¹ The City Council must authorize and the Mayor must sign any agreement over \$200,000 annually. The City Manager may authorize and sign any agreement over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign any agreement up to \$100,000 annually. A Buyer may authorize and sign any agreement up to \$25,000 annually.

² The City requires the following for any contract:

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

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

SCOPE OF SERVICES EXHIBIT

Vendor shall provide to City the following armed security services for the City of Oxnard's Water Campus located at 251 South Hayes Avenue:

Security Patrols

Vendor security patrols will include visual inspections of the Water Campus to include physical inspections of all gates and doors of each facility and on-site vehicles to verify secure status. Make contact with individuals on property after hours to determine reason for access to facility. Vendor shall perform regular visual inspection of parking lots, Meter Shop, Distribution Shop, container storage, Administration Building, Multi-Purpose Facility, Reverse Osmosis Plant, and the surrounding area of the Water Campus. Vendor shall notify designated City staff of any unauthorized activities and police in the event of an emergency.

After-Hours Security

Security hours are as follows:

Monday through Friday (13 hours)

12:00 a.m. – 7:00 a.m.

6:00 p.m. – 11:59 p.m.

Saturday (24 hours)

12:00 a.m. – 11:59 p.m.

Sunday and Holidays (24 hours)

12:00 a.m. – 11:59 p.m.

Vendor shall provide armed security services to the entire Water Campus, to include physical monitoring of the facility and monitoring of security cameras, vehicles, and equipment. Vendor shall notify designated City staff of any unauthorized activities and police in the event of an emergency.

Vendor Responsibilities:

1. Vendor shall maintain a daily post log noting exceptional events and observations and provide copies to City.
2. Vendor must be a licensed private patrol operator with the California Department of Consumer Affairs, Bureau of Security and Investigative Services.
3. Each security officer and supervisor assigned to this project must possess a valid and permanent California Department of Consumer Affairs, Bureau of Security and Investigative Security Services security guard registration while on the job site.
4. Each security officer and supervisor assigned to this project must be able to speak, read and write in English.
5. Vendor employees assigned to this project may be required to submit a Live Scan and criminal history check performed by the Oxnard Police Department at the City's expense with or without notice.
6. City reserves the right to reject Vendor employees from this project with or without cause.

Regulations:

Vendor shall comply with the following private patrol operator regulations:

Badges/Insignia

The Water Division Manager or designee may prescribe the size, shape, and inscription upon the badge or insignia to be worn by a patrol person. The design of the badge or insignia shall not be an imitation of, resemble, or may readily be mistaken as a badge or insignia of local, county, state, or federal law enforcement officers. The badge or insignia must comply with the provisions of the California Business and Professions Code.

Uniforms

- (a) No patrol person shall wear or be required to wear any uniform that imitates, resembles, or may readily be mistaken for the uniform of local, county, state, or federal law enforcement officers. Uniforms must comply with the provisions of the California Business and Professions Code.
- (b) No patrol person shall wear or be required to wear a uniform shirt that is similar to, or may be mistaken for the uniform shirt of local, county, state, or federal law enforcement agency. Shirt colors specifically prohibited are black, dark blue, navy blue, French blue, khaki (yellowish-brown), or a similar color or hue.
- (c) When a patrol person wears any type of clothing or covering over an authorized uniform shirt, the outermost garment will be marked with a patch on at least one shoulder that reads "private security" and will include the name of the private patrol company by which the person is employed, or which the person represents. A badge or cloth patch will be affixed on the upper left breast of the uniform and shall have clearly visible the words "PRIVATE SECURITY".

Vehicles

- (a) Private patrol operators shall be prohibited from using any vehicle that imitates, resembles, or may be readily mistaken for the vehicles used by any local, county, state, or federal official public law enforcement agency. No vehicle used by a private patrol service shall be equipped with a red light or siren.
- (b) The Private Patrol Operator license number, prefaced with the letters "PPO", will be permanently affixed to the rear of each vehicle used for patrol services by a private patrol operator.
- (c) Any vehicle used for private patrol use must be marked permanently with the words "Private Security" or "Security Patrol" on the rear and both sides of the vehicle.
- (d) Any required vehicle lettering pursuant to this section shall:
 - 1. Consist of a standard sans-serif font with characters no smaller than two inches in height.
 - 2. The lettering must be in a high contrast color with the background color where affixed.

Reports of Violations of Laws:

No patrol person shall perform, or be required to perform, official police or investigation activities but shall make a report to the Police Department of any felonies, high-grade misdemeanors or violations of federal law which come to his or her attention. High grade misdemeanors include petty theft, violations of dangerous weapons control laws, traffic manslaughter, indecent exposure, child molesting, contributing to the delinquency of a minor, lewd conduct, and all other misdemeanor sex offenses. Such report may be made by telephone or in person visit to the watch commander or other person charged with the duty of receiving reports of law violation.

RATES AND COSTS EXHIBIT

<u>Position and Hours</u>	<u>Billing Rate</u>	<u>Total</u>
Armed Officer – Hourly Rate	\$25.76 Per Regular Hour	\$297,373.50
Armed Officer – Holiday Hourly Rate	\$38.64 Per Holiday Hour	\$16,692.50
Car Fee for Armed Officer – Monthly	\$850.00 Per Month	\$20,400
GRAND TOTAL - \$334,466		

LIVING WAGE POLICY EXHIBIT

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

1. Pursuant to this Living Wage Policy, Vendor shall pay those employees who provide services to the City under contract:
 - (a) Effective October 1, 2002, at least \$9.00 an hour for the time during which the employee is providing services to the City;
 - (b) Effective July 1, 2003, at least \$9.25 an hour for the time during which the employee is providing services to the City and 32 hours of paid leave per every calendar year in which an employee provides services to the City;
 - (c) Effective July 1, 2004, at least \$10.59 an hour for the time during which the employee is providing services to the City and 64 hours of paid leave per every calendar year in which an employee provides services to the City; and
 - (d) Effective July 1, 2005, at least \$12.22 an hour for the time during which the employee is providing services to the City and 96 hours of paid leave per every calendar year in which an employee provides services to the City.
2. The hourly rates established in Section 1 shall be adjusted July 1, 2006 and, each July 1 thereafter, according to the percentage change since July 1, 2005 in the Consumer Price Index prepared by the Bureau of Labor Statistics for the Los Angeles area relating to all urban consumers.
3. A service contractor executing a service contract with the City for which the City will pay the contractor \$25,000 or more during the contract term shall be subject to the Living Wage Policy.
4. A service contractor executing more than one service contract with the City, and the combined monetary total of the payments by the City pursuant to such contracts is \$25,000 or more for the combined contract terms shall be subject to the Living Wage Policy.
5. This Living Wage Policy shall not govern the following types of contracts for: (a) the purchase, rental or lease of goods, products, equipment, supplies or other personal property; (b) public works projects as defined in State or local law; and (c) professional services.
6. This Living Wage Policy shall not govern the following service contractors: (a) nonprofit entities organized under IRS Code section 501(c)(3); (b) public entities such as cities, counties, special districts, states and the federal government; and (c) businesses employing fewer than five persons.
7. The City Attorney is directed to include in all standard trade services contracts and all contracts involving unique trade services, the language set forth in **Exhibit 1** attached hereto and incorporated herein by this reference.
8. If Vendor fails to comply with this Living Wage Policy, the City Manager is directed to terminate the subject service contract immediately and to impose appropriate fines and penalties as set forth in the service contract.
9. The City Manager and the City Attorney are responsible for the administration and enforcement, respectively, of the Living Wage Policy. If an employee of a service contractor governed by the Living Wage Policy concludes that he/she has been retaliated against for the exercise of rights under the Living Wage Policy, the employee should contact the City Manager at 385-7430.
10. The City Manager shall reasonably cooperate with representatives of the Ventura County Living Wage Coalition to ensure the effective administration and enforcement of the Living Wage Policy.
11. This Living Wage Policy may be changed only by City Council and only after a duly noticed public hearing.
12. The City Manager is directed to ensure that the City Council will review the Living Wage Policy as part of the FY 2003-2004/05 budget process.

Exhibit 1

Living Wage Policy

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

- A. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as the Living Wage Policy Exhibit. While this Agreement is in effect, Vendor shall pay such employee no less than \$16.30 per hour for each hour that such employee provides services under this Agreement. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.
- B. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by City Council on July 9, 2002 and effective October 1, 2002.
- C. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.
- D. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of \$500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

**CITY OF OXNARD LIVING WAGE REQUIREMENTS
EFFECTIVE JULY 1, 2020**

42. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit 1. While this Agreement is in effect, Vendor shall pay such employee no less than **\$16.30 per hour** for each hour that such employee provides services under this Agreement. **This hourly rate shall be adjusted on July 1, 2021, and each July 1 thereafter, according to the percentage change in the Consumer Price Index**, all items, prepared by the Bureau of Labor Statistics for the Los Angeles area relating to all urban consumers (CPI-U), index base 1982-84=100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

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

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

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

d. The foregoing requirements are restated on page 5 of the Agreement for Trade Services.

INSURANCE REQUIREMENTS FOR CONSULTANTS (WITH ERRORS AND OMISSIONS REQUIREMENT)

1. Consultant shall obtain and maintain during the performance of any services under this Agreement the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by Consultant, its agents, representatives, employees or subconsultants.

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

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

c. Professional liability/errors and omissions insurance appropriate to Consultant's profession to a minimum coverage of \$1,000,000, with neither Consultant nor listed subconsultants having less than \$500,000 individually. The professional liability/errors and omissions insurance must be project specific with at least a one year extended reporting period, or longer upon request.

d. Workers' compensation insurance in compliance with the laws of the State of California, and employer's liability insurance in an amount not less than \$1,000,000 per claimant. Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City.

2. Consultant shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-A. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before commencement of services. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be sent via email (or fax if necessary) to the Risk Manager, addressed as follows (do not send hard copies):

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

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

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

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

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

7. All insurance standards applicable to Consultant shall also be applicable to Consultant's subconsultants. Consultant agrees to maintain appropriate agreements with subconsultants and to provide proper evidence of coverage upon receipt of a written request from the Risk Manager.

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS

Certificates of Insurance

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

Endorsement Forms

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

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
CODE SUB-CODE	COMPANIES AFFORDING INSURANCE COVERAGE
INSURED	COMPANY LETTER A SPECIFY COMPANY NAMES IN THIS SPACE
	COMPANY LETTER B

COVERAGES

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY [x] COMMERCIAL GENERAL LIABILITY [] CLAIMS MADE [x] OCCUR. [x] OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$1,000,000 PRODUCTS COMP/OP AGG. \$1,000,000 PERSONAL & ADV. INJURY \$1,000,000 EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY [x] ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER Errors and omissions insurance or malpractice insurance available for the insured's profession				Minimum coverage \$1,000,000 Each consultant/ & listed sub-consultant \$500,000

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

CERTIFICATE HOLDER

CITY OF OXNARD

Attn: Insurance Compliance

Reference No. _____

P.O. Box 100085 – OX

Duluth, GA 30096

Via Email: cityofoxnard@ebix.com

Via Fax: 678-259-1007

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

[illegible]

CITY OF OXNARD

Request for Bid PW 21-32

Armed Security Services

**Bid Close Date: 12/10/2020
By 2:00 p.m. PT**

PROPOSAL BY

Alltech Industries, Inc.

301 E. Pomona Blvd
Monterey Park, CA 91755
Office: (323) 450-2168
Fax (323) 450-2169
hperez@alltechguards.com

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A. Cover Letter

December 10, 2020

City of Oxnard Purchasing Office,
300 W. Third St., Suite 202,
Oxnard, California 93030
Attn: Eric Hernandez
(805) 385-7498, Eric.hernandez@oxnard.org

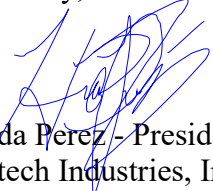
Dear Evaluation Committee,

Alltech Industries, Inc is the company that you are seeking to provide services for the City of Oxnard. We have provided the same or similar services to several cities, and know that we can provide you with the exceptional security services that you need and require. We currently are providing Security Services to following cities: Thousand Oaks, City of Carson and Victorville. Aside from having a vast experience in providing Security Guard Services we also are able to offer a wide range of services such as emergency services, special events, parking enforcement, and pass through patrols. We like to emphasize that Alltech Industries, Inc prides itself in being able to satisfy our clients, as well as our employees, which minimizes our turnover rate, and maintains the same officers at a given site.

Alltech Industries, Inc. would like to acknowledge that we have reviewed the Request for Proposals and Addendum 1, and are interested in becoming the Security Services provider for the City of Oxnard. We agree to all terms and conditions, and will comply with all requirements. Alltech Industries, Inc. stands firm by the prices we have quoted and proposal for the services required, and will hold the quote firm and valid for 120 days, we also, propose to be the prime and sole provider of Security Services.

The contact person to reach during the period of evaluation will be Oscar Gamez, General Manager. He can be reached at ogamez@alltechguards.com or at the number listed above. Thank you for allowing Alltech Industries, Inc to submit a proposal to provide Security Guard Services. Please know that we are here to serve you and meet your security needs, we look forward to discussing them in more detail. Any additional information or questions that you may have feel free to contact me, as we look forward to working with the City of Oxnard.

Sincerely,



Hilda Perez - President
Alltech Industries, Inc.
hperez@alltechguards.com

B. Background

Company Name: Alltech Industries Inc.

In Business Since: 10/07/2002

Incorporated in California in July of 2010

Private Patrol Operator Number: 16674, PPO License 2002-2010: 14700

License Expiration: 7/31/2022

Areas of Coverage: San Bernardino County, San Diego County, Los Angeles County, Orange County and Ventura County

Services Provided: Unarmed and Armed foot, bicycle, and vehicle patrols, armed vehicle escort services, pass through site patrols, lock-up services, alarm response, emergency services, Park Ranger, and Parking Enforcement.

Office Address:

301 E. Pomona Blvd. Suite B,
Monterey Park, CA 91755

Mailing Address:

P.O. Box 4042
Montebello, CA 90640

Office Phone Number/24 hour dispatch: (323) 796-0596

Office Number: (323) 450-2168

Fax Number: (323) 450-2169

Emergency Phone Cell phone Number: (760) 486-0779

Bid Contact: Oscar Gamez (323) 450-2168, Hilda Perez (760)486-0779

i. Company Profile

Alltech Industries, Inc (AII), incorporated in 2010, is a security company providing armed and unarmed vehicle escort services and foot, bicycle and vehicle patrols, and Parking Enforcement, covering Southern California, with a corporate office located in Los Angeles and a satellite office in Victorville, AII employs approximately 85 full and part time employees. AII makes every attempt possible to hire officers that are part of the community where the post is located.

Our growth the first couple of years cannot be measured with percentages, but rather with the type of clients we have. Our company started out by providing services to small restaurants, bars, nightclubs and local markets. As we gained experience and our reputation of providing exceptional service grew our customers changed, no longer providing services to bars and nightclubs, and including national companies such as Schneider National, Aramark, Target, Citi Group and international bank chains from Central America. Our company also expanded to include high-rise buildings, apartments, management companies and shopping centers. Currently we also provide services for different Cities, such as Santa Monica, Santa Clarita and Inglewood. As well as provide services to the Los Angeles Unified School District, Hemet Unified School District, Hesperia Unified School District, and the Victor Valley Union High School District.

AII recognizes that today's business enterprises are comprised of varied and valuable assets, such as people, property, products, information, financial infrastructure, reputation and shareholders. We also believe that not every business and client has the same security needs. Due to this, AII, tailors and customizes its services to suit the needs of its customers. We are not just a security guard company, but a partner committed to

enhancing the safety, security and success of our clients. As a result our clients continue to choose AII as their security service provider, we are pleased to have clients that continue to renew their contract with us and feel that we provide exceptional service. AII is confident that we can provide the City of Oxnard with the exceptional security services that it needs as well as provide any unexpected or as needed services that may arise at any moment's notice. In the pages that follow AII will demonstrate its capability to be able to provide the City of Oxnard with the services it requires and more, furthermore how our employment screening process provides our you with the best guards.

C. **Scope of Work**

The task and work that our highly trained security guards complete, vary from post and from client, some locations require more services than others while at other post our clients want us to conduct specific tasks. We pride ourselves in being able to satisfy our clients and give them the service that they want and meet their expectations, consistently. Our highly trained officers will execute the following tasks while on duty for the Oxnard:

- a. **Peace and Order-** The security officer will deter any disorderly conduct or breeches of peace, which can cause harm to personnel and the community, as well as damage/loss of property. As well as address and confront any disorderly conduct and notify the appropriate agency when further action is required or requested.
- b. **Customer Service-** Officer will be courteous, friendly, attentive and helpful to the needs of the Oxnard and the public. They will be trained to confront the public, especially when dealing with possible delinquents and violators, in a courteous but assertive manner, as well as be trained in the daily operations of the route. The officers will be trained in confrontations and how to behave and de-escalate situations where the public may be aggressive or angry towards the officer.
- c. **Emergency Assistance-** In the case of an emergency the officer will summon for the appropriate assistance, as well as notify dispatch and the posts emergency contacts. The officers will be trained to handle any situation and assist the notified agency, as well as do crowd control.
- d. **Reports-** Reports will be written in English and will be legible, intelligently and concisely written. Daily Activity Reports (DAR) will be written and used to report any situations that the officers come across while conducting their patrols. Incident Reports are used to document a specific event that occurred during a shift in which additional details must be provided. Any emergency situation in which assistance was called for will be documented in an Incident Report. All reports must be written and completed before the end of the shift and submitted to the post management. Reports can also be made available electronically. Monthly reports document all activity at the parks and with the contracted will also be provided to the Oxnard.
- e. **Equipment-** All Officers will be trained and know how to properly operate all equipment that they will be responsible for using. Which includes, but is not limited to vehicles, flashlights, and cell phones.
- f. **Miscellaneous Duties-** Other duties will be conducted by the Officers, such as conducting vehicle counts. Duties must be discussed with the management in order to ensure that tasks are being conducted, duties are added to the post orders, and that all officers are trained properly.
- g. **Uniforms-**The officer will dress in company uniform with full leather gear and equipment. Equipment includes, but is not limited to handgun, handcuffs, flashlight, baton, and cell phones. Raingear and jackets will also be provided to each officer. Each officer will have a Security Officer Badge with his or her assigned employee ID

number and will wear on the left breast of the uniform a nameplate with their last name. Any additional supplies that are needed will be delivered to the site immediately. The officers will have a neat and professional appearance, at all times and conduct themselves in a professional manner. All uniforms and insignia will be authorized by the State of California and the Oxnard.



All uses black pants and tan shirts. Over the left side of the chest officer will wear a badge, on the right side a nametags with employees last name, and first name initial and company ID badge number. On the sleeves the uniforms will have a patch, identifying the company. We are aware that tan is not allowed and can get different color shirt. The picture on the left is our standard guard uniform, the picture on the right consist of a polo shirt and bike shorts, this uniform is used when officers are on bike, or when a client wants a soft look.

- h. Dispatch-** All dispatch is available 24 hours a day 7 days a week, via telephone at (323) 796-0596. All officers will have a cell phone to communicate with a dispatcher at any moment. Officers are to report on and off duty via the radio and report their status every 30-45 minutes, as well as report when approaching a possibly dangerous situation. Clients will be able to contact a supervisor at the dispatch number at any time.
- i. Post Orders-** Post Orders will be prepared by the Operations Manager and verified by the General Manager and by the Oxnard. Officers will be trained and know the post orders. Post Orders are to have a detailed description of the Officers job duties, as well as contain emergency numbers and emergency procedures.
- j. Supervision and Operations-**
All contact person for the Oxnard contract will be Oscar Gamez, the General Manager. The General Manager will then be responsible for ensuring that all Field Supervisors and the Post Commander are aware of any changes or problems with the performance aspect of the contract. An Operation Manager will also be assigned to the contract; The Operations Manager acts as the second person in command, and will be in constant communication with the General Manager and be aware of anything occurring with the contract. The Operations Manager is responsible for ensuring compliance with the contract, hiring personnel, and oversees billing. One of the Officers assigned to the location will be a Post Commander and will be responsible

for ensuring that Officers are completing their Daily Activity Reports (DAR's), and in compliance with the Post Orders.

Each location is inspected at least once, daily. The supervisor will make sure that security guards are in full and complete uniform and that all rules and regulations that have been placed at the post are enforced. If there are any discrepancies, the supervisor will take necessary measures to correct such discrepancies. These measures include but are not limited to removing a security guard from location for retraining on the post training or warning strike against security officer. Supervisor will also be in charge of making sure that all DAR's and Incident Reports are clear and filled out correctly.

ALL assures that aside from the manager, the supervisors are aware of the duties conducted at all post. Supervisors and the Operations Manager will be constantly checking in with the Officers to ensure compliance with the post orders, the Operations Manager will also be reviewing the post orders, reports and dispatch activity to ensure that the employees and supervisors are providing the best quality of services. Employees, including Supervisors are monitored by ALL management to ensure that all Supervisors/Officers are conducting the best to their abilities and that the client is receiving quality service.

- k. **Quality Control-** ALL will be using different methods to assure quality control, and control of the budget and schedules. Officers will be responsible for submitting time sheets, Daily Activity Reports and will be responsible for using a monitoring system. All three items will be compared to ensure there are no discrepancies.
- l. ALL uses a reporting system and monitoring system called Track Tik. Track Tik is an integrated guard management system for monitoring, reporting and managing security operation. Guards can do patrol tours, report incidents and activities in real-time. Managers and clients can monitor, review, respond instantly from their browsers or smart-phone. Track Tik improves efficiency, accountability and profitability. Get real-time updates for every checkpoint scanned on the guard tours, it stores reports, pictures and messages to checkpoints. Creates customizable and searchable activity and incident reports, downloads or email reports instantly from the TrackTik dashboard. View real-time GPS locations of all officers, you are also able to watch your entire operation traveling between locations. Post orders are accessible on mobile devices and relevant to the guard's location. Officers would be utilizing smart phones to conduct all necessary work, eliminating the need for paper files, of course, paper files are available if proffered.



D. Work Plan

Alltech Industries, Inc goals are to provide exceptional Security services to the Oxnard and to meet all contract requirements. In order to accomplish these objectives, Alltech will assemble a start-up team that will involve the Operations Manager, General Manager, Lead-Supervisor, Supervisors and office staff. This team will develop a comprehensive Pre Start-up plan that will define goals to be achieved before the start date. A Post Start-up plan will also be developed to make sure that our preliminary work has been completed and that every aspect of our services is correct and complies with contract requirements.

Normally two (2) to four (4) weeks are required for a smooth, logical and orderly start-up, of course four (4) weeks is preferred. Assuming that the Oxnard can provide such notice, Alltech has prepared the following security Pre Start-Up schedule that sets forth a chronological order of events to be undertaken before the start date.

Sequential Activities to Complete the Scope of Work

- a. Coordination
 - 1. Appoint a Start-Up Team
 - 2. Joint Meeting with the Oxnard
 - 3. Start-Up Team review meeting
- b. Human Resources
 - 1. Recruitment
 - 2. Interviewing/Screening/Review of Qualifications
 - 3. Back Ground Checks, Employment Physicals, Drug Test
 - 4. Processing of New Hires
- C. Training (conducted by supervisors or Training Academy)
 - 1. Classroom training
 - 2. Missing Certifications Training
 - 3. On-Site Training
- D. Scheduling (Supervisors)
 - 1. Meet with the Oxnard for final Schedules/Changes
 - 2. Assign approved schedules to trained personnel
- E. Uniforms/Equipment (Office Staff)
 - 1. Issue uniforms
 - 2. Order Equipment
 - 3. Order Forms (DAR, Incident Report, Log sheets, etc)
 - 4. Post Orders

Schedule for Completing Tasks

	<u>Pre Start-Up Plan</u>	Week 1	Week 2	Week 3	Week 4
Coordination					
	Appoint a Transition Team	C			
	Joint Meeting with Client	C		C	
	Transition Team Review Meetings	C	C	C	C
Human Resources					
	Recruitment, Flyers, Job Fair, Ads	C			
	Interviewing/Screening/Review of Qualifications	W	C		
	Background Checks, Drug Testing, Employment Physical	W	W	C	
	Processing New Hires	W	W	C	
Training					
	Classroom Training		W	W	C
	Missing Certifications		W	W	C
	On-Site Training			W	C
Scheduling					
	Finalize Schedules with Client			W	C
	Assigned Schedules to trained personnel			W	C
Uniform/Equipment					
	Issue Uniforms			W	C
	Order Equipment		W		C
	Order Forms		W		C

C = Completion

W = Working toward Completion

	<u>Post Start Date Schedule</u>	Week 1	Week 2	Week 3	Week 4
	On-Site Service Evaluation	C	C	C	C
	Transition Team Review Meeting	C		C	C
	Post Orders/Security Manual Implementation	W		C	
	Master Schedule Revision			C	
	Training Curriculum Revision	W	W	C	
	Finalization of Site Survey Results				C
	Report Writing Procedures/ Review Service Standards		W	W	C

E. Hiring and Training

a. Employee Recruitment

AII constantly is receiving employment applications from officers seeking to work as security guards. Once a contract is assigned to AII, we begin searching through our pool of potential candidates. To obtain an extensive group of candidates, AII turns to local vocational centers and training academies, there we are able to view list of potential job seekers and post openings. Announcements are also placed in local papers and Internet search engines such as Caljobs. Once we have obtained an adequate pool of candidates we begin the hiring/screening process.

b. Employment Requirements

All security officers will be 21 years of age or older. They will have a high school diploma or GED. Security officers will speak, understand and write English proficiently. They will have at least two year of security officer experience, approximately 2,000 to 4,000 hours. They will have a current guard card and updated licenses for equipment used while on duty. They would have completed the new 40-hour training requirement mandated by The Department of Consumer Affairs before they commence employment. An extensive work history, background check and credit check will be conducted. Drug testing will be given before a security officer is hired and random drug testing will continue throughout employment.

Equal Opportunity Employer-AII does not discriminate against women, minorities or people with disabilities; we are an equal opportunity employer.

Criminal/Credit Background Check- Before employment the security officer has to pass a credit check and a criminal background check done through the California Department of Justice. Residence and past employer verifications are conducted. Employment is not granted if there is a conviction of any of the following: felony, violent misdemeanor, sex crime, military discharge (unless honorable), or if there is a pattern of irresponsible behavior.

Department of Motor Vehicles Check- Security officers must submit a DMV record before the first day of work. Any discrepancies will affect the hiring the individuals hiring. Officers will also have to pass our Driver Test which consist of a written test and a behind the wheels test.

Licenses and Permits- Each officer must have on file a current guard card and permits to carry and use mace, handcuffs, baton and/or a gun, if needed. Officers will be certified in Basic First Aid and Cardio Pulmonary Resuscitation (CPR). As well as certified in Powers of Arrest and have a valid class "C" driver's license. An on-site driving test and written test will be given to officer required to drive while on duty. Officer must carry licenses and permits when on duty, and shall present them when asked by post management or authorized officer. Once employed status of Licenses is randomly checked through the Bureau of Security and Investigation Services, if at any time licenses are suspended or placed on hold the officer is terminated.

Bilingual Skills- Our officers must have the ability to read, write, understand and speak English. Some of our clients do require that the officer be bilingual, and we are able to provide guards that are able to read, write, understand and speak Spanish.

Alcohol and Controlled Substances- AII has a NO tolerance policy on Alcohol and controlled substances. Employees will be subjected to random drug/alcohol screenings; failure to pass such screening will be grounds for immediate termination. Reporting to work under the influence of alcohol or illegal drugs will result in the immediate termination of employment and removal from post.

c. Training Requirements.

Before an officer is sent to any location an officer receives hours of training at our facility as well as outside facilities. Every location and client is different; therefore when an officer gets assigned to a specific location, the officer is trained on the everyday operation of the location for 30-40 hours, and post orders. A supervisor will accompany the officer to the site and conduct hours of on the job training to ensure that the officer understand the tasks that need to be completed and that they are being fulfilled adequately. While on site the supervisor will monitor the officer's work to ensure that it is done correctly. The officer will also be quizzed on possible scenarios to ensure proper response. Once the officer understands the post orders, a supervisor will conduct random inspections to ensure that the officer understand the tasks, officer will be re-trained if needed. The state of California requires each officer to receive 40 hours of training when becoming a security officer and an additional 8 hours every year. In addition to the requirements AII provides more hours of training. The amount of hours an officer is trained depends on the post orders of the location and the task that need to be completed. If AII feels that an officer needs more training it will be provided. AII will conduct intensive training courses to keep the security officers updated on changes in the security field. These sessions consist of viewing videotapes, lectures and on the job training. Courses are also taken at the local ROP program, Community Colleges and Guard Training academies. AII sends its guard to different locations for training as each location varies in classes and techniques. The following subjects will be covered:

- a. Report Writing-** The course covers Security terminology, details to include and the type of important information that is needed in a report
- b. Public Speaking-** Officers take a customer interaction course, covering public and client interaction and customer service.
- c. Customer Focus-** Officer recognizes gender and racial harassment and discrimination. Stereotyping. Introduction to Diversity, ethics and professionalism
- d. Parking and Traffic Control-** This course covers access control procedures, maintain safety awareness, safety signs, proper use of traffic control equipment. Handling traffic flow and large gatherings. Emergency evacuation procedures.
- e. Powers of Arrest-** Officers must have a California BSIS issued guard card, which covers Powers of Arrest.
- f. Legal Powers and Limitations-** Roles of a security officer. Introduction to criminal, civil and administrative procedure, and BSIS codes & Regulations

- g. **CPR & First Aid-** Class given by the American Red Cross, covering techniques and laws.
- h. **Driver Safety Training-** This course includes laws and proper ways to drive and maintain yourself safe, followed by a written test and a behind the wheel test.
- i. **Accident-** Officers will receive training on what to do in case of an accident, who must be contacted and where information is located.
- j. **Fire Protection and Prevention-** Officers take two course, one course covers Hazardous material and how to prevent fire or damage. The second course covers Fire protection and fire watch conduct and procedures.
- k. **Appearance and Grooming-** How to take care of the uniform and use of company equipment.
- l. **Crisis Management-** Gives the security officer direction and a template to use for response to a crises. Bad weather, terrorist attack, hazardous materials.
- m. **Officer Safety-** Discusses threat assessment, blood borne pathogens, environmental and hazardous materials.
- n. **Handling Difficult People-** Covers the following topics; communications, conflict management, speaking constructively, valuing diversity, negotiating and verbal diffusion.
- o. **Workplace Violence-** Detecting unusual behavior. Warning signs (Worker to Worker) Client to Customer and supervisor to subordinate.
- p. **Crowd Control-** How to properly and safely participate in crowd control or riot situations.
- q. **Interview Techniques-** This course prepares officers to conduct an interview and explain the difference in the various levels of interviews. The officers learns how to dialogue with a witness, victim and suspect. Course topics include interviewers responsibility, documentation, confidentiality, types of interviews, locations for interviews, note taking and demeanor of the officer
- r. **Crime scenes-** Officer learns the importance of preserving a crime scene. How to protect it, documenting evidence, recording the scene, preventing crime scene contamination, controlling access and assisting law enforcement.
- s. **Weapons of mass destruction-** Prevention and deterrence of the use of chemical agents, biological agents, radiological materials and explosive devices.
- t. **Principles of safeguarding information-** Covers all policy matter and procedures concerning access and restriction of client information.
- u. **Labor Relations-** The study and practice of managing unionized employment situations. This course covers labor history, labor law, Union Organizing, contract bargaining and the modified response to different scenarios.
- v. **Heat Illness prevention-** Human body response during heat stress. Hydrations procedures to treat heat exhaustions.
- w. **School Officer-** Officers will be trained on the laws surrounding being on a school campus while minors are present.



ATTACHMENT A

RATES AND COSTS EXHIBIT

<u>Position and Hours</u>	<u>Billing Rate</u>	<u>Total</u>
Armed Officer – hourly rate	\$ 25.76/hour	\$148,686.72/yr
Armed Officer – holiday hourly rate	\$ 38.64/hour	\$ 8,346.24/yr
Car Fee for Armed Officer – monthly	\$ 850.00/month	\$ 10,200.00/yr
GRAND TOTAL - \$ 167,232.96		

Bidder acknowledges receipt of all addenda

Addendum:	Date Received:	Addendum:	Date Received:
#01	<u>November 30, 2020</u>	#03	_____
#02	_____	#04	_____

In case of any discrepancy between the cost per unit/services and the extended amount, the cost per unit/service shall prevail; but, if the amount set forth as an cost per unit/service amount is ambiguous, unintelligible, uncertain, omitted or identical to the amount listed in the extended amount, then the amount set forth in the extended amount shall prevail. In case of any discrepancy between the extended amount and the total bid amount, the extended amount shall prevail; but, if the amount set forth as an extended amount is ambiguous, unintelligible, uncertain, omitted or identical to the amount listed in the total bid amount, then the amount set forth in the total bid amount shall prevail. In case of any discrepancy between words and figures in the total bid amount, the words shall prevail.



City of Oxnard
Purchasing Department

Solicitation #PW 21-32
Bid Close Date: 12/10/20 at 2:00 pm PT

**ATTACHMENT B
COMPANY INFORMATION**

Name of Company: Alltech Industries, Inc.

Address: 301 East Pomona Blvd., Suite B, Monterey Park, CA 91755

Service to provide: Armed Security Guard Services

Main Point of Contact: Hilda Perez or Oscar Gamez

Fed Tax ID: 27-4453612 City Tax ID: Will obtain upon award

E-mail: hperez@alltechguards.com (760) 486-0779
ogamez@alltechguards.com Phone: (714) 604-7688

9.0 Credentials/Resumes/Certifications/Licenses:

This section shall state all employees/subcontractors responsible for administering or providing services. Provide a summary list of the organizational personnel that will actively participate and contribute their skills to this project. Include in this list the individual's name, job title, work location and relevant experience in projects of similar size and complexity. (Responses may be one page per individual.)

10.0 Bidder shall specifically provide the following information on all employees to be providing services related to this solicitation: (Bidder can add as many sections to this bid response box as they need to state all employees providing services.)

Alltech Industries, Inc. will be hiring staff to cover this contract.

- a. Position Title
- b. Current Responsibilities
- c. Qualifications/Experiences
- d. Certifications/licenses, if applicable
- e. List other pertinent information that will assist in evaluating Bidder's qualifications.

a. **BIDDER'S RESPONSE:**

b. **BIDDER'S RESPONSE:**

c. **BIDDER'S RESPONSE:**



City of Oxnard
Purchasing Department

Solicitation #PW 21-32
Bid Close Date: 12/10/20 at 2:00 pm PT

d. **BIDDER'S RESPONSE:**

e. **BIDDER'S RESPONSE:**

CERTIFICATIONS

I, Hilda Perez, a duly authorized agent of Alltech Industries, Inc.

Printed Name of Agent/Officer

Name of Organization

hereby certify that Alltech Industries, Inc. by submission of this proposal in response to the

Name of Organization

solicitation, agree upon contract award to carry out the requirements specified and obligations set forth therein.

Signature:

Date: December 9, 2020

Title of Agent/Officer: President

"Execution hereof is certification that the undersigned has read and understands the terms and conditions hereof, and that the undersigned's principal is fully bound and committed."

Credentials/Resumes/Certifications/Licenses

Alltech Industries, Inc. (AII) employees whether they are Officers, Supervisors or Management have the necessary Licenses and Permits to work as a Security Officer. We feel that it is important for the management to also be familiar with a site and work a site if necessary, we expect our officers to be professional and be able to complete their duties. If a Manager shows up to inspect/supervise a site and is not pleased with what they find when they arrive on site the Guard can be sent home and the Manager take their place. AII Supervisors have all started out with the company as Officers and where promoted to Supervisors. AII feels strongly about promoting from within the company, and promoting on the basis of merit and performance. Upon being awarded this contract AII will put together a team involving the President, the General Manager, Supervisors and office staff; assignments will be delegated in preparation for covering the event. All work will be conducted by AII staff, subcontractors will not be utilized.



Hilda Perez - President

Mrs. Perez has a Bachelors from CSULA in Criminal Justice. She has 16 year of experience in the Security industry, starting of as Office personnel, working as a Security officer, eventually becoming Operations Manager and the President of her own company. She is involved in the day to day operations of the company and focuses on hiring employees and contract compliance.



Oscar Gamez – General Manager

Mr. Gamez has a Bachelors of Science in Electrical Engineering and 23 years of experience in the Security Field. Mr. Gamez is involved in all the operations of the company focusing more on the Supervisor and the Officers. Mr. Gamez is very involved with each and every contract that AII has provided services. Mr. Gamez will be assigned to be the Program Manager and will be in constant communication with the City of Oxnard. He will be your direct contact person, and he will ensure that the Supervisors and Officers are doing their job as required. He will also provide training of all equipment and tools necessary to complete the job.

Oscar A. Gamez
General Manager
Alltech Industries, Inc.
Office-(323) 450-2168 Fax-(323) 450-2169
ogamez@alltechguards.com

Summary of Qualifications:

23 years of experience working in the security industry, 18 years of management experience.

Work Experience:

2010-Pres.	General Manager of Alltech Industries, Inc.
2002-2010	General Manager of Alltech Protective Services
1997-2002	Security Guard, Sales Consultant and Regional Manager of SSP Security Inc.

Special Skills:

- Recruited, hired, trained and scheduled Security Officers
- Developed and Implemented Security Officer and Supervisor Training Program
- Conducted Security Surveys
- Managed several locations in different counties
- Managed Security Officers
- Superior customer retention
- Conducted successful security investigations
- Experience with large complex operations
- Account development, employee forms, payroll, and invoicing
- Composing post orders for new clients
- Interacted with clients on a regular basis
- Inspected and interacted with personnel in the field
- Solicitation of potential clients
- Networking
- Emergency response
- Experience as a Security Officer and Supervisor
- Reduce the employee turnover rate

Licenses

Security Guard License and Firearms Permit, Baton and Maze Permit

Education

Bachelors of Science in Electrical Engineering with a specialization in Computer Engineering.

Hilda Perez
President
Alltech Industries Inc.
(760) 486-0779
hperez@alltechguards.com

Summary of Qualifications:

16 years of experience working in the security industry.

Work Experience:

2010-Pres.	President of Alltech Industries, Inc.
2004-2010	Experience as Security Officer, Office Manager and Operations Manager with SSP Security
2004-2006	Counselor at Optimist Boys Youth Homes-Supervising Juvenile Delinquents
2003-2004	Claims Adjuster, investigating property losses at Farmers Ins.

Special Skills:

- Knowledge of Human Resources Procedures and related Legal Issues
- Developed databases to manage accounts, spreadsheets, invoicing, and collections.
- Developed training on report writing
- Managed Security Officers
- Developed sales plans and objectives
- First Aid and CPR trained
- Verbal de-escalation
- Handling emergency situations
- Managing Accounts
- Criminal Procedures
- Interacted with clients on a regular basis
- Experience as Security Officer
- Trained Security Officers
- Implementing/writing post orders
- Experience supervising juvenile delinquents in a detention like setting

Licenses

Security Guard Card and Firearms Permit issued by the Bureau of Security and Investigative Services.

Education

Bachelor of Science in Criminal Justice

ATTACHMENT C REFERENCES

All Bidder(s) must include present and past performance information with a minimum of three (3) references of recent similar projects. References cannot include City staff as a reference. However, references can include other governmental agencies. Please verify that all reference information is correct.

Reference 1	
Company name:	Hesperia Unified School District
Address:	15576 Main Street, Hesperia, CA 92345
Contact person:	Virginia Gutierrez, Director - Purchasing, Facilities, Warehouse
Email address:	virginia.gutierrez@hesperiausd.org
Telephone address:	(760) 244-4411 Ext. 7304
Project name:	HUSD afterhour vehicle patrol
Dates worked performed:	July 2014 - Present
Summary of scope of services:	Provide 3 vehicle patrols of all the schools and alarm response.
Project cost:	\$505,000 annually

Reference 2	
Company name:	Central Unified School District
Address:	5652 W. Gettysburg, Fresno, CA 93722
Contact person:	Richard Romero
Email address:	rromero@centralusd.k12.ca.us
Telephone address:	(559) 274-4700 Ext 71212
Project name:	Afterhour Vehicle Security Patrol Services
Dates worked performed:	July 2018 to Present
Summary of scope of services:	Provide 1 vehicle Patrol of all schools in the District and Alarm Response
Project cost:	\$150,000.00 annually

Reference 3	
Company name:	Fullerton Joint Union High School District
Address:	1021 S Leslie St., La Habra, CA 90631



City of Oxnard
Purchasing Department

Solicitation #PW 21-32
Bid Close Date: 12/10/20 at 2:00 pm PT

Contact person:	Dale McCurry
Email address:	dmccurry@fjuhsd.org
Telephone address:	(714)680-5609
Project name:	Afterhours Vehicle Patrol
Dates worked performed:	2015-Present
Summary of scope of services:	Afterhour vehicle patrol of all schools in the district, respond to alarm calls.
Project cost:	\$220,000 annually

1. Provide a list of contracts that your company has been awarded during the last three (3) years, showing year, type of services, dollar amounts of services provided, location, contracting company, contact name, and phone number.

BIDDER'S RESPONSE:

2. Provide details of any failure or refusal to complete a contract. If none, that must be stated.

BIDDER'S RESPONSE: Alltech Industries, Inc. has not failed or refused to complete a contract.

1. Provide a list of contracts that your company has been awarded during the last three (3) years, showing year, type of services, dollar amounts of services provided, location, contracting company, contact name, and phone number.

Central Unified School District
5652 W. Gettysburg, Fresno, CA 93722
Richard Romero
(559) 274-4700 Ext 71212
rromero@centralusd.k12.ca.us
July 2018 to Present
Provide one vehicle Patrol of all schools in the District and Alarm Response
\$150,000.00 annually

Anaheim Elementary School District
1001 S East St, Anaheim, CA 92805
Lenny Damico, Director, Maintenance & Operations
(714) 517-7551 x4303 or (714) 863-2853,
ldamico@anaheimelementary.org
July 2018- Present
\$85,000/year
Provide 1 after hours vehicle patrol and alarm response of all the District schools and facilities.



City of Oxnard
Purchasing Department

Solicitation #PW 21-32
Bid Close Date: 12/10/20 at 2:00 pm PT

ATTACHMENT D
STATEMENT OF BIDDER'S PAST CONTRACT DISQUALIFICATIONS

Has bidder or any of its officers or employees who have a proprietary interest in such bidder ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, State, or local government project because of a violation of law or a safety regulation?

Yes _____ No X

2. If so, explain the circumstances:

Not Applicable



City of Oxnard
Purchasing Department

Solicitation #PW 21-32
Bid Close Date: 12/10/20 at 2:00 pm PT

ATTACHMENT E
CITY OF OXNARD
SIGNATURE SHEET, AFFIDAVIT

I, Hilda Perez

depose and say that I am President

("Sole Owner", "A Partner", "President", or other proper title)
of Alltech Industries, Inc.

Name of Bidder

Whoever submits this proposal to the City of Oxnard declares:

1. That the bidder has read these bid documents and specifications, will abide by and agrees to the conditions herein, and does hereby propose to furnish all equipment required for the item totals listed in the Bid Proposal.
2. That this bid is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named, and that the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm or corporation to refrain from bidding, and that the bidder has not in any manner sought by collusion to secure an advantage over any other bidder.
3. That the addenda indicated on page 1 of this proposal are acknowledged.

I certify or declare under penalty of perjury that the foregoing is true and correct and I am an authorized agent to submit bids.



Signature



City of Oxnard
Purchasing Department

Solicitation #PW 21-32
Bid Close Date: 12/10/20 at 2:00 pm PT

ATTACHMENT F

LOCAL BUSINESS QUALIFICATION AFFIDAVIT

Alltech Industries, Inc. is not a local business.

The City of Oxnard's Local Business Preference may be applied to this solicitation. If you qualify for this preference, this form must be submitted along with each bidder's response to this solicitation. If a Bidder fails to provide a completed Local Business Qualification Affidavit form with their bid submittal, the Bidder may be disqualified from obtaining local preference. It is the sole responsibility of the Bidder to identify local preference with each bid submittal. Reference Ordinance 2852.

Definition of Local Business

A local business shall mean a business firm meeting the following requirements:

1. Fixed offices located within the geographical boundaries of the City of Oxnard, authorized to perform business within the City, and in doing so, holds a current City Business license, and provides, produce/s, or performs contracted work using employees, of whom the majority are physically located in said local offices, and
2. A City of Oxnard business street address, shall be open and staffed during normal business hours with an annual gross receipts of twenty million dollars (\$20,000,000) or less thirty-six months (36) and,
3. Employee fewer than one hundred (100) employees at least fifty percent (50%) Oxnard residents, per the Ordinance. (Refer to Ordinance 2852).
4. Post office box numbers shall not suffice to establish status as a "local business."

Additional supporting documentation is required to verify qualification includes:

1. A copy of a current BOE 531-A and/or BOE 530-C form (State, Local & District Sales, and Use Tax Return Form). This is what businesses submit to the State Board of Equalization when paying the sales tax to the State of California indicating the amount of the payment to be credited to each jurisdiction (i.e. Counties, Cities).
2. A current business license if required.
3. Proof of the current business address. The business address must match for points 1, 2 and 3.

Business Name: Alltech Industries, Inc.

Physical Address: 301 East Pomona Blvd., Suite B, Monterey Park, CA 91755

Phone: (323) 450-2168

E-Mail: hperez@alltechguards.com

Date Principal Business Address Established: 08/2010 No. of Company Employees at this address: 95

If less than 36 months, list previous City of Oxnard location:

City Business License No.: will obtain one Taxpayer Identification No. (TIN): 27-4453612

Primary function of this location (i.e., sales, distribution, production, corporate, etc.):

Sales, and day to day office operations.

Signature of Company Official

Hilda Perez, President

December 10, 2020

Date

Print Name, Title

Submittal of false data will result in disqualification of local preference and/or doing business with the City of Oxnard.

BUREAU OF SECURITY AND INVESTIGATIVE SERVICES

LICENSING DETAILS FOR: 16674

NAME: ALLTECH INDUSTRIES INC

LICENSE TYPE: PRIVATE PATROL OPERATOR

PRIMARY STATUS: CURRENT

PREVIOUS NAMES: ALLTECH PROTECTIVE SERVICES 7/30/2010 AKA ❖ ALLTECH INDUSTRIES INC 7/30/2010 ❖ ALLTECH INDUSTRIES INC DBA ALLTECH PROTECTIVE SERVICES INC

ADDRESS OF RECORD

4781 E GETTYSBURG AVE STE 111
FRESNO CA 93726-1814
FRESNO COUNTY

ISSUANCE DATE

JULY 30, 2010

EXPIRATION DATE

JULY 31, 2022

CURRENT DATE / TIME

JULY 5, 2020
11:16:40 AM

LICENSE RELATIONSHIPS

PPO TO QUALIFIED MANAGER

LICENSE/REGISTRATION ROLE: PRIVATE PATROL OPERATOR

RELATED PARTY ROLE: QUALIFIED MANAGER

NAME: GAMEZ ALAVEZ, OSCAR ARMANDO

[VIEW MORE DETAILS](#)

ADDRESS :

LOS ANGELES CA 90063
LOS ANGELES COUNTY

PRESIDENT

LICENSE/REGISTRATION ROLE: BUSINESS LICENSE

RELATED PARTY ROLE: PRINCIPAL

NAME: PEREZ, HILDA

[VIEW MORE DETAILS](#)

ADDRESS NOT DISCLOSED

VICE-PRESIDENT

LICENSE/REGISTRATION ROLE: BUSINESS LICENSE

RELATED PARTY ROLE: PRINCIPAL

NAME: GAMEZ ALAVEZ, OSCAR ARMANDO

[VIEW MORE DETAILS](#)

ADDRESS NOT DISCLOSED

AWARD AGREEMENT TO ALLTECH INDUSTRIES, INC. FOR ARMED SECURITY SERVICES TO THE WATER CAMPUS

Public Works and Transportation Committee
February 23, 2021

Omar Castro
Water Division Manager

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute Agreement A-8293 with Alltech Industries, Inc. in the amount not to exceed \$334,466 for a two-year term ending March 15, 2023 for armed security services at the Water Campus.

- The Water Campus is the main headquarters for the Water Division
- Major infrastructure at this location: Administration Building, Meter Shop Building, Distribution Building, Materials and Inventory Storage, Reverse Osmosis Desalter Facility, Chemical Storage, Multi-purpose Training Building, and three (3) emergency generators
- Additional assets stored at this location: Fleet of vehicles and heavy equipment machinery
- Current camera surveillance system is failing and is no longer supported; a surveillance system is currently under design

- Armed security services are critical in safeguarding the City's water supply, assets, and personnel
- The Water Campus is in an area with high transient activity that necessitates armed security to help prevent vandalism, theft, and trespassing
- An average of 133 hours of security services will be utilized on a weekly basis

- November 16, 2020: City published Request for Bid PW 21-32 for Armed Security Services at the Water Campus
- December 10, 2020: Total of nine (9) qualified bids were received:

#	Vendor	Total Bid (two-years)
1	Alltech Industries	\$334,465.92
2	Servexo Protective	\$349,266.72
3	Professional Security Consultants	\$363,750.32
4	Patrol Solutions	\$365,117.94
5	Triumph Protection	\$366,528.00
6	Absolute International	\$373,256.50
7	American Guard Services	\$381,912.48
8	SR Global Security	\$455,770.00
9	RAM Security	\$458,692.00

- Alltech Industries, Inc submitted the lowest, qualified bid
- City has confirmed that Alltech Industries, Inc. meets all required City contractual provisions including possession of a City business tax certificate, insurance certificates and corporate filing with the California Secretary of State

- Total cost for this two-year agreement with Alltech Industries, Inc. is \$334,466
- Spending plan for remainder of FY 2020-21 is \$55,744.32
- Sufficient budget appropriations from the Water Security and Contamination Prevention Fund 608
- Remaining contract balance will be requested in subsequent fiscal years.



QUESTIONS



**PUBLIC WORKS AND TRANSPORTATION COMMITTEE
AGENDA REPORT**

**REPORTS
AGENDA ITEM NO. D.3**

DATE: February 23, 2021

TO: Public Works and Transportation Committee

FROM: Rosemarie Gaglione, Public Works Director, (805) 385-8055, rosemarie.gaglione@oxnard.org

SUBJECT: Agreement for On-Call Channel Maintenance and Repair Services for Waterways Assessment Districts Specification SD 21-43. (0/5/5)

RECOMMENDATION

That the Public Works and Transportation Committee recommend that the City Council award and authorize the Mayor to execute Agreement A-8298 with Harbor Offshore, Inc. for an amount not to exceed \$600,000 for a three-year term ending April 30, 2024 for on-call channel maintenance and repair services for Waterways Assessment Districts Zone 1 Mandalay Bay, Waterways Assessment District Zone 2 Harbour Island, Westport CFD 2 and Seabridge CFD 4.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/hqYbqJ5rmol>

BACKGROUND

The City of Oxnard has four (4) waterways assessment districts; Waterways Zone 1 Mandalay Bay, Waterways Zone 2 Harbour Island, Westport CFD 2 and Seabridge CFD 4. Beginning with the development of Mandalay Bay in 1968 through the completion of Seabridge in 2002, the City of Oxnard approved developments in the northern portion of the Channel Islands Harbor that would create detailed waterways for the enjoyment of boaters and recreationists alike.

The City maintains the inland waterways in Mandalay Bay, Harbor Island, Westport, and Seabridge, including the removal of organic and inorganic debris and maintenance of three (3) debris screens. All four (4) communities are within the boundary of Victoria Avenue, Wooley Road, Harbor Boulevard, and Channel Islands Boulevard. Included within the waterways are two (2) main storm drain systems that outflow into the channels at the corner of Victoria Avenue and Channel Islands Boulevard and at the corner of Victoria Avenue and Hemlock Street.

This work includes furnishing all necessary labor, materials, equipment and other incidental and appurtenant work to provide scheduled monthly maintenance, on-call maintenance for the removal of excessive debris or algae, on-call repairs to the debris screen repairs separating the inland waterways from the power plant cooling channel, and repair to the debris screens located at the storm drain outfalls at Hemlock and Channel Islands Blvd. The work areas are shown on the attached project service map.

DISCUSSION

The notice inviting formal bids (NIFB) on the Project was originally published on January 14, 2021 and all bids were due on January 28, 2021. The City received the bids listed below:

HARBOR OFFSHORE, INC. \$14,008

The lowest bidder is Harbor Offshore, Inc. and its bid is responsive to the City's NIFB. The bid total of \$14,008 is reflective of the \$11,050 monthly cost for on-going maintenance and the remaining \$2,958 is a the calculated total for the hourly rates for any on-call services that the district elects to authorize. Following this determination, procurement staff reviewed all documentation received from Harbor Offshore, Inc. any and its subcontractors. Furthermore, procurement staff verified possession of required currently valid licenses, reviewed the federal Occupational Safety and Health Administration (OSHA) website for safety violations, and verified registration with the California Department of Industrial Relations (DIR). Staff has no reason at this time to believe that either the contractor or its subcontractor is not legally responsible, which means trustworthy and fit and capable to satisfactorily complete the project. Thus, staff recommends that the City Council award the contract for this project to Harbor Offshore, Inc.

Based on review of the lists of bidders who pulled plans for this work, Harbor Offshore, Inc. was the only contractor who bid on the work due to its nature. This contract primarily serves as a debris removal and maintenance contract and there are very few contractors who want to perform this type of work in a marine environment from a boat. As the incumbent contractor, Harbor Offshore, Inc. staff are familiar with the service area and are aware of the potential issues that have occurred in the waterways over the years.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to establish, preserve and improve our infrastructure and natural resources through effective planning, prioritization, and efficient use of available funding. This item supports the following goals and objectives:

Objective 5b. Protect ocean and waterways.

FINANCIAL IMPACT

The total cost for this agreement with Harbor Offshore, Inc. is \$600,000 through April 30, 2024. The total amount for the monthly maintenance is \$397,800 (\$11,050/mo.). The remaining agreement balance of \$202,200 is for on-call services that will be approved by the project manager as needed for unforeseen maintenance and repairs that occur outside of the contracted maintenance. This agreement will be funded by the four (4) waterways districts: Waterways Assessment District Zone 1 Mandalay Bay, Waterways Assessment District Zone 2 Harbour Island, Westport CFD 2 and Seabridge CFD 4. There is sufficient funding available to cover the anticipated of of \$22,100 for the remaining of this fiscal year, and no additional funding is required. Costs for subsequent fiscal years will be requested and allocated during the budgeting process. Project spending and allocation of funds is based on the square footage of the service area on the included map. However, each district will be charged based on the percentage of time spent in that district as reported each month by the contractor and not a flat monthly fee as in prior years.

District	Account Number	FY 2020-21 Spending Plan
Waterways Zone 1 - Mandalay Bay	121-3108-803-8210	\$12,155
Waterways Zone 2 - Harbour Island	177-3108-803-8210	\$1,989
Westport CFD 2	175-3108-803-8209	\$2,873
Seabridge CFD 4	173-3108-803-8209	\$5,083
TOTAL		\$22,100

Prepared by: Jeri Cooper, Special Districts Project Manager, Steve Howlett, Assistant Public Works Director

ATTACHMENTS

1. A-8298 Harbor Offshore
2. Project Map
3. Special Districts Map_Legend
4. Presentation

**CITY OF OXNARD CONTRACT FOR
ON-CALL CHANNEL MAINTENANCE AND REPAIR SERVICES PROJECT FOR
WATERWAYS ASSESSMENT DISTRICTS SPECIFICATION NO. SD 21-43**

THIS CONTRACT ("Contract") is made and entered this _____ day of _____, 20____ ("Effective Date"), by and between the CITY OF OXNARD, a California municipal corporation ("City") and _____ ("Contractor"). Contractor's license number is _____.

In consideration of the covenants set forth herein, the parties hereto agree as follows:

1. Incorporation. The Contract consists of all Contract Documents, which shall include the General Provisions, Special Provisions and all documents referenced in either the General or Special Provisions as well as the Contractor's Bid Response. These documents are incorporated herein by reference.
2. Scope of Services. Contractor shall perform all Tasks in a good and workmanlike manner for the project identified as On-Call Channel Maintenance and Repair Services Project for Waterways Assessment Districts Specification No. SD 21-43 ("Project"), as described in this Contract and in the Contract Documents, throughout the Contract Term. The Scope of Services is attached and incorporated as Exhibit A.
3. Compensation. In consideration of the services rendered pursuant to the requirements listed in the Contract Documents, City shall pay Contractor for each Task in accordance with the Contract Unit Prices submitted in the Bid, which is attached and incorporated as Exhibit B, which in any case shall not exceed six hundred thousand dollars (\$600,000.00).
4. Contract Term. The Contract Term shall begin on the Effective Date and end three (3) years thereafter, unless sooner terminated pursuant to the Contract Documents.
5. Antitrust Claims. In entering into this Contract, Contractor assigns to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Business and Professions Code Section 16700 *et seq.*) arising from purchases of goods, services, or materials pursuant to the Contract Documents. This assignment shall be made and become effective at the time City tenders final payment to Contractor without further acknowledgment by the parties.
6. Prevailing Wages. City and Contractor acknowledge that the Tasks comprising the Project are public works to which prevailing wages apply. Once the Project Manager issues a Task Order, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the corresponding Task will be on file with the Project Coordinator at City Hall and will be made available to any interested party on request. Contractor and all Subcontractors are not qualified to bid on, be listed in a Bid proposal, or engage in the performance of any contract for public work, as defined in Labor Code Sections 1720 through 1861, unless registered and qualified to perform public work pursuant to Labor Code Section 1725.5 at the time of Bid submission.
7. Workers' Compensation. Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of Labor Code Section 1861, by signing this Contract, the Contractor certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance

in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract.”

8. Titles. The titles used in this Contract are for convenience only and shall in no way define, limit or describe the scope or intent of this Contract or any part of it.

9. Authority. Any person executing this Contract on behalf of Contractor warrants and represents that he or she has the authority to execute this Contract on behalf of Contractor and has the authority to bind Contractor to the performance of its obligations hereunder.

10. Entire Agreement. This Contract, including all incorporated documents, constitutes the entire agreement between the parties hereto with respect to the Project and all related Tasks and supersedes all previous agreements, promises, proposals, representations, understandings and negotiations, whether written or oral, between the parties regarding the subject matter.

11. Amendment. No modification, amendment or supplement to this Contract other than Change Orders or Task Orders shall be binding unless made in writing and signed by the duly authorized representatives of both parties.

12. Counterparts. This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A signed copy of this Contract transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Contract for all purposes. This provision shall likewise apply to all Task Orders and other Contract Documents.

[signatures on following page]

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

CITY OF OXNARD

CONTRACTOR

☒ John C. Zaragoza, Mayor¹ _____ Date _____
☐ Alexander Nguyen, City Manager
☐ Purchasing Manager
☐ [name] , Buyer

[name] , [title]² _____ Date _____

[name] , [title] _____ Date _____

ATTEST:

Rose Chaparro, City Clerk (only if Mayor signs) _____ Date _____

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney (always required) _____ Date _____

¹ The City Council must authorize and the Mayor must sign any agreement over \$200,000 annually. The City Manager may authorize and sign any agreement over \$100,000 but up to \$200,000 annually. The Purchasing Manager may authorize and sign any agreement up to \$100,000 annually. A Buyer may authorize and sign any agreement up to \$25,000 annually.

² The City requires the following for any contract:

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

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

Exhibit INS-S

INSURANCE REQUIREMENTS FOR UNDERWATER DIVING/CONSTRUCTION CONTRACTS

1. Contractor shall obtain and maintain during the performance of any services under this Contract the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by Contractor, its agents, representatives, employees or subcontractors.

Commercial General Liability Insurance, including Contractual Liability which includes underwater activities in an amount not less than \$2,000,000 and/or protection & indemnity coverage at \$2,000,000 combined single limit for bodily injury and property damage for each claimant for general liability with coverage equivalent to Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001). If a general aggregate limit is used, that limit shall apply separately to the project location or shall be twice the occurrence amount;

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

Workers' Compensation Insurance shall be the State of California or United States Longshore and Harbor Workers (USL&H) **[dock]** or Jones Act Coverage as Appropriate **(water)**. Limits of liability for State of California and USL&H shall be statutory with Employers Liability Insurance in an amount not less than \$1,000,000 per claimant and \$2,000,000 for Jones Act.

1 Contractor shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-S. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager **before** work commences. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be sent via email (or fax if necessary) to the Risk Manager, addressed as follows (do not send hard copies):

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

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

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

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

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

6. All insurance standards applicable to Contractor shall also be applicable to Contractor's subcontractors. Contractor agrees to maintain appropriate agreements with subcontractors and to provide proper evidence of coverage upon receipt of a written request from the Risk Manager.

1/21

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS

Certificates of Insurance

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

Endorsement Forms

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

INS-S.doc

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER

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

CODESUB-CODE

COMPANIES AFFORDING INSURANCE COVERAGE

INSURED

COMPANY
LETTER ASPECIFY COMPANY NAMES IN THIS SPACE

COMPANY
LETTER B

COVERAGES

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY [x] COMMERCIAL GENERAL LIABILITY [] CLAIMS MADE [x] OCCUR. [x] OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$1,000,000 PRODUCTS COMP/OP AGG. \$1,000,000 PERSONAL & ADV. INJURY \$1,000,000 EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY [x] ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER Errors and omissions insurance or malpractice insurance available for the insured's profession; if architectural, engineering or electrical work will be performed under the Contract, Course of Construction Insurance				Minimum coverage \$1,000,000 Each consultant/ \$500,000 & listed sub-consultant Course of Construction— Completed Value of Project

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

CERTIFICATE HOLDER

CITY OF OXNARD

Attn: Insurance Compliance

Reference No. A-8298

P.O. Box 100085 – OX

Duluth, GA 30096

Via Email: cityofoxnard@ebix.com

Via Fax: 678-259-1007

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

**GENERAL LIABILITY SPECIAL ENDORSEMENT
FOR THE CITY OF OXNARD (the "City")****SUBMIT IN DUPLICATE**

ENDORSEMENT NO. _____

ISSUE DATE (MM/DD/YY) _____

PRODUCER _____

Telephone: _____

NAMED INSURED _____

POLICY INFORMATION:

Insurance Company: _____

Policy No.: _____

Policy Period: (from) _____ (to) _____

LOSS ADJUSTMENT EXPENSE _____

☐ Included in Limits☐ In Addition to Limits☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____
with an Aggregate of \$ _____ applies to _____
coverage. ☐ Per Occurrence ☐ Per Claim (which) _____**APPLICABILITY.**This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered:

CITY AGREEMENTS/PERMITS _____

TYPE OF INSURANCE**GENERAL LIABILITY**☐ COMMERCIAL GENERAL LIABILITY☐ COMPREHENSIVE GENERAL LIABILITY☐ OWNERS & CONTRACTORS PROTECTIVE☐ Claims Made

Retroactive Date _____

☐ Occurrence**OTHER PROVISIONS****COVERAGES****LIABILITY LIMITS IN THOUSANDS \$**

EACH OCCURRENCE

AGGREGATE

☐ GENERAL☐ PRODUCTS/COMPLETED OPERATIONS☐ PERSONAL & ADVERTISING INJURY☐ FIRE DAMAGE☐ _____☐ _____

Underwriter's representative for claims pursuant to this insurance.

CLAIMS:

Name: _____

Address: _____

Telephone: (_____) _____

In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:

- 1. INSURED.** The City, its officers, agents, employees and volunteers are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured.
- 2. CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.
- 3. SEVERABILITY OF INTEREST.** This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.
- 4. CANCELLATION NOTICE.** With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.
- 5. PROVISIONS REGARDING THE INSURED'S DUTIES.** Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.
- 6. SCOPE OF COVERAGE.** This policy, if primary, affords coverage at least as broad as:
 - Insurance Services Office Commercial General Liability Coverage, "occurrence" form CG 0001; or
 - If excess, affords coverage which is at least as broad as the primary insurance form CG 0001.

Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.

ENDORSEMENT HOLDER**CITY OF OXNARD****Attn: Insurance Compliance****Reference No. A-8298****P.O. Box 100085 – OX****Duluth, GA 30096****Via Email: cityofoxnard@ebix.com****Via Fax: 678-259-1007****AUTHORIZED REPRESENTATIVE**☐ Broker/Agent☐ Underwriter☐ _____

I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement.

Signature _____

(original signature required)

Telephone: (_____) _____

Date Signed _____

9

Bond No. _____

**PAYMENT BOND
(LABOR AND MATERIALS)**

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Oxnard ("Agency"), State of California, has awarded to _____

(“Principal”)

(Name and address of Contractor)

a contract (the "Contract") for the Work described as On-Call Channel Maintenance and Repair Services Project for Waterways Assessment Districts Specification No. SD 21-43 (the "Project").

WHEREAS, under the terms of the Contract, the Principal is required before entering upon the performance of any Work, to file a good and sufficient Bond with the Agency to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code.

NOW, THEREFORE, we, the undersigned Principal, and _____

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____
 ("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, and
 our heirs, assignees, successors, executors and administrators are held and firmly bound, jointly
 and severally, unto the Agency and all Contractors, Subcontractors, laborers, material suppliers,
 and other persons employed in the performance of the Contract and any Task related to the
 Contract and referred to in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the
 Civil Code in the penal sum of _____
 Dollars (\$ _____), this amount being not less than a hundred percent (100%) of the
 total not to exceed Contract Price, in lawful money of the United States of America, for materials
 furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance
 Act with respect to this Work or labor that the Surety will pay the same in an amount not exceeding
 the amount hereinabove set forth, and also in case suit is brought upon this Bond, will pay, in
 addition to the face amount thereof, costs and reasonable expenses and fees, including
 reasonable attorneys' fees, incurred by Agency in successfully enforcing this obligation, to be
 awarded and fixed by the court, and to be taxed as costs and to be included in the judgment
 therein rendered.

It is hereby expressly stipulated and agreed that this Bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this Bond.

The Project shall be considered “accepted” for the purposes of triggering Bond deadlines at the Contractor’s final completion of all Tasks, the City’s acceptance of all Tasks, and the end of the Contract Term, whichever occurs last. Upon expiration of the time within which the California

Labor Commissioner may serve a civil wage and penalty assessment against the principal, any of its Subcontractors, or both the principal and its Subcontractors pursuant to Labor Code Section 1741, and upon expiration of the time within which a joint labor management committee may commence an action against the principal, any of its subcontractors, or both the principal and its subcontractors pursuant to Labor Code Section 1771.2, if the condition of this Bond be fully performed, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract, including all incorporated documents, shall in any manner affect its obligations on this Bond. The Surety hereby waives notice of any such change, extension, alteration, or addition. Additionally, the Surety hereby waives California Civil Code Sections 2845 and 2849 as well as any statutes of limitation, statutes of repose and laches as they may apply to an action on this Bond.

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

“Principal”

“Surety”

By: _____

By: _____

Its: _____

Its: _____

By: _____

By: _____

Its: _____

Its: _____

(Seal)

(Seal)

Note: This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. The date of the Bond must not be before the Contract's Effective Date. Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State of California.

Bond No. _____

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Oxnard ("Agency"), has awarded to _____

(“Principal”)

(Name and address of Contractor)

a contract (the "Contract") for the Work described as On-Call Channel Maintenance and Repair Services Project for Waterways Assessment Districts Specification No. SD 21-43 (the "Project").

WHEREAS, Principal is required under the terms of the Contract to furnish a Bond for the faithful performance of the Contract.

NOW, THEREFORE, we, the undersigned Principal, and _____

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____
 ("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are
 held and firmly bound unto the Agency in the penal sum of _____

_____ Dollars (\$ _____), this amount being not less than a hundred percent (100%) of the total not to exceed Contract Price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, assigns, successors, executors and administrators, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal, his, her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the Contract and any alteration thereof made as therein provided for all Tasks, on the Principal's part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the Agency, its officers, agents and employees, as therein stipulated, within the Contract Term, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered. Surety hereby waives any statutes of limitation, statutes of repose and laches as they may apply to an action on this Bond.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract, including all incorporated documents, or of the Work to be performed under any Task Order shall in any way affect the Surety's obligations under this Bond. The Surety hereby waives notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the Work in any Task Order. Surety hereby waives California Civil Code 2845 and 2849. The City is the principal beneficiary of this Bond and has all rights of a party hereto.

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

“Principal”

“Surety”

By: _____

By: _____

Its: _____

Its: _____

By: _____

By: _____

Its: _____

Its: _____

(Seal)

(Seal)

Note: This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. The date of Bond must not be before the Contract's Effective Date. Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State of California.

SPECIAL PROVISIONS

1000-1 LOCATION AND SCOPE OF WORK

The Contractor shall provide the necessary equipment, materials, parts and labor to conduct debris removal, maintenance and repair to the waterways assessment districts for the City of Oxnard. Services will be performed in the Waterways Assessment Districts which include: Waterways Zone 1 Mandalay Bay, Waterways Zone 2 Harbour Island, CDF 2 Westport and CFD 4 Seabridge as shown in Exhibit A.

The Scope of Work shall include, but not be limited to:

1. Channel cleaning and removal of debris from the waterways on a twice weekly schedule, 8 hours per shift.
2. Weekly visual monitoring of the debris screen and debris booms for functionality, maintenance, and debris removal needs.
3. Removal of debris floating on the surface, partially submerged, sunken to the bottom of the channel, or in rip rap.
4. Perform identified maintenance required to keep the debris screen and debris booms in operating order. The location of the debris screen and booms are shown on the attached site plan as Exhibit A.
5. Perform channel cleaning and debris removal services, as requested due to unforeseen events.
6. Provide a monthly written report of activities with photos of debris removed and maintenance performed and should be submitted with invoices each month.
7. Provide removal of surface algae during service days and on an on-call basis during algal blooms. Surface algae should be removed in a method that will not cause sections of the algae to be left in the water to sink to the bottom and decompose. Contractor shall not chop algae with boat propeller to aid in removal

Contractor shall commence and end all service on the same Working Day unless approved by the Project Manager in advance.

1000-2 PAYMENT

Scheduled cleaning and removal of debris is to be billed on a monthly basis.

All other Work will be pre-approved by a Task Order issued by the Project Manager prior to starting Work. The Task Order must include all materials, labor, and taxes. A separate invoice is required for each Task Order issued pursuant to the Contract. Contractor's markup on the purchase of materials or rental of equipment other than items identified on the Bid Sheets shall not exceed fifteen percent (15%) of the Contractor's costs.

Contractor shall only invoice for time spent at the location of service. The City shall not pay for time spent on route or traveling to acquire parts or supplies unless pre-approved by the Project Manager and included in the Task Order.

HARBOR SURFACE AREA BY DISTRICT



District Water Maintenance Responsibility (Total Surface Area ~139.25 acres)			
■	Seabridge at Mandalay Bay	23%	(~32.53 acres)
■	Waterway Zone 1, Mandalay Bay	55%	(~76.28 acres)
■	Waterway Zone 2, Harbor Island	9%	(~12.07 acres)
■	Westport at Mandalay Bay	13%	(~18.37 acres)

Wooley Road Channel Debris Screen

Screen is visible from the trail off of Chesapeake Drive



Hemlock Road Debris Boom

Boom is located off the Victoria Ave side road and Hemlock Street



Channel Islands Debris Boom

Channel Islands Debris Boom is located on W. Channel Islands Blvd. west of S. Victoria Road

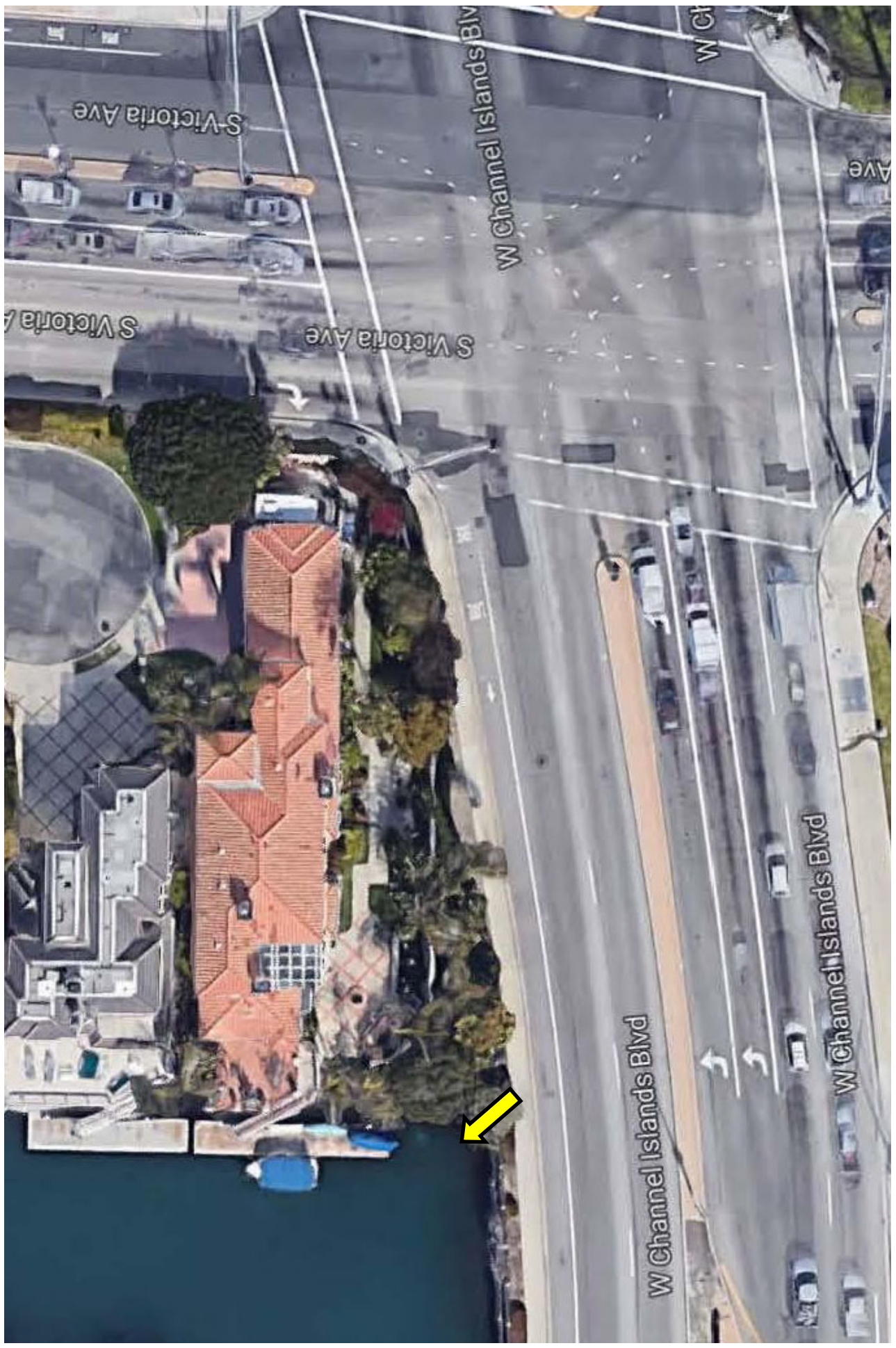


EXHIBIT B

CITY OF OXNARD

BID SHEETS FOR ON-CALL CHANNEL MAINTENANCE AND REPAIR SERVICES PROJECT FOR WATERWAYS ASSESSMENT DISTRICTS SPECIFICATION NO. SD 21-43

Bidder's Name: Harbor Offshore, Inc.

To the Honorable Mayor and Members of the City Council:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment and supplies for the Tasks comprising the Project in accordance with the Contract Documents to the satisfaction and under the direction of the Project Manager at the following prices:

ITEM NO.	DESCRIPTION	UNIT	Total
REGULAR MAINTENANCE SERVICES			
1	Cleaning Services Two (2) Times Per Week and Monthly Reports	Lump Sum Monthly Rate	\$ 11,050.00 /MO
ON-CALL SERVICES			
2	On-Call Cleaning and Debris Removal Services	Hourly Rate Monday-Friday 8:00am - 5:00pm	\$ 160.00 /HR
3	On-Call Cleaning and Debris Removal Services After Hours	Hourly Rate Monday-Friday 5:01pm - 12:00pm or Weekends 8am - 5pm	\$ 240.00 /HR
4	On-Call Cleaning and Debris Removal Services Holiday	Hourly Rate Monday-Friday 8:00am - 5:00pm	\$ 320.00 /HR
5	On-Call Cleaning and Debris Removal Services Holiday After Hours	Hourly Rate Monday-Friday 5:01pm - 12:00pm	\$ 320.00 /HR
6	On-Call Maintenance Repair Services	Hourly Rate Monday-Friday 8:00am - 5:00pm	\$ 160.00 /HR
7	On-Call Maintenance Repair Services After Hours	Hourly Rate Monday-Friday 5:01pm - 12:00pm or Weekends 8am - 5pm	\$ 240.00 /HR
8	On-Call Maintenance Repair Services Holiday	Hourly Rate Monday-Friday 8:00am - 5:00pm	\$ 320.00 /HR

9	On-Call Maintenance Repair Services Holiday After Hours	Hourly Rate Monday-Friday 5:01pm - 12:00pm	\$ 320.00 /HR
10	Support/Dive Vessel	Hourly Rate Monday-Friday 8:00am - 5:00pm	\$ 59.00 /HR
11	Scuba Diver	Hourly Rate Monday-Friday 8:00am - 5:00pm	\$ 197.00 /HR
12	Standby Diver	Hourly Rate Monday-Friday 8:00am - 5:00pm	\$ 113.00 /HR
13	Pilebuck	Hourly Rate Monday-Friday 8:00am - 5:00pm	\$ 104.00 /HR
14	Dive Equipment	Per Day	\$ 185.00
15	Company Truck	Per Day	\$ 150.00
16	Pressure Washer	Per Day	\$ 60.00
17	Fire Hose	Per Day	\$ 10.00
BID PRICE (TOTAL of ALL CONTRACT UNIT PRICES):			11,050.00/MO \$ 2,553.00/HR 405.00/DAY

Bid Items 1-17 \$14,008.00

Note: No adjustment in the Contract Unit Prices will be allowed. The cost of all labor, material, export of material and other costs shall be included in the above Contract Unit Prices; no additional compensation will be granted for such expenses.

BID PRICE IN DIGITS: \$ 11,050.00 per Month for Bid Item 1 (\$14,008.00 if combining bid items 1-17)

BID PRICE IN WORDS: Eleven Thousand Fifty Dollars and No Cents - per Month for Bid Item 1

Bidder acknowledges receipt of all addenda

Addendum: Date Received:
#01 _____
#02 _____

Addendum: Date Received:
#03 _____
#04 _____

Bidder's Name (Company): Harbor Offshore, Inc.

Signature: _____

Print: Jeff Terai

Title: President

Date: 1/26/2021

Signature: _____

Print: Dave Hutchinson

Title: CFO

Date: 1/26/21



HARBOR SURFACE AREA BY DISTRICT



Wooley Road Channel Debris Screen

Screen is visible from the trail off of Chesapeake Drive



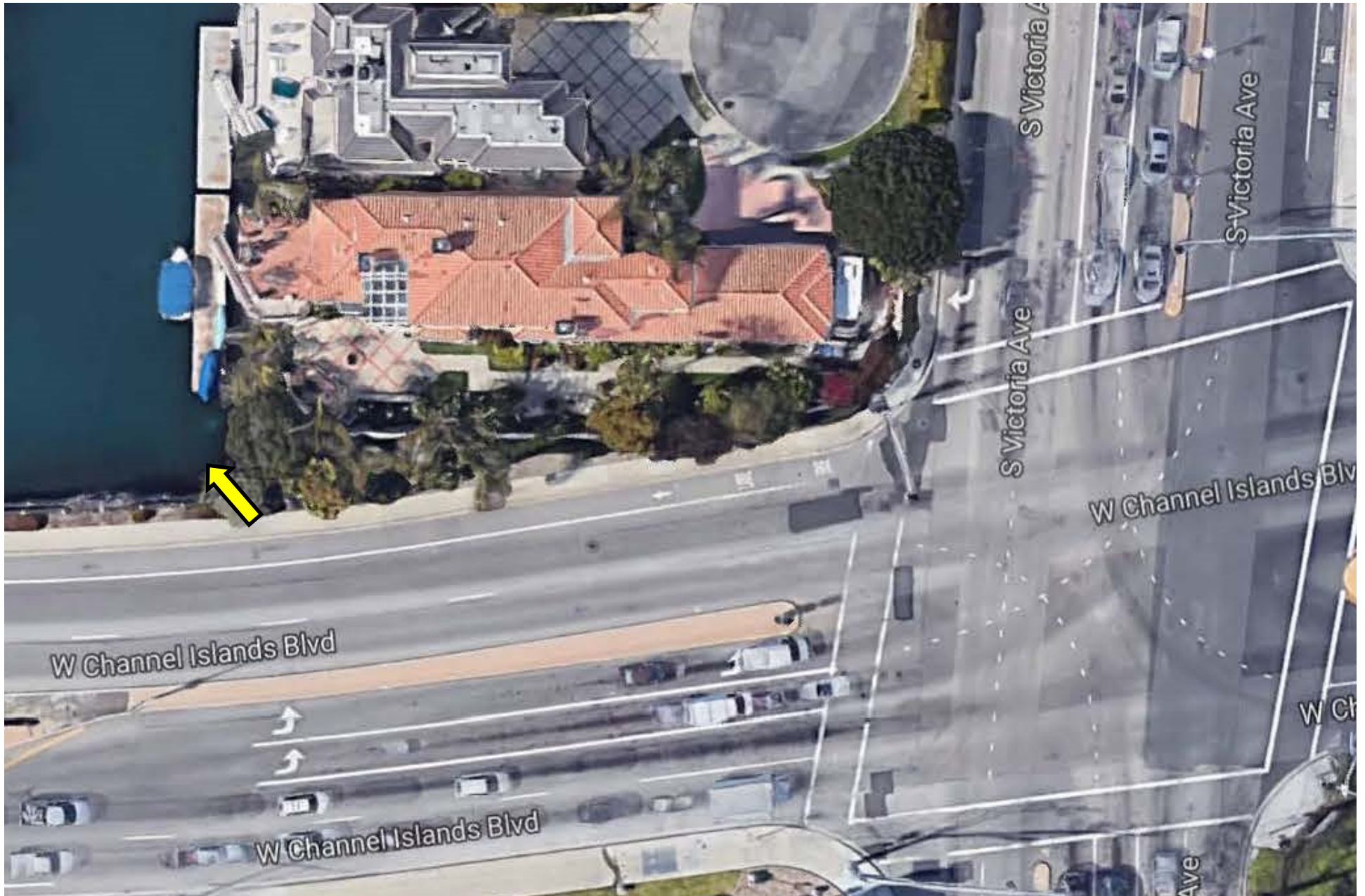
Hemlock Road Debris Boom

Boom is located off the Victoria Ave side road and Hemlock Street



Channel Islands Debris Boom

Channel Islands Debris Boom is located on W. Channel Islands Blvd. west of S. Victoria Road



Maintenance Assessment Districts

& Waterway Assessment Districts

MAD No. 4 (Mandalay Beach/Colony/Hotel)

WAD No. 1 (Mandalay Bay)

WAD No. 2 (Mandalay Bay)

Community Facilities Districts

CFD No. 1 & 2 (WESTPORT AT MANDALAY BAY)

CFD No. 3 & 4 (SEABRIDGE AT MANDALAY BAY)

CFD No. 5 (RIVERPARK)

CFD No. 6 (NORTH SHORE AT MANDALAY BAY)

CFD No. 7 (WAGON WHEEL)

Landscape Maintenance Districts

LMD No. 10 (Country Club Estates)

LMD No. 11 (St. Tropez)

LMD No. 12 (Standard Pacific)

LMD No. 13 (Le Village)

LMD No. 14 (California Cove)

LMD No. 16 (California Lighthouse)

LMD No. 23 (Greystone)

LMD No. 24 (Vineyards)

LMD No. 25 (Pointe)

LMD No. 27 (Rose Island)

LMD No. 28 (Harborside)

LMD No. 3 (River Ridge)

LMD No. 30 (Haas Automation)

LMD No. 31 (Rancho De La Rosa)

LMD No. 32 (Oak Park)

LMD No. 33 (El Paseo)

LMD No. 34 (Sunrise Pointe & Sunset Cove)

LMD No. 36 (Villa Santa Cruz & Villa Carmel)

LMD No. 37 (Pacific Breeze)

LMD No. 38 (Aldea Del Mar)

LMD No. 39 (Promesa & Sueno)

LMD No. 40 (Cantada)

LMD No. 41 (Pacific Cove)

LMD No. 42 (Cantabria & Coronado)

LMD No. 43 (Greenbelt)

LMD No. 46 (Daily Ranch)

LMD No. 47 (Sycamore Place)

LMD No. 49 (Cameron Ranch)

LMD No. 50 (Pleasant Valley Senior Housing)

LMD No. 51 (Pfeiler)

LMD No. 52 (Wingfield)

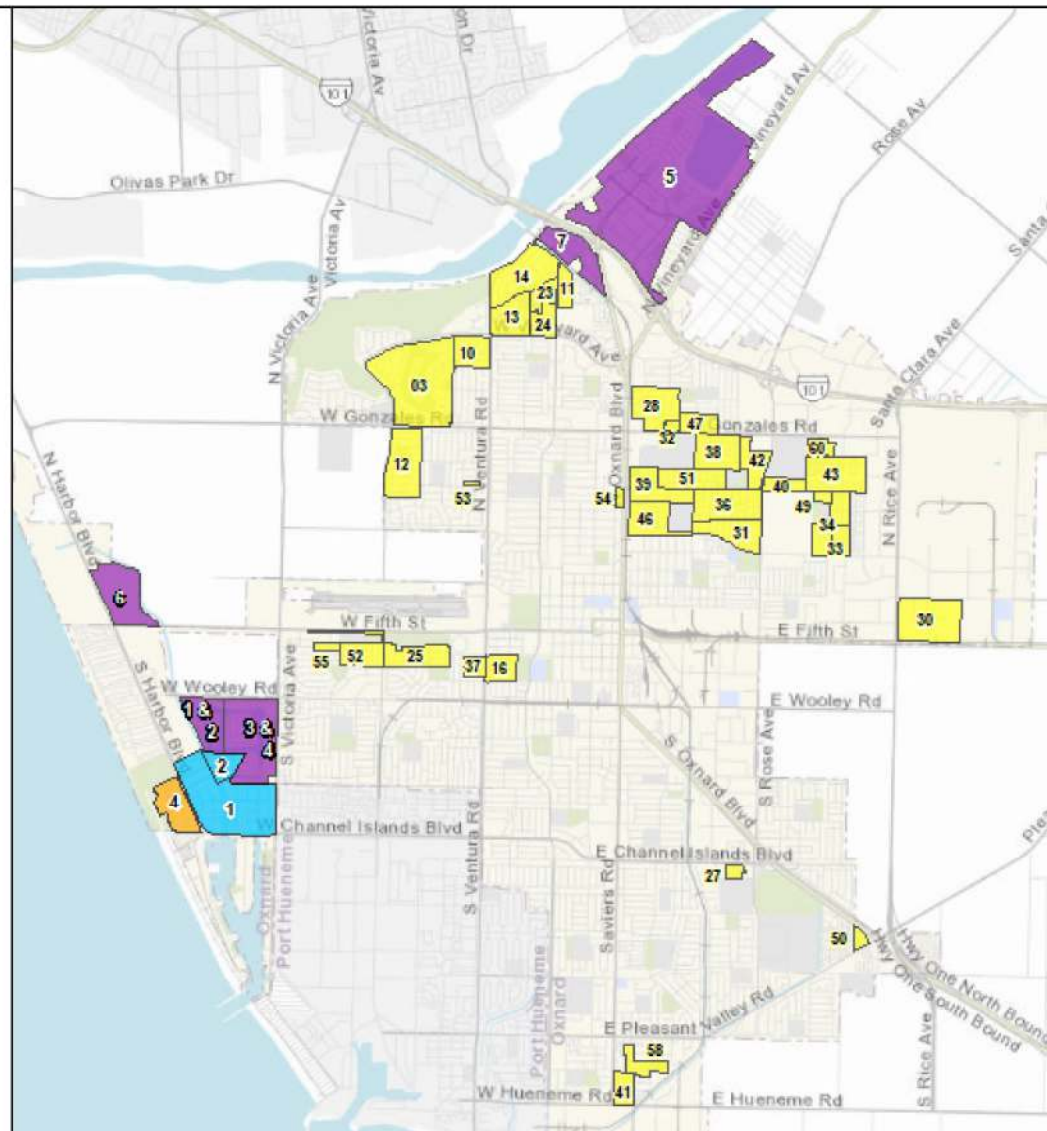
LMD No. 53 (Huff Court)

LMD No. 54 (Meadow Crest Villas)

LMD No. 55 (Wingfield West)

LMD No. 58 (Westwind)

LMD No. 60 (Artisan)



AGREEMENT FOR ON-CALL CHANNEL MAINTENANCE AND REPAIR SERVICES FOR SPECIAL DISTRICTS

Public Works and Transportation Committee
February 23, 2021

Jeri Cooper, Special Districts, Project Manager

That the Public Works and Transportation Committee recommend that the City Council award and authorize the Mayor to execute Agreement A-8298 with Harbor Offshore, Inc. for an amount not to exceed \$600,000 for a three-year term ending April 30, 2024 for on-call channel maintenance and repair services for Waterways Assessment Districts Zone 1 Mandalay Bay, Waterways Assessment District Zone 2 Harbour Island, Westport CFD 2 and Seabridge CFD 4.

- Four (4) Assessment Districts that comprise the waterways districts
 - Waterways Zone 1 – Mandalay Bay
 - Waterways Zone 2 – Harbour Island
 - Westport Community Facilities District (CFD) 2
 - Seabridge CFD 4
- The four (4) Districts are located between Wooley Rd, Harbor Blvd., Channel Island Blvd and Victoria Ave.
- City maintains the inland waterways including the removal of organic and inorganic debris and maintenance of three (3) debris screens



- Work includes furnishing all necessary labor, materials, equipment and other incidental and appurtenant work to provide scheduled monthly maintenance, on-call maintenance for the removal of excessive debris or algae, on-call repairs to the debris screen repairs separating the inland waterways from the power plant cooling channel, and repair to the debris screens
 - Notice inviting bid was released on January 14, 2021 and final submission was January 28, 2021
 - One (1) bid was received and the lowest responsible bidder was Harbor Offshore, Inc.
 - Harbor debris removal is unique in that many companies do not want or are not capable of providing this service in a marine environment from a boat
-

- Total cost for this agreement with Harbor Offshore, Inc. will be \$600,000 for a three (3) year term ending on April 30, 2024
- \$397,800 (\$11,050/mo.) maintenance and \$202,200 for on-call services
- Annual funds are available in Fiscal Year 2020-2021 for these services
- Funds for future years will be budgeted in subsequent fiscal years
- There is no impact to the General Fund

District Name	Account Number	FY 2020-2021 Spending Plan
Waterways Zone 1 – Mandalay Bay (Fund 121)	121-3108-803-8209	\$12,155
Waterways Zone 2 – Harbour Island (Fund 177)	177-3108-803-8209	\$1,989
Westport CFD 2 (Fund 175)	175-3108-803-8209	\$2,873
Seabridge CFD 4 (Fund 173)	173-3108-803-8209	\$5,083



QUESTIONS



PUBLIC WORKS AND TRANSPORTATION COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.4

DATE: February 23, 2021

TO: Public Works and Transportation Committee

FROM: Rosemarie Gaglione, Public Works Director, (805) 385-8055, rosemarie.gaglione@oxnard.org

SUBJECT: Water Infrastructure Finance and Innovation Act (WIFIA) Loan Application. (0/5/5)

RECOMMENDATION

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to adopt a resolution authorizing the City Manager to submit an application for an amount not to exceed \$27,600,000 from the Water Infrastructure Finance and Innovation Act Loan program administered by the U.S. Environmental Protection Agency; designating the amount of project expenditures to be reimbursed by proceeds from the Water Infrastructure Finance and Innovation Act loan; and dedicating and pledging revenues and funds for the repayment of the Water Infrastructure Finance and Innovation Act loan from the U.S. Environmental Protection Agency.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/leSnShxN5lo>

BACKGROUND

The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) established a federal credit program administered by the U.S. Environmental Protection Agency (EPA). The WIFIA program accelerates investment in water and wastewater infrastructure of national and regional significance by offering loans to creditworthy borrowers for up to 49 percent of eligible project costs. WIFIA authorizes EPA to provide direct loans and loan guarantees to eligible borrowers for water infrastructure projects. Prospective borrowers submit a letter of interest that demonstrates their projects' eligibility, financial creditworthiness, engineering feasibility, and alignment with WIFIA selection criteria. WIFIA loans have distinct benefits that are not readily available in the capital markets. The WIFIA program can act as a patient investor and offer credit assistance with extended maturities due to the federal government's long-term investment horizon. In the WIFIA Base Program, it can offer borrowers the advantage of developing customized terms, including sculpted repayment terms to match the specific needs of a project.

Finally, the WIFIA program lends at a low, fixed interest rate equal to the Treasury rate for a comparable maturity. The EPA recognizes the importance of capital markets in developing and improving water and wastewater infrastructure throughout the nation. The WIFIA program is intended to complement existing funding resources rather than supplant them. All projects that receive WIFIA credit assistance must be co-financed with other sources of funding, including tax-exempt or taxable bonds, loans, grants, and equity. EPA balances the distinct credit advantages that the WIFIA program offers with prudent lending practices. The

WIFIA program will only fund projects that it finds to be creditworthy during the evaluation process.

DISCUSSION

The City submitted a letter of interest for the Aquifer Storage and Recovery (ASR) Completion Project on October 12, 2020 which included materials necessary to underwrite the proposed WIFIA assistance and to develop an individual loan agreement between the City and EPA. Using the information provided in the letter of interest, and after evaluation by the EPA, the City was selected to submit an application for credit assistance up to \$27,600,000, which is 49% of the total estimated cost of the project of \$56,330,000. The application process involves multiple steps and the average time from application submission to closing is approximately seven months.

The project is a major component of the City's Groundwater Recovery Enhancement and Treatment (GREAT) program, which was initiated to secure reliable water supplies for the community by focusing on water reuse as the key to a sustainable water supply portfolio. The proposed project encompasses the following components:

1. Upgrades to and expansion of the City's Advanced Water Purification Facility (AWPF) to increase its capacity from the current 6.25 million gallons per day (mgd) to 12.5 mgd. Upgrades will include product water disinfection equipment and improved site security systems and new water storage tanks;
2. Construction of six ASR wells – one demonstration well and five full-scale wells;
3. A 20-inch diameter distribution pipeline to convey recovered groundwater from the ASR wells to three existing water blending stations (numbers 1, 3 & 6); and
4. Mechanical and electrical upgrades to those blending stations, as well as piping modifications and variable frequency drive pump replacements.

The demonstration well improvements will begin construction this year and is anticipated to be completed by January 2022 and is not a part of this WIFIA program application. We anticipate the demonstration period may last up to a year before the Division of Drinking Water approves the permit for indirect potable reuse (IPR). After we receive the permit, we plan on continuing to the next stage which is the ASR Completion Project.

The ASR Completion Project which does fall under WIFIA consists of the design and implementation of enhancements to the City's recycled water system to increase production of advanced treated water at the AWPF, expand ASR by constructing the remaining five full-scale wells, and distribute treated water in order to augment potable water supplies for long-term water supply reliability. Project implementation will allow the City to increase production and use of recycled water treated at the City's existing AWPF and sustainably maximize groundwater pumping from the Oxnard Groundwater Basin. This would occur by supplying AWPF effluent to agricultural users and pumping an equivalent amount of groundwater through pump-back allocations for potable demands. At the same time, ASR and IPR would be expanded to increase potable water supplies and improve blended water quality. ASR allows high quality AWPF-treated water to be injected into the local groundwater aquifer and subsequently extracted for IPR.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to establish, preserve and improve our infrastructure and natural resources through effective planning, prioritization, and efficient use of available funding. This item supports the following goals and objectives:

Goal 3. Ensure funding is adequate to meet the goals of the master plans.

Objective 3a. Maximize funding sources.

Goal 4. Ensure proper construction and maintenance of infrastructure to provide maximum benefit with lowest life cycle cost following CIP plans.

Objective 4a. Implement CIP plans.

Objective 4b. Catch up on deferred maintenance for City facilities.

Goal 5. Ensure orderly development and long-range conservation and management of our natural resources and coastal assets.

Objective 5b. Protect ocean and waterways.

FINANCIAL IMPACT

This action only involves authorizing the application and submitting resolutions that are required with the application process. Applying for the WIFIA loan will require an application fee of \$100,000 and will be credited to the credit processing fee, which ranges from \$100,000 - \$300,000 and reimburses the EPA for its financial, technical, and legal advisory costs. This fee is due upon execution of the loan and will be funded in the Water Operations fund (601-6010-842.82-09). The financial impact of accepting the loan will be determined once the terms for repayment of the loan are established as part of the negotiation process. There is no financial impact to the General Fund.

The WIFIA loan, if approved by EPA, will almost certainly count as "parity debt" with the various water revenue bonds already issued by the City over the years, such as the 2021 Water Revenue Bonds authorized by City Council at its adjourned meeting of January 25, 2021 and sold to the capital markets on February 3, 2021. That means debt service coverage ratios, rate covenants, and other bond covenants of existing Water Fund debt will be affected by the City entering into a WIFIA loan. Therefore, the City's municipal advisor, NHA Advisors, will be working closely with both the Finance Department and the Public Works Department to analyze and present to Committee(s) and City Council the financial impact mentioned in the preceding paragraph.

Funding for the Project would be included in the Capital Improvement Program (CIP) starting in FY 2022-23 through FY 2027-28.

Prepared by: Tatiana Arnaout, City Engineer

ATTACHMENTS

1. WIFIA ASR Application Resolution
2. WIFIA Application
3. Oxnard ASR Letter of Interest
4. Selection Notification_Oxnard
5. WIFIA ASR Application Presentation

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING
SUBMITTAL OF A WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT
LOAN APPLICATION

WHEREAS, the U.S. Environmental Protection Agency has an available low interest (currently below 2%) loan for up to \$27,600,000 in Water Infrastructure Finance and Innovation Act funds which can be used for upgrades to and expansion of the City's Advanced Water Purification Facility (AWPF) to increase its capacity from the current 6.25 million gallons per day (mgd) to 12.5 mg Upgrades will include product water disinfection equipment and improved site security systems and new water storage tanks, construction of six ASR wells – one demonstration well and five full-scale wells, a 20-inch diameter distribution pipeline to convey recovered groundwater from the ASR wells to three existing water blending stations (numbers 1, 3 & 6), and mechanical and electrical upgrades to those blending stations, as well as piping modifications and variable frequency drive pump replacements.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to approve the submittal of an application by the City regarding Water Infrastructure Finance and Innovation Act funds by the City Manager for the aforementioned purposes. The City Council further resolves that the City Manager or designee is authorized to execute loan agreements; the Finance Director or designee is authorized to submit financial reports and approve special budget appropriations for the use of the WIFIA funds; and the Director of Public Works or designee is authorized to submit non-financial reports.

PASSED AND ADOPTED THIS _____ day of _____, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John C. Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney



For the WIFIA Application Instructions

The U.S. Environmental Protection Agency (EPA) will invite selected applicants to submit an application for Water Infrastructure Finance and Innovation Act (WIFIA) loans. Unsolicited applications will not be considered. Following selection, each selected applicant will be assigned a transaction team led by an underwriter. The transaction team can answer the applicant's questions regarding the application form, its attachments, and the project review, negotiation, and closing processes.

The applicant should answer all questions in this form. It may indicate if a requirement is not applicable to its project. Narrative answers can reference source documents by including the name of the document and relevant pages or sections and providing any referenced documents as attachments. The applicant must sign the Certification in the appropriate space and submit a scanned version of the signature pages to EPA. If the applicant anticipates a delay in one or more source documents, it should discuss the situation with its transaction team and indicate the anticipated date of submitting that document in the application. Additionally, the applicant is required to notify and submit to EPA any updated application materials that become available during the review period. EPA may request additional items from applicants on a case-by-case basis.

The applicant may assert a Confidential Business Information (CBI) claim covering part or all of the information submitted to EPA as part of its letter of interest, in a manner consistent with 40 C.F.R. 2.203, 41 Fed. Reg. 36902 (Sept. 1, 1976), by placing on (or attaching to) the information a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as trade secret, proprietary, or company confidential. The applicant should also state whether it desires confidential treatment until a certain date or until the occurrence of a certain event. Information covered by a business confidentiality claim will be disclosed by EPA only to the extent and only by means of the procedures set forth under 40 C.F.R. Part 2, Subpart B. Information that is not accompanied by a business confidentiality claim when it is received by EPA may be made available to the public by EPA without further notice to the applicant. More information about CBI is available in the WIFIA program handbook and frequently asked questions (FAQ) available at <http://www.epa.gov/wifia>.

The applicant must submit a non-refundable application fee. The application fee is \$25,000 for an application for a project serving small communities (population of not more than 25,000 people). For all other project applications, the application fee is \$100,000. For further information regarding the application fee, as well as the credit processing fee which will be charged at loan closing, and any other applicable fees, please see the [WIFIA fee rule](#).

WIFIA Application Submission

The final application submission must include:

1. Completed application form;
2. All attachments requested and referenced in this form; and
3. The application fee.



The applicant should reference the supporting document checklist provided on page 4 to ensure all needed information is provided in the application submission. Upon receipt of the application fee and materials, EPA will provide a confirmation email.

Application Form and Attachment Submittal: When finished, the application form and attachments must be uploaded to EPA's SharePoint site. To be granted access to the WIFIA SharePoint site, the applicant should email the WIFIA Underwriter assigned to the applicant with the names and emails of all staff that need access.

Application Fee Submittal: The applicant should use of Pay.gov to make electronic payments to EPA. In Pay.gov, the applicant can track its payments to EPA and schedule recurring or automatic payments. Although it is not mandatory to register for a user id to access and use Pay.Gov, registration is recommended to have access to all Pay.gov system functionality. To use Pay.gov, follow these instructions:

1. Access the Pay.gov system by going to <https://www.pay.gov> and search for WIFIA or click on the following hyperlink to directly launch the [WIFIA Loan Collection & Fees Form](#).
2. Provide the following information on the payment to ensure proper credit:
 - Remitter's contact phone number
 - Company/Organization Name as it appears on EPA document
 - Complete address, including city, state, zip code
 - Project Name
 - Loan Number: this is EPA WIFIA Loan number, NOT the remitter's number
 - From the "Payment Type" drop down menu select "Application Fee (Fee01)"
 - Other Description: please enter the EPA WIFIA Loan number followed by -FEE01, for example 16123DC-FEE01
3. Follow the remaining on-screen instructions to successfully process the payment to EPA.
4. Send an email to OCFO-OC-ACD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that a payment has been made.

The application fee may also be paid via FEDWIRE; for questions about payments, email to OCFO-OC-ACD-WIFIA@epa.gov and wifia_portfolio@epa.gov. For detailed payment instructions, contact the WIFIA program.

Burden

The public reporting and recordkeeping burden for this collection of information is estimated to average 200 hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Regulatory Support Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

Warning



US Environmental Protection Agency
WIFIA Program
Application

OMB Control No. 2040-0292
EPA Form No. 6100-032
Approval expires 4/24/2023

Falsification or misrepresentation of information or failure to file or report information required to be reported may be the basis for denial of financial assistance by the Environmental Protection Agency. Knowing and willful falsification of information required to be submitted and false statements to a Federal Agency may also subject you to criminal prosecution. See, for example, 18 U.S.C. §1001.

Additional information is available at <https://epa.gov/wifia> and by contacting wifia@epa.gov.



SUPPORTING DOCUMENT CHECKLIST

The applicant should submit its completed application form plus all relevant supporting documents listed in the checklist as attachments.

Question	Supporting Document(s)*	Included
Application Fee – Refer to fee instructions on page 2		
Section A: Key Applicant and Loan Information* (No attachments)		
9. System for Award Management (SAM) registration	Screen shot verifying active SAM registration^{1*}	☐
Section B: Applicant Background		
5. Capital Improvement Planning Process	Current year and previous 3 years Capital Improvement Plans	☐
7. Liabilities	Liabilities Description	☐
8. System Condition	- System Master Plan - System Condition Assessment	☐ ☐
10. Organization Chart	Organization Chart	☐
Section C: Financing Plan		
4. Preliminary Rating Letter	Preliminary Rating Letter*	☐
5. Audited Financial Statements	Audited Financial Statements (3 years)*	☐
6. Cash flow pro forma(s)	Cash flow pro forma*	☐
7. Rate Setting Process	- Rate Studies - Rate Schedules	☐ ☐
8. Flow of Funds	Flow of Funds	☐
9. Loan Agreement	- Master Indenture - Bond Ordinance	☐ ☐
Section D: Federal Requirements		
1. National Environmental Policy Act (NEPA)/ Programmatic Environmental Assessment Questionnaire	- Environmental Assessment (Draft or Final) - Environmental Impact Statement (Draft or Final) - Supporting Documentation - Programmatic Environmental Assessment Questionnaire	☐ ☐ ☐ ☐
2. SRF Environmental Review	- SRF Findings - SRF Consultation Documentation	☐ ☐
4. Cross-Cutter Consultation Agencies	- State Historic Preservation Officer - Fish and Wildlife Service - National Marine and Fisheries Service - Coastal Zone Management Agency - Other: Click or tap here to enter text.	☐ ☐ ☐ ☐ ☐
5. Additional Permits	Click or tap here to enter text.	☐

¹ Applicants must have an active registration in SAM to do business with the Federal Government. Registration information is available at <https://sam.gov/SAM/>.



	- Click or tap here to enter text. - Click or tap here to enter text.	☐ ☐
7. Additional Forms	 epa_form_6600_06.pdf  SFLL_1_2-V1.2.pdf  epa_form_4700_4.pdf	☐ ☐ ☐
8. Uniform Act	Narrative of Compliance	☐
Section E: Contract Information (Refer to Supplemental Spreadsheet)		
Complete Section E of spreadsheet and indicate which of the following attachments are included: - Project Map - Preliminary Engineering Report - Preliminary Design Report - Planning Document - Executed Contract Documents - Procurement Documents - Detailed project schedule(s)* - Engineer's Cost Estimate associated with detailed project scope* - Existing Operation and Maintenance Plan - Professional Service Contract or similar evidence of new Operation and Maintenance Plan to be developed - Risk Mitigation Plan/Matrix - Project Management Plan - Evidence of Experience with Similar Projects - Draft of Final Bid Specifications with required language - Sample of Final Bid Specifications with required language		☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
Certifications		☐

*Required



APPLICATION FORM

Provide the following information in this form. Narrative answers can reference source documents (include the name of the document and relevant pages or sections). Provide any referenced documents as attachments.

Section A: Key Applicant and Loan Information

1. Legal name of prospective borrower:

Click or tap here to enter text.

2. Project name (for purposes of identification assign a short name to the project):

Click or tap here to enter text.

3. Estimated total eligible project costs (in dollars):

Click or tap here to enter text.

- ☐ Check here if total eligible project costs have changed since the letter of interest submittal

4. Requested amount of the WIFIA loan (in dollars):

Click or tap here to enter text.

5. Anticipated Closing Date and what is driving date: Click or tap here to enter text.

6. Applicant Contact Information

Team Member	Name and Title	Email	Phone Number
Authorized Signatory	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
WIFIA Point of Contact	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Financial Advisor	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Bond Counsel	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Project Manager	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Environmental Review Contact	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.



US Environmental Protection Agency
WIFIA Program
Application

OMB Control No. 2040-0292
EPA Form No. 6100-032
Approval expires 4/24/2023

Other: Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Other: Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Other: Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.

7. Employer/taxpayer identification number (EIN/TIN):

Click or tap here to enter text.

8. Dun and Bradstreet Data Universal Number System (DUNS) number:

Click or tap here to enter text.

9. Is the applicant registered in the System for Award Management (SAM)? If yes, provide

☐ Yes

☒ No



Section B: Applicant Background

1. Describe the authorizing actions required by the applicant in order to enter into a loan agreement with the WIFIA program (e.g., board vote, local vote, ordinance).

[Click or tap here to enter text.](#)

2. Disclose any current, threatened, or pending litigation involving the applicant related to permitting, public involvement, environmental irregularities, construction defects, securities fraud, conflict of interest, failure to perform under a State or Federal contract, or other charges which may reflect on the applicant's financial position or ability to complete the project(s).

[Click or tap here to enter text.](#)

3. List the historical, if available, or projected customer concentration analysis, including a breakdown of customers by class (residential, non-residential, commercial, bulk, etc.), usage, and revenues for the past 12 months and a list of the top ten (10) customers by percentage of revenues.

[Click or tap here to enter text.](#)

4. Provide the average residential customer combined water and sewer rates as a percentage of Median Household Income.

[Click or tap here to enter text.](#)

5. Describe the applicant's capital improvement planning process. Include a capital improvement plan, other planning documents, and capital budgets produced in the current year and previous three (3) years as attachments.

[Click or tap here to enter text.](#)

6. Describe accounts receivables outstanding, including the 12-month trailing average of on-time payment amounts as a percentage of amount billed per period. Include a brief description of the process for collections.

[Click or tap here to enter text.](#)

7. Describe or provide an attachment with the status of liabilities and funding for pension contributions, defined benefits, and other post-employment benefits.

[Click or tap here to enter text.](#)

8. Provide the latest system condition assessment report or master plan available for the water and/or wastewater system this project supports. If a report or plan is unavailable, provide a



brief description of significant facilities (i.e. pump stations or treatment plants) within the system, including construction and major rehabilitation dates, and any asset management processes utilized for the system.

[Click or tap here to enter text.]

9. If applicable, describe community outreach efforts conducted to date and planned for the project(s). Include community meetings, outreach sessions and groups contacted.

[Click or tap here to enter text.]

For Project and Corporate Financing Transactions Only:

10. Provide a project-level organizational chart, include the major parties involved in planning, owning, financing, providing supply and/or offtake, constructing, operating, and/or maintaining the project(s). Include the major service contractors that have been, or will be, retained for the project (e.g., architects, developers, engineers, attorneys, financial advisors and underwriters, environmental consultants). Please also disclose if there is a financial relationship between the project sponsor and any key project partners.

[Click or tap here to enter text.]



Section C: Financing Plan

1. Provide a sources and uses of funds table for the construction period(s), including the proposed WIFIA assistance. For applicants other than Public Entities, please identify the amount and source(s) of project equity, letters of credit, and other sources of debt as applicable. Note any ineligible project costs. More information about eligible costs is available in the [WIFIA program handbook](#). If other debt is being issued, describe the timing and certainty.

Sources Category	Estimated Dollar Value
1. WIFIA Loan (cannot exceed 49% of eligible costs)	Click or tap here to enter text.
2. Revenue Bonds	Click or tap here to enter text.
3. SRF Loan	Click or tap here to enter text.
4. Borrower Cash	Click or tap here to enter text.
5. Previously Incurred Eligible Costs*	Click or tap here to enter text.
6. Other (please specify) Click or tap here to enter text.	Click or tap here to enter text.
TOTAL SOURCES	Click or tap here to enter text.
Uses Category	Estimated Cost
1. Construction	Click or tap here to enter text.
2. Design	Click or tap here to enter text.
3. Planning	Click or tap here to enter text.
4. Land Acquisition	Click or tap here to enter text.
5. Other Capital Costs	Click or tap here to enter text.
6. Contingency	Click or tap here to enter text.
7. Total Capital Costs	Click or tap here to enter text.
8. Financing Costs	Click or tap here to enter text.
9. Ineligible Costs (if applicable)	Click or tap here to enter text.
10. Other (please specify) Click or tap here to enter text.	Click or tap here to enter text.
TOTAL USES	Click or tap here to enter text.

Eligible Costs are project related costs incurred prior to the WIFIA loan's execution. Please see the WIFIA Program Handbook for additional information on Eligible Costs.

2. Describe the proposed credit terms of the WIFIA assistance. Complete the following table and include additional text below.

Credit Term	Proposed
Lien Priority	☐ Senior Lien Subordinate Lien: all project debt ☐ having the same priority as the WIFIA loan.



3.		Subordinate Lien: not all project debt has the same priority as the WIFIA loan. A springing lien will be used in a bankruptcy related event.
	Security Pledge	Click or tap here to enter text.
	WIFIA Loan Maturity Date	Click or tap here to enter text.

Provide all dedicated revenue sources to be used to repay project financing, the expected rate(s), and the base to which such rates will be applied (e.g. average monthly consumption). Include rate covenant requirements that may affect these revenue sources.

Click or tap here to enter text.

4. Provide the file name for and submit a new or recent preliminary rating letter from a nationally recognized statistical rating organization opining on the proposed WIFIA financing and describing the applicant's ability to obtain an investment grade rating on the project's senior obligations. An existing rating may be used in place of a preliminary rating letter if it is recent and actively maintained. The applicant should discuss using an existing rating with its transaction team prior to application submittal.

Click or tap here to enter text.

5. Provide the year-end audited financial statement for the applicant for past three (3) years, as an attachment, and enter the file names below.

Click or tap here to enter text.

6. Attach the financial model for the project(s) and provide its file name below. All amounts should be expressed on a cash (year-of-expenditure) basis and should clearly show assumptions used to arrive at such estimates. A sample pro forma can be found [here](#). The pro forma(s) should include:

- Details on projected revenues, operations and maintenance expense, capital expenditures and other key line items. Include rate changes and inflation factors as appropriate;
- Estimated total debt service coverage. Also show senior and junior lien debt coverages separately, if applicable;
- Disbursement and repayment schedule for all debt sharing the WIFIA security, addressing, as applicable, senior- and junior-lien debt. Same lien debt amounts may be aggregated;
- Anticipated disbursement and repayment schedule of the requested WIFIA loan.

Click or tap here to enter text.



-
7. Describe the rate setting process, including regulations governing rate setting, approval requirements, timing for implementation, etc. Include 10 years of rate schedule history for the applicant and specify if recommended rate increases were ever rejected.

[Click or tap here to enter text.](#)

8. If available, provide a flow of funds diagram or description and summarize key obligations in the flow of funds.

[Click or tap here to enter text.](#)

9. Describe what document(s) will be the starting point for the WIFIA loan agreement:

☒ Standard WIFIA loan agreement.

☐ Existing Master Indenture or Bond Ordinance. Included as an attachment is the Existing Master Indenture or Bond Ordinance.

☐ Customized loan agreement for the project(s) and applicant.

☐ Other. [Click or tap here to enter text.](#)

Additional notes for loan agreement: [Click or tap here to enter text.](#)



Section D: Federal Requirements Compliance

1. Describe the status of the environmental review in accordance with the National Environmental Policy Act (NEPA). If applicable, submit the [Programmatic Environmental Assessment \(PEA\) Questionnaire form](#), Environmental Assessment (draft or final), or Environmental Impact Statement (draft or final),

[Click or tap here to enter text.](#)

2. Describe the status of the SRF environmental review, if applicable. Submit the available SRF Findings and/or SRF consultation documentation.

[Click or tap here to enter text.](#)

3. If the environmental review for the project is underway or complete, complete the following table to identify the anticipated impacts and mitigations. Mark a "X" in the appropriate column to identify the impacts anticipated for each resource type and, if applicable, provide a short explanation of the mitigations.

Resource Type	Anticipated Impacts			Mitigations
	No Impact	Less Than Significant Impact	Potentially Significant Impact	
Water	☐	☐	☐	Enter text here.
Biological	☐	☐	☐	Enter text here.
Cultural	☐	☐	☐	Enter text here.
Others as Applicable	☐	☐	☐	Enter text here.

4. Identify any agencies with which cross-cutter consultations have been undertaken for the project and include supporting documentation as attachments. (Check all that apply)

- ☐ State Historic Preservation Officer
- ☐ Fish and Wildlife Service
- ☐ National Marine and Fisheries Service
- ☐ Coastal Zone Management Agency
- ☐ Other [Click or tap here to enter text.](#)

5. Describe the status of any additional permits and approvals that the project(s) may require. Add additional rows as needed. If providing permit information as attachments, list the filenames below.

Major Permits or Approvals Required	Approving Authority	Status	Expected Approval Date
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Enter text here.		Enter text here.		Enter text here.		Enter date here.	
Enter text here.		Enter text here.		Enter text here.		Enter date here.	
Enter text here.		Enter text here.		Enter text here.		Enter date here.	

|Click or tap here to enter text.|

6. If applicable, specify if a new or relocated discharge, either permanent or temporary, to surface or groundwater is expected or new or relocated water intakes are expected.

|Click or tap here to enter text.|

7. Additional forms will need to be completed and submitted prior to closing the WIFIA loan. Check all that are included with the application:



epa_form_6600_06.
pdf

☐

SFLLL_1_2-V1.2.pdf

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epa_form_4700_4.p
df

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8. If the project(s) include acquisition of real property, identify how the project complies or will comply with [Uniform Relocation Assistance and Real Property Acquisition Policies Act](#) (Uniform Act).

|Click or tap here to enter text.|

Section E: Contract Information

Complete the "Section E: Supplemental Spreadsheet." Instructions for each column are available on the first tab labeled "Instructions – Section E". Provide answers for each project in the application using separate rows designated, "Contract 1, Contract 2, etc."



CERTIFICATIONS

1. *National Environmental Policy Act:* The applicant acknowledges that any project receiving credit assistance under this program must comply with all provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)
2. *American Iron and Steel:* The applicant acknowledges that any project receiving credit assistance under this program for the construction, alteration, maintenance, or repair of a project may only use iron and steel products produced in the United States and must comply with all applicable guidance.
3. *Prevailing Wages:* The applicant acknowledges that all laborers and mechanics employed by contractors or subcontractors on projects receiving credit assistance under this program shall be paid wages at rates not less than those prevailing for the same type of work on similar construction in the immediate locality, as determined by the Secretary of Labor, in accordance with sections 3141-3144, 3146, and 3147 of Title 40 (Davis-Bacon wage rules).
4. *Credit Ratings:* This applicant has received a preliminary rating opinion letter(s) on the project's senior debt instrument, from one or more rating agencies. These letters or ratings are attached.
5. *Credit Processing Fees:* The undersigned certifies that it will reimburse EPA for its costs incurred in negotiating the credit agreement, irrespective of whether the credit agreement is executed.
6. *Lobbying:* Section 1352 of Title 31, United States Code provides that none of the funds appropriated by any Act of Congress may be expended by a recipient of a contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, or an employee of a Member of Congress in connection with the award or making of a Federal contract, grant, loan, or cooperative agreement or the modification thereof. EPA interprets this provision to include the use of appropriated funds to influence or attempt to influence the selection for assistance under the WIFIA program.

WIFIA applicants must file a declaration: (a) with the submission of an application for WIFIA credit assistance; (b) upon receipt of WIFIA credit assistance (unless the information contained in the declaration accompanying the WIFIA application has not materially changed); and (c) at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any declaration previously filed in connection with the WIFIA credit assistance.

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement,



- the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
- This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
7. *Debarment:* The undersigned further certifies that it is not currently: 1) debarred or suspended from participating in any Federal programs; 2) formally proposed for debarment, with a final determination still pending; or 3) indicted, convicted, or had a civil judgment rendered against it for any of the offenses listed in the Regulations Governing Debarment and Suspension (Governmentwide Nonprocurement Debarment and Suspension Regulations: 2 C.F.R. Part 180 and Part 1532).
8. *Default/Delinquency:* The undersigned further certifies that neither it nor any of its subsidiaries or affiliates are currently in default or delinquent on any debt or loans provided or guaranteed by the Federal Government.
9. *Other Federal Requirements:* The applicant acknowledges that it must comply with all other federal statutes and regulations, as applicable. A non-exhaustive list of federal cross-cutting statutes and regulations can be found at : <https://www.epa.gov/wifia/wifia-resources#complianceanchor>.
10. *Signature:* By submitting this application, the undersigned certifies that the facts stated and the certifications and representations made in this application are true, to the best of the applicant's knowledge and belief after due inquiry, and that the applicant has not omitted any material facts. The undersigned is an authorized representative of the applicant.

Name:
Title:
Organization:
Street Address:
City/State/Zip:
Phone:
E-mail:

Signature: _____

Date Signed: _____



KEY DEFINITIONS

- (a) *Administrator* means the Administrator of EPA.
- (b) *Community water system* has the meaning given the term in section 1401 of the Safe Drinking Water Act (42 U.S.C. 300f).
- (c) *Credit assistance* means a secured loan or loan guarantee under WIFIA.
- (d) *Credit agreement* means a contractual agreement between EPA and the project sponsor (and the lender, if applicable) that formalizes the terms and conditions established in the term sheet (or conditional term sheet) and authorizes the execution of a secured loan or loan guarantee.
- (e) *Eligible project costs* mean amounts, substantially all of which are paid by, or for the account of, an obligor in connection with a project, including the cost of:
 - (1) Development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work, and other preconstruction activities;
 - (2) Construction, reconstruction, rehabilitation, and replacement activities;
 - (3) The acquisition of real property or an interest in real property (including water rights, land relating to the project, and improvements to land), environmental mitigation (including acquisitions pursuant to section 33 U.S.C. §3905(7)), construction contingencies, and acquisition of equipment; and
 - (4) Capitalized interest necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.
- (f) *Investment-grade rating* means a rating category of BBB minus, Baa3, bbb minus, BBB (low), or higher assigned by a nationally recognized statistical rating organization (NRSRO) to project obligations offered into the capital markets.
- (g) *Iron and steel products* means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
- (h) *Nationally Recognized Statistical Rating Organization (NRSRO)* means a credit rating agency identified and registered by the Office of Credit Ratings in the Securities and Exchange Commission.
- (i) *Project* means:
 - (1) Any project for flood damage reduction, hurricane and storm damage reduction, environmental restoration, coastal or inland harbor navigation improvement, or inland and intracoastal waterways navigation improvement that the Secretary determines is technically sound, economically justified, and environmentally acceptable, including—



-
- (A) a project to reduce flood damage;
 - (B) a project to restore aquatic ecosystems;
 - (C) a project to improve the inland and intracoastal waterways navigation system of the United States; and
 - (D) a project to improve navigation of a coastal or inland harbor of the United States, including channel deepening and construction of associated general navigation features.
- (2) 1 or more activities that are eligible for assistance [under section 1383\(c\) of this title](#), notwithstanding the public ownership requirement under paragraph (1) of that subsection.
 - (3) 1 or more activities described in section [300j-12\(a\)\(2\) of title 42](#).
 - (4) A project for enhanced energy efficiency in the operation of a public water system or a publicly owned treatment works.
 - (5) A project for repair, rehabilitation, or replacement of a treatment works, community water system, or aging water distribution or waste collection facility (including a facility that serves a population or community of an Indian reservation).
 - (6) A brackish or sea water desalination project, including chloride control, a managed aquifer recharge project, a water recycling project, or a project to provide alternative water supplies to reduce aquifer depletion.
 - (7) A project to prevent, reduce, or mitigate the effects of drought, including projects that enhance the resilience of drought-stricken watersheds.
 - (8) Acquisition of real property or an interest in real property—
 - (A) if the acquisition is integral to a project described in paragraphs (1) through (6); or
 - (B) pursuant to an existing plan that, in the judgment of the Administrator or the Secretary, as applicable, would mitigate the environmental impacts of water resources infrastructure projects otherwise eligible for assistance under this section.
 - (9) A combination of projects, each of which is eligible under paragraph (2) or (3), for which a State infrastructure financing authority submits to the Administrator a single application.
 - (10) A combination of projects secured by a common security pledge, each of which is eligible under paragraph (1), (2), (3), (4), (5), (6), (7), or (8), for which an eligible entity, or a combination of eligible entities, submits a single application.
- (j) *Public entity* means:
- (1) a Federal, State, or local Governmental entity, agency, or instrumentality; or
 - (2) a Tribal Government or consortium of Tribal Governments.
- (k) *Publicly sponsored* means the obligor can demonstrate, to the satisfaction of the Administrator that it has consulted with the affected State, local or Tribal Government in which the project is located, or is otherwise affected by the project, and that such government supports the proposed project. Support can be shown by a certified letter signed by the approving municipal department or similar agency, mayor or other similar designated authority, local ordinance, or any other means by which local government approval can be evidenced.



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- (l) *Small Community* means a community with a population of no more than 25,000 individuals.
- (m) *State* means any one of the fifty states, the District of Columbia, Puerto Rico, or any other territory or possession of the United States.
- (n) *State infrastructure financing authority* means the State entity established or designated by the Governor of a State to receive a capitalization grant provided by, or otherwise carry out the requirements of, title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et. seq.) or section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12).
- (o) *Term sheet* means a contractual agreement between EPA and the project sponsor (and the lender, if applicable) that sets forth the key business terms and conditions of a Federal credit instrument. Execution of this document represents a legal obligation of budget authority.
- (p) *Treatment works* has the meaning given the term in section 212 of the Federal Water Pollution Control Act (33 U.S.C. 1292).
- (q) *WIFIA* means the Water Infrastructure Finance and Innovation Act of 2014, Pub. L. 113-121, 128 Stat, 1332, codified at 33 U.S.C. §§ 3901-3914.

WIFIA Letter of Interest Instructions

A prospective borrower seeking Water Infrastructure Finance and Innovation Act (WIFIA) credit assistance must complete and submit this letter of interest form and provide requested attachments to the U.S. Environmental Protection Agency (EPA) by the deadline announced in the [Notice of Funding Availability](#) (NOFA). In its submittal, the prospective borrower:

- 1) Describes itself and its proposed project(s);
- 2) Provides key financial and engineering information and documents; and
- 3) Explains how the project meets the [WIFIA selection criteria](#).

The prospective borrower should answer all questions in this form. Narrative answers can reference source documents by including the name of the document and relevant pages or sections and providing any referenced documents as attachments. The prospective borrower must sign Sections E and F in the appropriate spaces and submit a scanned version of the signature pages to EPA.

A prospective borrower may assert a Confidential Business Information (CBI) claim covering part or all of the information submitted to EPA as part of its letter of interest, in a manner consistent with 40 C.F.R. 2.203, 41 Fed. Reg. 36902 (Sept. 1, 1976), by placing on (or attaching to) the information a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as trade secret, proprietary, or company confidential. The prospective borrower should also state whether it desires confidential treatment until a certain date or until the occurrence of a certain event.

Information covered by a business confidentiality claim will be disclosed by EPA only to the extent and only by means of the procedures set forth under 40 C.F.R. Part 2, Subpart B. Information that is not accompanied by a business confidentiality claim when it is received by EPA may be made available to the public by EPA without further notice to the prospective borrower. More information about CBI is available in the [WIFIA program handbook](#) and frequently asked questions (FAQ) available at <http://www.epa.gov/wifia>.

The total length of the letter of interest form should not exceed 50 pages, excluding any attachments. Responses should be on single-spaced, standard-sized 8 ½" x 11" pages. Page margins should not be less than 1-inch. Font size should not be smaller than 11-point Calibri. There is no limit to the number or length of attachments provided. Attachments should be the most recent versions of the documents available at the time of submission and may be draft or preliminary. Attachments must be referenced in the letter of interest form to be considered.

The final letter of interest submission must include:

- 1) A completed version of this letter of interest form (in Microsoft Word)
- 2) Scanned signature pages (Sections E and F) (in PDF)
- 3) All attachments requested and referenced in the letter of interest form

When finished, the letter of interest form and attachments may be submitted either by:

- 1) Emailing the documents as attachments to wifia@epa.gov; or

- 2) Uploading the documents to EPA's SharePoint site. To be granted access to the SharePoint site, the prospective borrower can request access to SharePoint by emailing wifia@epa.gov. Requests to upload documents must be made in advance of the deadline as outlined in the NOFA.

After EPA's intake process is complete, it will provide a confirmation email to the contacts listed in Section D.

Additional instructions and resources for completing and submitting this letter of interest are available in the [NOFA](#), [WIFIA program handbook](#), and WIFIA website (www.epa.gov/wifia). Questions may be submitted to the WIFIA program office at wifia@epa.gov.

_ Burden

The public reporting and recordkeeping burden for this collection of information is estimated to average 60 hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, included through the use of automated collection techniques to the Director, Regulatory Support Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

_ Warning

Falsification or misrepresentation of information or failure to file or report information required to be reported may be the basis for denial of financial assistance by EPA. Knowing and willful falsification of information required to be submitted and false statements to a Federal Agency may also subject you to criminal prosecution. See, for example, 18 U.S.C. §1001.

Additional information about the WIFIA program and the letter of interest form is available at <https://epa.gov/wifia> and by contacting wifia@epa.gov.



LETTER OF INTEREST

Provide the following information in this form or as narrative answers. Narrative answers can reference source documents (include the name of the document and relevant pages or sections). Provide any referenced documents as attachments.

Section A: Key Loan Information

1. Legal name of prospective borrower:

The City of Oxnard (City, Oxnard)

2. Other names under which the prospective borrower does business:

None

3. Project name (*assign a short name to the project for purposes of identification*):

Aquifer Storage Recovery (ASR) Project (project)

4. Provide a brief description of the project(s) seeking financing. Limit the description to the elements included in the estimated total projects costs in Question A-7. (Word Limit: 300).

The project consists of the design and implementation of enhancements to the City's recycled water system to increase production of advanced treated water, expand aquifer storage and recovery (ASR), and distribute treated water in order to augment potable water supplies for long-term water supply reliability. Project implementation will allow the City to increase production and use of recycled water treated at the City's existing Advanced Water Purification Facility (AWPF) and sustainably maximize groundwater pumping from the Oxnard Groundwater Basin. This would occur by supplying AWPF effluent to agricultural users and pumping an equivalent amount of groundwater through pump-back allocations for potable demands. At the same time, ASR and indirect potable reuse (IPR) would be expanded to increase potable water supplies and improve blended water quality. ASR allows high quality AWPF-treated water to be injected into the local groundwater aquifer and subsequently extracted for IPR.

The project is a major component of the City's Groundwater Recovery Enhancement and Treatment (GREAT) program, which was initiated to secure reliable water supplies for the community by focusing on water reuse as the key to a sustainable water supply portfolio. The proposed project encompasses the following components:

- 1) Upgrades to and expansion of the City's AWPF to increase its capacity from the current 6.25 million gallons per day (mgd) to 12.5 mgd. Upgrades will include product water disinfection equipment and improved site security systems and new water storage tanks;
- 2) Construction of six ASR wells – one demonstration well and five full-scale wells;



- 3) A 20-inch diameter distribution pipeline to convey recovered groundwater from the ASR wells to three existing water blending stations (numbers 1/6 [located adjacent to each other], and 3); and
 - 4) Mechanical and electrical upgrades to those blending stations, as well as piping modifications and variable frequency drive pump replacements.
5. Describe the project's or projects' purpose(s) (including quantitative or qualitative details on public benefits the project will achieve). If the loan contains more than one project, the projects must serve a common purpose. Describe the common purpose that the projects share (i.e. addressing sanitary sewer overflows or improving drinking water quality). (Word limit: 300).

The purpose of the project is to optimize and expand the City's AWPf production in combination with ASR operations to increase local water supply availability and reliability as well as improve overdraft and water quality conditions of the Oxnard Basin. The project would improve the City's long-term supply reliability even during times of drought which is becoming an increasing challenge statewide. The City supplies water from the local Oxnard Basin, imported groundwater from United Water Conservation District (UWCD) and imported surface water from the State Water Project (SWP) via Calleguas Municipal Water District. While the City can meet its existing water demands, the City is facing increased uncertainty of supplies to meet future demands, especially as groundwater becomes increasingly restricted and SWP supplies are less reliable during drought conditions. The Oxnard Basin is in a state of critical overdraft and is plagued by high total dissolved solids (TDS), in addition to being vulnerable to seawater intrusion.

The City's AWPf is capable of producing a reliable and sustainable supply of high-quality water that could augment potable water supplies, however the current AWPf capacity is underutilized due to lack of distribution infrastructure. At the same time, City projections of substantial water shortages by 2040 indicate the need for supplemental supplies. The proposed project would enable production and use of 14,000 AFY of advanced treated water from the AWPf which would be used for IPR. ASR wells would help replenish the Oxnard Basin and improve groundwater basin conditions while decreasing the City's reliance on imported water. Overall, the project is critical in increasing the City's ability to reliably meet future demands, even during drought conditions. Additionally, the project would help keep water rates affordable for its customers, many of which are economically stressed.

6. Requested amount of the WIFIA loan (in dollars). This amount may be no more than 49% of the estimated eligible project costs provided in question A-7:

\$27,600,000

7. Estimated total eligible project costs (in dollars):

\$56,330,000



8. Identify the month and year the prospective borrower will submit an application. (Assume invitations to apply will be issued approximately 90 days from letter interest submission deadline).

April 2021

9. Identify the month and year the prospective borrower wants to close its WIFIA loan.

December 2021

10. Identify the type of entity that the prospective borrower is (pick one):

- ☐ A. Corporation
- ☐ B. Partnership
- ☐ C. Joint Venture
- ☐ D. Trust
- ☒ E. Federal, State, or Local Governmental Entity, Agency, or Instrumentality
- ☐ F. Tribal Government or Consortium of Tribal Governments
- ☐ G. State Infrastructure Finance Authority

11. If option E, F, or G was selected in question A-10, does the prospective borrower have legal authority to carry out the proposed project activities described in this Letter of Interest?

- ☒ Yes ☐ No ☐ Not Applicable

If yes, cite the legal authority.

The California Constitution (Article XI, § 9(a)) provides that: "A municipal corporation may establish, purchase, and operate public works to furnish its inhabitants with light, water, power, heat, transportation, or means of communication. It may furnish those services outside its boundaries, except within another municipal corporation which furnishes the same service and does not consent."

12. If "C. Joint Venture" was selected in question A-10, describe the organizational structure of the project(s) and attach an organizational chart illustrating this structure. Explain the relationship between the prospective borrower, the project, and other relevant parties. Include individual members or titles of the project team(s) and their past experiences with projects of similar size and scope. If multiple parties are involved in the project's construction, maintenance, and operation, describe the project's risk allocation framework.

Not applicable.



13. County(ies) Served by project(s)

County of Ventura

14. Population Served by project(s)

The project will serve and benefit the entire Oxnard water service area which includes the majority of the incorporated area of the City of Oxnard as well as small portions of unincorporated Ventura County. This area currently encompasses a population of approximately 210,000. By 2040, the population is projected to increase to nearly 260,000.

15. Total population served by system

As noted above, the current population served by the system is 210,000 and is expected to grow to nearly 260,000 by 2040.

16. Borrower department and division name:

City of Oxnard, Public Works

17. Business street address:

305 W 3rd Street, Oxnard, CA 93030

18. Mailing street address (if different from above):

Same as above.

19. Employer/taxpayer identification number (EIN/TIN):

95-6000756

20. Dun and Bradstreet Data Universal Number System (DUNS) number:

081790214

21. National Pollutant Discharge Elimination System (NPDES) and/ or Public Water System (PWS) number (if applicable):

Oxnard Wastewater Treatment Plant Permit: Order R-2013-0094, NPDES No. CA0054097

Public Water System Number: 5610007



22. If the prospective borrower is not a public entity, is the project(s) publicly sponsored? Please explain.

The City of Oxnard is a public entity.



Section B: Engineering & Credit

1. Provide a technical report such as a preliminary design/engineering report or planning document for each aspect of the project(s). Provide the filename(s) in the textbox.

If no technical reports are available, provide a detailed description of all major project components. Indicate whether the project involves the construction of new facilities or the renovation or replacement of existing ones. Describe each of the project components in terms of dimensions, quantities, capacities, and square footage, etc.

B.1a_Engineering Report Volume 1: This Engineering Report was prepared for approval by the State Water Resources Control Board and documents water quality in accordance with regulatory objectives.

B.1b_Engineering Report Volume 2: This document contains the appendices to the Engineering Report, including the monitoring program, hydrogeological report, and test results.

B.1c_Integrated Master Plan Summary Report: This report describes the alternatives analysis, project need, and recommended approach for implementation of the City's capital improvements, with focus on the proposed project.

2. Present the overall project schedule start and end dates for key milestones and costs in the provided tables. For WIFIA loans with one project, fill out Row 1. For WIFIA loans with multiple projects, fill out and create as many rows as needed.

Project Name	Planning	Design	Construction
ASR Demonstration Well Equipment Fit-out	5/2/2016 - 9/1/2019	9/1/2019 – 9/30/2020	4/1/2021 – 9/1/2021
AWPF Expansion	9/1/2021 – 9/1/2023	9/1/2023 – 3/1/2025	3/1/2025 – 7/1/2026
Five Additional Wells	9/1/2021 1 –9/1/2023	9/1/2023 3 –9/1/2024	1/2/2025 5 –9/1/2026
20-inch Diameter Distribution Pipeline	1/1/2022 – 9/1/2023	1/2/2024 – 12/31/2024	3/1/2025 – 12/1/2025
Blending Station Upgrades	1/1/2022 2 –9/1/2023	1/2/2024 – 12/31/2024	3/1/2025 – 12/1/2025

3. Choose the proposed lien priority for the WIFIA loan.



US Environmental Protection Agency OMB Control No. 2040-0292 **WIFIA Program** EPA
Form No. 6100-030 **Letter of Interest** Approval expires 12/31/2019

4. Provide an existing credit rating that is less than a year old or is actively maintained. If a credit rating is not available, describe how the senior obligations of the project will achieve an investment-grade rating.

The existing credit rating is A, as documented in the attached report (B.4_SP-Rating-10-2019.)

5. If an existing credit rating is not available, provide a financial pro forma and three years of audited financial statements. Indicate the filenames in the textbox below.

The financial pro forma should include key long-term (at least 10 years, but no greater than the proposed life of the WIFIA loan) revenues, expenses, and debt repayment assumptions for the revenue pledged to repay the WIFIA loan.

The financial pro forma should be provided in an editable Microsoft Excel format, not in PDF or "values" format and include, at a minimum, the following:

- a. Sources of revenue
- b. Operations and maintenance expenses
- c. Dedicated source(s) of repayment
- d. Capital expenditures
- e. Debt service payments
- f. Projected debt service coverage ratios for total existing debt and the WIFIA debt g.
- The project's or system's debt balances broken down by funding sources h. Equity distributions, if applicable

If available, include sensitivity projections for pessimistic, base and optimistic cases. A sample financial pro forma is available at <https://www.epa.gov/wifia/wifia-application-materials-and-resources>. Provide the financial pro forma filename in the textbox.

Not applicable.



US Environmental Protection Agency OMB Control No. 2040-0292 **WIFIA Program** EPA
Form No. 6100-030 **Letter of Interest** Approval expires 12/31/2019

6. Provide a **sources and uses of funds** table for the construction period(s), including the proposed WIFIA loan. For prospective borrowers other than Public Entities, add rows as needed to identify the amount and source(s) of project equity, letters of credit, and other sources of debt as applicable. Note any ineligible project costs. More information about eligible costs is available in the [WIFIA program handbook](#). Indicate the certainty of other sources of funding.

Sources Category	Estimated Dollar Value	Funding Certainty
1. WIFIA Loan (cannot exceed 49% of eligible costs)	\$27,600,000	N/A
2. Revenue Bonds	Click or tap here to enter text.	Choose an item.
3. SRF Loan	Click or tap here to enter text.	Choose an item.
4. Borrower Cash	Click or tap here to enter text.	Choose an item.
5. Previously Incurred Eligible Costs*	\$1,600,000	Certain
6. Other (please specify) Rates, taxes, and fees	\$27,130,000	Certain
TOTAL SOURCES	\$56,330,000	
Uses Category	Estimated Cost	
1. Construction	\$43,000,000	
2. Design	\$4,300,000	
3. Planning	\$1,075,000	

4. Land Acquisition		Click or tap here to enter text.			
5. Other Capital Costs		\$3,225,000			
6. Contingency		\$4,730,000			
7. Total Capital Costs		\$56,330,000			
8. Financing Costs		Click or tap here to enter text.			
8. Ineligible Costs (if applicable)		Click or tap here to enter text.			
9. Other (please specify)	Click or tap here to enter text.	Click or tap here to enter text.			
10. Other (please specify) Click or tap here to enter text.		Click or tap here to enter text.			
TOTAL USES		\$56,330,000			

*Previously Incurred Eligible Costs are project related costs incurred prior to the WIFIA loan's execution. Please see the WIFIA Program Handbook for additional information on Eligible Costs.

For funding sources that are uncertain (excluding the WIFIA Loan), explain alternative funding that could be used if the funding source is not available.

A note to the "Other" Source Category: Existing water sale rates generate funds that are used to maintain and operate the existing water system, as well as secure new water sources such as this project. Funding through water sales is certain, however if a WIFIA loan is unavailable the City would continue to search for grant opportunities and alternative funding sources. If no other sources become available, the schedule of the project would be extended to allow for payment through water sales.



Section C: Selection Criteria

For each question answered yes, provide a response to explain how the project seeking the WIFIA loan achieves the stated result. When applicable, reference attachments. Responses to these questions will allow the WIFIA program to evaluate the project in relation to the selection criteria outlined in the NOFA. If the Letter of Interest contains multiple projects, include information about any of the projects that would fit the selection criteria. See [Attachment A: Selection Criteria & Scoring](#) for more information.

1. Will the project create construction jobs?

☐ ☐

It is estimated that the project would create at least 25 construction jobs. Each component of the project will require a contractor that specializes in a particular area: well drilling, well pump installation, instrumentation and controls, treatment plant expansion, water storage, and underground utilities.

2. Will the project create post-construction jobs?

☐ ☐ Yes

If yes, provide approximately how many and explain how this number was calculated.

The expanded AWPf will have dedicated water treatment operators. The additional distribution lines and ASR wells will require additional distribution operators. It is estimated that 10 operators would be needed to fill these new positions.

3. Will the project support economic growth?

☐ ☐

If yes, explain how.

Oxnard is the largest city in Ventura County and is at the center of a regional agricultural industry with a growing business industry. This project will support economic growth within and beyond the project area as a result of the large financial investment and the increased reliability of local water resources resulting from the project. Infrastructure projects, such as this proposed project, produce economic benefits through the creation of jobs, increased demand for goods and services for construction activities, and extra spending of hired workers. The proposed project represents a large financial investment that will benefit all of those areas. As noted above, the project is estimated to create at least 25 construction and 10 post construction jobs. If we assume that each construction worker is paid \$60/hour and works for an average of two years on the project, construction jobs would generate nearly over \$6.2 million



in economic benefit to the region. In addition, if we assume each new post-construction worker is compensated \$80,000 a year, nearly \$1 million a year of economic benefit would result from the creation of new post-construction jobs.

In addition, and more importantly, this project will support long-term economic growth and prosperity by increasing water security in the Oxnard water service area. The City's Economic Development goals include having a "strong economic and fiscal base critical to sustaining long term prosperity for Oxnard residents and businesses." This goal can only be achieved if water supplies are sufficient to meet the demands of the community. However, it was estimated in

recent studies that the Oxnard water service area could experience water shortages of between about 4,000 AFY to 12,000 AFY by 2040, based on potential supply availability and projected demands. Projected demands are based on population growth which is estimated to occur at a rate of about 0.5 percent over the next 25 years. This growth is the low-end growth and development projected in the City's General Plan. Unless the City secures new water supplies, such as with the proposed project, water shortages could impact the City's ability to reliably meet its future service area demands which could in turn negatively impact the local economy. Water shortages can lead to mandatory customer water use restrictions that can inhibit economic productivity and growth across the City and lead to reduced revenue by the City from reduced water sales.

Starting in 2014, as a result of the recent severe drought, the City declared a Stage 2 water shortage condition, thereby mandating water conservation actions by its customers. While efficient water use with or without shortages is encouraged by the City, mandatory conservation actions could limit growth, delay construction and similar investments, and produce potentially significant challenges to the City's economic base. In addition, as consumption decreases due to mandatory or voluntary restrictions, less water is sold to customers thereby resulting in water service revenue reductions. Greater reductions result in additional proportional revenue losses. In turn, these revenue impacts may result in reduced capital expenditures which could delay major construction projects. Ensuring sufficient supplies is critical to meeting customer water needs and maintaining the community's jobs and economic base.

As the largest city in Ventura County, jobs within the City of Oxnard make up nearly 20 percent of the County's total jobs, with over 65,000 jobs. The City is also the County's largest industrial center with major industries including agriculture, manufacturing, retail, and healthcare. Agriculture is the largest industry, making up nearly 14 percent of industry in Oxnard and contributing to the County's rank in total crop value as 10th among California counties and 11th among counties nationwide. The total value of County agricultural production in 2018 was \$2.1 billion, to which the City agricultural areas contributes. The agricultural industry also supports various related services and sales. Seminis, Inc., located in Oxnard, is a large subsidiary to Bayer AG, and the world's largest developer, grower, and marketer of vegetable and fruit seeds. Other major manufacturers within the City include Proctor and Gamble Paper Products, Haas Automation, the largest machine tool builder in the US and one of the largest builders of numerical control in the world, and Waterway Plastics, the leading manufacturer of pool and spa equipment for the US and international markets. Based on 2012 data, City manufacturer



shipments were valued at over \$3 billion, merchant wholesaler sales amounted to nearly \$5.9 billion and retail sales totaled over \$2.3 billion.

The agricultural users within and around the City depend largely on groundwater supplies from the Oxnard Basin which is also one of the City's main supplies. As such, there is potential for agricultural water supplies to be impacted by increased groundwater restrictions and competition for supplies. Any reductions in the availability of water supplies to agricultural users would have major impacts to agricultural output. In contrast, the proposed project would produce advanced treated water supplies that would augment groundwater supplies and contribute to improved groundwater quality. The new supplies could thereby reduce pressures

on local, impacted groundwater resources and contribute to future sustainability of groundwater supplies for all users. In addition, the City provides advanced treated recycled water for agricultural users outside of City boundaries and additional supplies produced with this project would increase the availability of high-quality supplies available to its agricultural customers.

Overall, the project is vital in supporting economic prosperity within the City by increasing local water supply reliability, reducing pressures on stressed groundwater resources and ensuring that the City can meet potable demands for all its customers, even when alternative sources are more limited. In addition, as the County's largest city, maintaining a prosperous City of Oxnard also has implications to the vitality of the entire County.

4. Will the project protect drinking water, including source water protection?

☐ ☐ Yes

If yes, explain how.

The project will protect and enhance the City's main source of drinking water, which is the Oxnard Basin, thereby improving groundwater sustainability and local water supply reliability. This will occur by recharging the historically overdrafted groundwater basin with ultra-pure water from the AWPf which will enhance groundwater quality and help maintain sustainable groundwater levels. The City relies on three sources for its drinking water supplies: imported SWP water, imported groundwater from UWCD and groundwater pumped at City-owned wells from the Oxnard Basin. Imported SWP water makes up about 45% of potable supplies and the Oxnard Basin makes up about 55%, with approximately equal portions between UWCD and City pumped groundwater. In addition, recycled water is produced at the City's AWPf and delivered via its recycled water backbone system. Total water supply in 2018 was 25,714 AFY. Before water enters the potable water distribution system, the City uses six blending stations throughout the City, in addition to a desalter at one of these blending stations, to meet water quality requirements and to optimize for cost and supply. The Oxnard Basin has been designated, by the State of California, as high priority and subject to critical conditions of overdraft. Recent modeling for the period from 1986 to 2015 shows a total cumulative loss of freshwater storage of approximately 367,400 acre-feet (AF) for the entire basin. In combination



with declining groundwater elevations, the basin has also been impacted by seawater intrusion for several decades which would increasingly impact beneficial uses and users without proper management. The Fox Canyon Groundwater Management Agency (FCGMA) manages and protects the quantity and quality of local groundwater basins, including the Oxnard Basin, by overseeing and managing all contractual withdrawals and limiting production in an effort to avoid critical overdraft. In response to recent drought conditions, Emergency Ordinance E was implemented between 2014 and the end of 2019, which reduced the City's pumping allocation from the basin by 20%. Sustainable management criteria adopted in the recently completed Groundwater Sustainability Plan for the Oxnard Basin will further limit allowable groundwater production. As a result of recently established sustainable management goals, the City's allocation from the Oxnard Basin is anticipated to be reduced by up to 50% by 2040. However,

as part of the Groundwater Sustainability Plan for the Oxnard Basin, projects and management actions were identified to address potential impacts to beneficial uses and users of groundwater in the Oxnard Basin resulting from groundwater production in excess of the current sustainable yield. The proposed project is identified as a project that would provide a new source of water for use in the Basin to help meet the sustainability goal for the Basin in a manner that avoids adverse impacts to beneficial uses and users of groundwater within the Basin. The project would increase production of high-quality recycled water for subbasin recharge, in-lieu groundwater production, and IPR. As such, the project would contribute to achieving and maintaining sustainable groundwater levels and improving basin groundwater quality. Without this project and others like it, the Groundwater Sustainability Plan states that “substantially greater reductions in groundwater production will be needed to meet the sustainability goal for the basin, which would lead to significant economic disruption and prevent groundwater in the basin from being put to beneficial use to the fullest extent possible.” Therefore, the City of Oxnard considers this proposed project to be a critical component for protecting local potable water supplies, by improving long-term sustainability and protection of the basin. It is also important to note that by increasing the reliability of local water supplies, this project will also reduce reliance on SWP supplies thereby contributing to reduced competition and stresses on those imported supplies which could benefit other SWP users.

5. Will the project support international commerce?

☐ ☐

If yes, explain how.

The proposed project will increase the City’s water supply reliability which will support the local economy and related international commerce. The City of Oxnard has a healthy economy that produces services and goods for local and international markets. Importantly, the City is also a connector to international markets with its location adjacent to the Port of Hueneme. The City is the largest industrial center in Ventura County with major industries including agriculture, manufacturing, retail, and healthcare. Agriculture is the largest industry in the City and contributes to the County’s national and international significance in crop production. Total value of County agricultural production in 2018 was \$2.1 billion. The County exports agricultural



products to over 80 countries worldwide and depends heavily on sufficient water supplies to maintain productivity. Additionally, the agricultural industry also supports various related services and sales that are of significance for international commerce. For example, Seminis, Inc., located in Oxnard, is a large subsidiary to Bayer AG, and the world’s largest developer, grower, and marketer of vegetable and fruit seeds. The City is also home to other manufacturers involved in international commerce. These businesses include Proctor and Gamble Paper Products, Haas Automation, the largest machine tool builder in the US and one of the largest builders of computer numerical control (CNC) machinery in the world, and Waterway Plastics, the leading manufacturer of pool and spa equipment for the US and international markets, to name a few. Based on 2012 data, City manufacturer shipments were valued at over \$3 billion, merchant wholesaler sales amounted to nearly \$5.9 billion and retail sales totaled over \$2.3 billion, a portion of which was related to international commerce. In addition, the Port of

Hueneme is the only commercial deep-water port between San Francisco and Los Angeles and is the US port of entry for California's Central Coast. The Port is a highly productive commercial trade gateway, serving international business and ocean carriers from the Pacific Rim and Europe. Much of the economic activity associated with the Port takes place in Oxnard. Given the City's importance in international commerce, it is critical to ensure sufficient water supplies to meet community and industry needs. Any reductions in the availability of water supplies can negatively impact industry output and profits. Agriculture is especially vulnerable and relies on the health and sustainability of local groundwater supplies. The project would produce a new water supply that would benefit all water users within the service area, help maintain a healthy local economy, and continue to support international commerce.

6. Will the project implement new or innovative technology(ies), such as using renewable or alternate sources of energy, water recycling, or desalination?

☐ ☐ Yes

If yes, explain how.

The project will implement new and innovative technologies to produce purified recycled water of potable water quality to increase the City's water supply reliability while improving groundwater basin conditions. The City will utilize the high-quality AWPf effluent through a combination of strategies including ASR, IPR and in-lieu groundwater use. Importantly, the AWPf will be expanded to maximize beneficial use of treated wastewater effluent that would otherwise be discharged through an ocean outfall. Oxnard initiated the Groundwater Recovery Enhancement and Treatment program in 1999 to begin securing additional local water supplies, with the recognition that reusing local wastewater is key to a sustainable water supply portfolio. Also, importantly, water recycling provides a drought-proof, dependable supply that will help reduce the City's reliance on imported supplies and result in related energy and cost savings. The City of Oxnard's AWPf is an innovative facility that uses one of the world's most highly developed purification processes to produce safe and clean water from treated wastewater. Influent to the AWPf undergoes purification using three advanced treatment steps: microfiltration, reverse osmosis, and advanced oxidation with ultraviolet light and hydrogen



peroxide. Microfiltration includes a process where low pressure is applied to push water through a filter with pores that are 5,000 times smaller than a pinhole to strain suspended particles, bacteria and other materials from the water. The filtered water then goes through the next treatment step, the Reverse Osmosis (RO) process. In this step, water is forced at high pressures through filter membranes to remove viruses, salts and other contaminants from the water. RO has wide applicability because of its proven purifying capability. The next step is the disinfection process using advanced Oxidation with ultraviolet light (UV) and hydrogen peroxide (AOP). In this step, UV converts hydrogen peroxide into a disinfectant that destroys any microorganisms and organic materials that might remain in the water after the previous two steps of treatment. Together, this three-step, multiple barrier process at the AWPf produces an ultra-pure water of equal or better quality than existing water sources.

7. Will the project use new or innovative approaches to plan, design, manage, and/or implement

the project?

If yes, explain how.

The City is taking important, innovative, steps to maximize indirect potable reuse by using injection and extraction wells in isolated aquifers to achieve required retention time while still operating on a continuous basis. Currently, the required time between when recycled water is injected into the groundwater basin and when it may be pumped for potable reuse is 2 months. The City is currently in the process of implementing a demonstration ASR well which will allow the City to rotate injection and extraction between a series of wells within different aquifers. Storage and recovery testing will occur at the demonstration well in order to demonstrate that the required retention time can be achieved within a single well field and the potable reuse supply will still meet the required water quality standards. The City has been coordinating with the Division of Drinking Water on this effort in order to receive approval to proceed with the full-scale project.

In addition, implementation of the project will encompass a holistic and innovative approach for utilizing the AWPf water supply. The project will utilize the high-quality recycled water from the City's AWPf to improve water supply reliability and groundwater basin conditions through a combination of water management strategies including ASR, IPR and in-lieu groundwater use. ASR operations would be expanded with new ASR wells and a new distribution pipeline to allow high-quality water from the AWPf to be injected into the Oxnard Basin and subsequently extracted for IPR. As such, the project would increase potable water supplies with advanced treated wastewater. By recharging the basin, the project would also help maintain groundwater levels, alleviate groundwater overdraft conditions, and improve water quality conditions in the basin for sustainable management. The project would also improve groundwater basin conditions by implementing in-lieu groundwater use. This would occur by supplying AWPf effluent to agricultural users and pumping an equivalent amount of groundwater through pump back allocations for potable demands.



8. Does the project protect the system, project specific asset, or community from extreme weather events such temperature, storms, floods, or sea level rise expected based on current conditions?

If yes, explain how.

The project is a critical action to improve the City's reliability for meeting community water needs, especially in the face of more intense droughts and extended dry periods. The City currently relies on imported SWP supplies for about 45% of its potable supplies and groundwater from the Oxnard Basin with approximately equal portions from UWCD and City

pumped wells for the remainder of its potable supplies. Both sources are impacted by reliability issues as a result of extreme weather events, particularly drought. California experienced substantial drought conditions across the state between 2012 and 2017. The most severe conditions were experienced between 2014 and 2017 when nearly 100 percent of the state was impacted by conditions ranging from moderate to exceptional drought. In 2018 and 2020, moderate to extreme conditions impacted most of the State again. Ventura County experienced among the most severe and prolonged drought conditions with exceptional drought experienced across 100% of the County for nearly the entire 2014 to 2017 period and up to extreme levels until 2019 (see attached Drought data C.8a and C.8b). These conditions impact the availability and reliability of, both, local and imported SWP supplies from the Sacramento San Joaquin River Delta in northern California. Overall, SWP supplies are becoming increasingly unreliable due to climate change impacts with substantial curtailments occurring during dry years. In addition to extended periods of more intense droughts, climate change impacts include changes in precipitation with more precipitation falling in the form of rain rather than snow and earlier snowmelt which results in more runoff occurring in winter and limited ability to capture that runoff for later use in the SWP delivery system. As a result of increasing hydrologic variability compounded with regulatory restrictions, the SWP is no longer capable of delivering full contractor entitlements on a routine basis. The last time 100 percent SWP allocations could be fulfilled was in 2006, and long-term projections indicate continued curtailments in the future. In the Department of Water Resources (DWR) 2015 Delivery Capability Report (DCR), DWR estimated that SWP deliveries on a long-term basis could average 61 percent of contract allocations (Table A supply), while total deliveries during multiple dry year periods could average 20-33 percent, and in worst-case single critically dry years deliveries could total only 8 percent of SWP allocations. During the height of the recent drought, however, SWP allocation was as low as 5 percent (in 2014). Since then, deliveries have fluctuated: 10 percent in 2015, 60 percent in 2016, 85 percent in 2017, 25 percent in 2018, 75 percent in 2019, and back down to 20 percent in 2020 (see attached State Water Project Deliveries Figure C.8c). Due to these anticipated reductions in SWP deliveries and the overall reduced reliability over the long-term, it is imperative for the City to increase local water supply reliability. At the same time, however, local water supplies are also becoming increasingly restricted and less available. While groundwater supplies are generally more drought-resistant, the reliability of local groundwater



resources has also been greatly impacted by drought conditions. Increased reliance on local groundwater sources during the drought has resulted in an overall downward trend in groundwater levels across Ventura County, and supplies will be increasingly restricted in the interest of maintaining sustainable water levels in the future. UWCD provides water supplies to Oxnard, among other retailers, from its artificial recharge operations in the Forebay of the Oxnard Basin. UWCD diverts surface water from the Santa Clara River which is then sent to spreading grounds for recharge of the Oxnard Basin. As such, UWCD supplies depend highly on surface water supplies that are more vulnerable to drought. Decreased flows in the Santa Clara River in recent years have impacted artificial recharge operations and put greater pressure on local groundwater resources. Also, similar to Oxnard's groundwater supplies, UWCD's groundwater supplies from the Oxnard Basin are under the jurisdiction of the FCGMA which through ordinances has imposed restrictions on groundwater extraction, thereby reducing the amount of groundwater available to Oxnard through UWCD. Emergency Ordinance E, which was in effect between 2014 and the end of 2019, reduced pumping allocation from the Oxnard Plain

Groundwater Basin by 20%. These restrictions applied to UWCD and the City. Additionally, recently established sustainable management goals will result in substantial reductions in allowed extractions over the next years. The Oxnard Plain Basin is designated a high priority basin, in critical overdraft. The GSP that was completed in January 2020 suggests a linear ramp down from current pumping to the estimated sustainable yield by 2040. Based on established goals, allowed extraction from the Oxnard Basin by the City and UWCD is anticipated to be reduced by 50% by 2040. Accounting for potential supply reductions, the projections made in the City's 2015 Integrated Master Plan estimate a water supply gap of approximately 12,000 AFY by 2040. The project will provide 14,000 AFY of a high-quality, reliable local source of new water supply which will address that projected water shortage and ensure that the City will be able to continue to reliably meet its customer water needs even during drought conditions. In addition, this project is important for improving the long-term sustainability of Oxnard Basin groundwater resources, thereby protecting this critical asset to the benefit of all users of the Oxnard Basin.

9. Does the project protect the system, project specific asset, or community from extreme weather events such temperature, storms, floods, or sea level rise predicted to occur in the future?

☐ ☐

If yes, explain how.

The proposed project is critical for expanding the City's water supply portfolio and improving local water supply reliability in order to reliably meet future water demands, especially under future drought conditions. The recent drought resulted in reduced availability of SWP supplies as well as drought-related impacts and restrictions on groundwater pumping. Climate change projections indicate increasing impacts on water supply availability, thereby increasing the City's water supply challenges. Based on recent projections, future drought impacts on the City's water supplies and related management actions are anticipated to result in shortages in potable water supply of about 12,000 AFY over the next 20 years. Without the project, the City will be



challenged to meet future water demands and ensure potable supplies for its community. The recent drought was among the most intense and long-lasting in the State's and County's recent past and, based on historic occurrences and climate change projections, droughts are expected to increase in risk and severity in the future. California is stated to be one of the most "climate challenged" regions in North America. The Fourth Climate Change Assessment, completed in 2018 in coordination with the California Energy Commission, California Natural Resources Agency and State Office of Planning and Research, produced updated climate projections supporting findings that the State will experience greater impacts from climate change in the future, including shifting hydrology. Among the findings are that higher temperatures will lead to dryer conditions, with an increased occurrence of dry years and multiple dry years resulting in more frequent and more intense droughts. Additionally, water supply from snowpack is projected to decline by two-thirds. Delta (SWP) exports are projected to be reduced significantly, with possible reductions by mid-century to half of those found in historical drought during worst-case drought scenarios. These findings were summarized in the California's Fourth Climate Change Assessment reports, including the attached report on SWP impacts (C.9a, p. 33).

Anticipated climate stressors and related regional vulnerabilities have also been described in climate change analyses conducted for the region, including *Projected Changes in Ventura County Climate* by the Desert Research Institute (https://wrcc.dri.edu/Docs/VenturaClimate2019_lores.pdf) and the Watersheds Coalition of Ventura County (WCVC) *Integrated Regional Water Management Plan* (IRWMP). Similar to statewide impacts, the primary climate stressors projected by global climate models to impact the region include changes in air temperature, changes in precipitation patterns, increased evapotranspiration and drought risk, among others. Drought risks are anticipated to create the greatest vulnerabilities to water supplies and demands, including reduction in groundwater recharge, reduced runoff and surface water flows, and reduced local and imported water supply reliability. The water-related climate change vulnerabilities identified for the region are summarized in Table 13-1 of the WCVC IRWMP, Section 13 on Climate Change (see C.9b). The proposed project is a critical long-term management action to address water supply challenges expected from increasingly extreme weather conditions, and related water supply reductions. The project will increase the City's local water supply availability with a highly reliable, drought resistant source, thereby reducing the City's water system vulnerability to increasingly severe and variable climate change impacts predicted for the future. As such, the project will help ensure that the City can reliably meet community water needs and protect public health into the future.

10. Does the project serve a population in a region impacted by significant energy exploration, development, or production areas?

☐ ☐

If yes, explain how.

The City of Oxnard's water service area is located within a highly active oil and gas production area. Oil and gas production in the area began in the late 1860s, following discovery of oil in the



northwestern portion of the County. Currently, there are 43 companies that operate oil and gas facilities in the 34 active oil and gas fields located across Ventura County (<https://www.vcrma.org/oil-and-gas-program>). The County's largest oil field is the Ventura Oil Field, located within 10 miles northwest of Oxnard. The Ventura Oil Field was listed as the 10th largest oil field in California in 2016 and 10th largest gas producing field in 2018, based on the respective Report of Oil and Gas Production Statistics from the California Department of Conservation. The City of Oxnard contains active wells, primarily located around the Oxnard oil field in the western coastal section of the City which produced 360,708 barrels of oil and 17,453 million cubic feet of gas in 2018. In 2018, total oil production in the County amounted to 6.9 million barrels and total gas production was 6.2 billion cubic feet, thereby ranking 4th in oil production and 3rd in gas production, statewide. Based on statewide totals, onshore oil and gas production in Ventura County accounts for over four percent of total oil production and approximately 3.5 percent of total gas production in California. Offshore production accounts for about 0.1 percent of statewide oil and gas totals, each (see 2018 Production by County C.10a). Distribution of petroleum resources and oil and gas wells within the County are shown on Figures 8-10 and 8-11 of the County of Ventura 2040 General Plan Background Report

(C.10b). There are also several federal and state oil and gas leases offshore of Ventura County. Platforms Gina, Gilda, Henry, Hogan, Houchin, Hillhouse, and A, B, and C, are facilities under the jurisdiction of the U.S. Department of the Interior from which oil and gas are piped to onshore facilities within Ventura County.

11. Does the project address water quality concerns?

☐ ☐

If yes, explain how.

The water quality of the City's blended sources dictates the amount of water drawn from each source, making it central to the City's water system operations. The City currently consistently meets drinking water quality standards with its delivered water because it uses six blending stations to blend its mix of water supply sources. SWP supplies are of generally high quality, whereas groundwater supplies are of substantially lower quality. In addition, a desalter is operated at Blending Station No. 6 to treat a portion of the City's groundwater for TDS and nitrate reduction. The wells at that site are not able to blend directly into the City's distribution system without treatment due to water quality impairments of that source. Given the imbalance in water quality among the City's supplies, the City highly depends on imported SWP water, not only as a water supply asset, but also as the currently only means for the City to meet drinking water standards. Local groundwater from the Oxnard Basin, including from the City's local wells and UWCD imports, is generally of low quality, characterized by high TDS levels of 1,000 mg/L and greater, as well as elevated hardness levels. TDS is the primary driver for water quality and by blending with higher quality imported SWP supplies, the system produces a blended water quality of less than 700 mg/L, which is below the secondary maximum contaminant level (SMCL) of 1,000 mg/L for TDS. As a result of the high TDS in local groundwater sources, any reduction in imported surface water would have to involve additional treatment to improve groundwater



quality. Elevated hardness levels in the distributed water also creates challenges. Many City customers use point-of-use water softeners to address the hardness in the water. These water softeners, however, impact wastewater and recycled water quality, thereby limiting its use or requiring greater treatment. In contrast, the AWPf will produce high-quality water with TDS around 50 mg/L and hardness of approximately 10 mg/L. The purified water would be recharged to the Oxnard Basin for storage and subsequent extraction. By recharging such high quality water, the project would dilute high TDS concentrations and improve groundwater quality in the basin, not just to the benefit of the City but all groundwater users in the vicinity, including agricultural producers. In addition, through blending, the improved hardness levels would reduce the need for point-of-use water softeners and help avoid related water quality impacts. The availability of this high-quality water would also increase operational flexibility and improve the City's local water supply reliability. Another major issue that users of the Oxnard Basin have been challenged with for decades is the threat and impacts of seawater intrusion. Historical groundwater production has resulted in seawater intrusion in the coastal areas of the Oxnard Basin. Depending on hydrologic conditions and groundwater extractions, seawater intrusion can be exacerbated or reduced. Since the onset of the recent drought, groundwater elevations in the Basin have been below sea level, creating a landward gradient that allows for

inland migration of seawater. Recent modeling performed for the Groundwater Sustainability Plan indicated that uncurtailed extraction would contribute to net seawater intrusion, but that reduced groundwater production can eliminate net seawater intrusion over, both, periods of drought and recovery. As such, increasing groundwater elevations in the Basin is an identified sustainability goal in order to control seawater intrusion. The proposed project will provide a new source of water which will help replenish the Basin and offset pumping through in-lieu groundwater pumping, thereby increasing groundwater levels. Therefore, this project will help address groundwater quality issues by also helping to address seawater intrusion challenges. Overall, the project will help the City maintain high quality potable water supplies even when SWP supplies are reduced. In addition, the project will contribute to improved groundwater quality of the Basin for long-term sustainability of Oxnard Basin supplies.

12. Does the project address water quantity concerns?

☐ ☐

If yes, explain how.

The project is a critical action to ensure that the City will have sufficient supplies to reliably meet its customer water demands in the future. The project will provide 14,000 AFY of a new drought-resistant water supply, thereby addressing major concerns of shortages anticipated over the next 20 years. As noted in previous responses, the City relies on imported SWP supplies and Oxnard Basin groundwater supplies from City-owned wells and from UWCD. These supplies are, however, becoming increasingly unreliable and restricted. Based on recent projections, future drought impacts on the City's water supplies and related management actions are anticipated to result in shortages in potable water supply of about 12,000 AFY over the next 20 years. Without the project, the City will be challenged to meet future water demands and



ensure potable supplies for its community. SWP supplies are becoming increasingly unreliable due to hydrologic variability with substantial curtailments occurring during dry years. During the height of the recent drought, SWP allocation was as low as 5 percent (in 2014). This year, allocation is only 20 percent of full contract amounts. Long-term projections indicate continued curtailments in the future. Climate projections indicate an increased occurrence of dry years and multiple dry years resulting in more frequent and more intense droughts, as well as significant declines in water supply from snowpack. Overall, Delta exports are projected to be reduced significantly in the near future, and by mid-century may only amount to half of those found in historical drought under future worst-case drought scenarios. Due to these anticipated reductions in SWP deliveries and the overall reduced reliability over the long-term, it is imperative for the City to increase local water supply reliability. At the same time, however, local water supplies are also becoming increasingly restricted and less available. The reliability of local groundwater resources has been greatly impacted by drought conditions. Increased reliance on local groundwater sources during the drought has resulted in an overall downward trend in groundwater levels across Ventura County, and supplies will be increasingly restricted in the interest of maintaining sustainable water levels in the future. UWCD supplies are subject to many of the same factors that are impacting the City's supplies, which are making this source less reliable. UWCD diverts surface water from the Santa Clara River to recharge the Oxnard

Basin and provide those supplies to its retailers, including the City. However, surface water is more vulnerable to dry conditions and decreased flows in the Santa Clara River in recent years have impacted artificial recharge operations and put greater pressure on local groundwater resources. More frequent and intense dry conditions would increasingly impact those supplies in the future. Also, similar to Oxnard's groundwater supplies, UWCD's groundwater supplies from the Oxnard Basin are under the jurisdiction of the FCGMA which through ordinances has imposed restrictions on groundwater extraction, thereby reducing the amount of groundwater available to Oxnard through UWCD. The most impactful changes to the City's groundwater supply availability will be the recently established sustainable management goals of the 2020 Groundwater Sustainability Plan. The plan suggests a linear ramp down from current pumping to the estimated sustainable yield by 2040, which will signify a reduction by 50% of allowed extraction from the Oxnard Basin by 2040. These reductions will apply to the City and UWCD. It is based on these projected water supply impacts, that the City projects a significant water supply gap of approximately 12,000 AFY by 2040. The project will provide 14,000 AFY of a high quality, reliable local source of new water supply which will address that projected water shortage and ensure that the City will be able to continue to reliably meet its customer water needs even during drought conditions. It is also important to note that the Groundwater Sustainability Plan indicates that without the City's proposed project and others like it, "substantially greater reductions in groundwater production will be needed to meet the sustainability goal for the basin, which would ... prevent groundwater in the basin from being put to beneficial use to the fullest extent possible." Therefore, this project is important, not only for addressing City supply challenges, but for also improving water supply reliability of other Oxnard Basin users.

13. Is the project identified in an existing regional, state, or multistate agreement?

20



US Environmental Protection Agency OMB Control No. 2040-0292 **WIFIA Program** EPA Form No. 6100-030 **Letter of Interest** Approval expires 12/31/2019

If yes, attach the relevant document and write in the textbox the filename and relevant section(s) or page(s).

Water resource challenges in the region are addressed in broad planning documents and multi stakeholder agreements. The project and/or its benefits are identified in the following agreements:

- C.13a_City of Oxnard 2015 UWMP: Section 6.5.4, Section 6.8. The City's 2015 Urban Water Management Plan (UWMP) was prepared in compliance with the Urban Water Management Planning Act and evaluates water supply reliability over a minimum 20-year planning horizon. The proposed project is among the identified water supply options to provide a reliable, redundant and sustainable water supply into the future. Project supply volumes are accounted for in total project water supplies in Table 6-9 and broken down by projected uses in Table 6-4.
- C.13b_Oxnard Subbasin Groundwater Sustainability Plan: Sections 5.1 to 5.3. The Groundwater Sustainability Plan (GSP) was prepared as required by the 2014 Sustainable Groundwater Management Act (SGMA). The GSP defines conditions under which groundwater resources of the Oxnard Basin, a high-priority basin, will be

managed sustainably in the future. The proposed project, encompassing the full use of the AWPf's existing capacity and AWPf expansion (Project No. 1 and 2 in the Plan), is among five projects determined to meet the sustainability goal and objectives established for the Oxnard Basin.

- C.13c_WCVC IRWMP Goals and Objectives_2019 Amendment: Pages 5-3 to 5-6. The Watersheds Coalition of Ventura County is a coalition comprised of a consortium of local cities, wholesale and retail water agencies, special districts, the County of Ventura, and non-governmental agencies interested in promoting and implementing integrated regional water management planning efforts in Ventura County. The Integrated Regional Water Management Plan (IRWMP) was prepared with broad stakeholder involvement and resulted in the identification of regional water management goals and critical watershed priorities. The project is consistent with the WCVC IRWMP and addresses many of the established goals and priorities, including to recharge groundwater basins, implement conjunctive use, augment local water supply portfolio, improve water quality and adapt to climate change.
- C.13d_FCGMA Resolution 2001-03: The Fox Canyon Groundwater Management Agency (FCGMA) manages and protects groundwater resources within all or portions of four groundwater basins underlying the southern portion of Ventura County, including the Oxnard Basin. This resolution adopted by the FCGMA Board of Directors gave formal support to the City of Oxnard's Groundwater Recovery Enhancement and Treatment (GREAT) program, in recognition of its contribution to enhancing quality and quantity of the local groundwater.
- C.13e_FCGMA Resolution 2003-4. This resolution represents an agreement with FCGMA, granting credits to the City of Oxnard for the injection, with the understanding

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that the action will help the depleted aquifer recover lost water levels and that the recycled water would otherwise "be lost to the Ocean."

- C.13f_FCGMA Resolution 2013-02. This resolution recognizes the GREAT Program "as an important management strategy that will result in improvements to water supply reliability and water quality conditions within [FCGMA]" and allows for the City to accrue a Recycled Water Pumping Allocation in exchange for decreased pumping by pumpers that will receive direct delivery of recycled water instead.

14. Is the project identified as a municipal, state, or regional priority?

☐ ☐

If yes, attach the relevant document and write in the textbox the filename and relevant section(s) or page(s).

The proposed project addresses numerous municipal, state and regional priorities, as discussed in the following documents:

- C.13a_City of Oxnard 2015 UWMP: Section 6.5.4, Section 6.8. The Urban Water Management Plan describes the proposed project among the water supply options to provide a reliable, redundant and sustainable water supply into the future. Total projected volumes and uses are

shown in Table 6-4 and again accounted for in total project water supplies in Table 6-9.

- C.13b_ Oxnard Subbasin Groundwater Sustainability Plan: Sections 5.1 to 5.3. The proposed project is a priority project for meeting the sustainability goal and objectives established for the Oxnard Basin, itself a high-priority basin.
- C.13c_ WCVI IRWMP Goals and Objectives_2019 Amendment: Pages 5-3 to 5-6. The proposed project meets water management goals and critical regional priorities identified in the Watersheds Coalition of Ventura County Integrated Regional Water Management Plan, including to recharge groundwater basins, implement conjunctive use, augment local water supply portfolio, improve water quality and adapt to climate change.
- C.14a_ Integrated Master Plan Summary Report: Sections 4.7 and 4.8. This Public Works Integrated Master Plan (Integrated Master Plan) developed long-term recommendations for policies, programs, and goals that successfully address the challenges and opportunities in a holistic and integrated way. Multiple alternatives were evaluated to address the City's projected water supply gap and the proposed project, with a combination of additional groundwater pumping and expanded ASR/IPR operations, was identified as the recommended project.
- C.14b_ City of Oxnard 2030 General Plan Goals and Policies: Section 4.5. The project directly aligns with the overarching goal of "Water supply, quality, distribution, and storage adequate for existing and future development" and addresses related policies, including to "continue to implement the GREAT Program as the key program for the City's short and long term water supply" among others.
- C.14c_ Water Quality Control Policy for Recycled Water: Section 3, Page 2. This policy document, adopted by the California State Water Resources Control Board, identifies statewide recycled water goals that include increasing the use of recycled water over the next decade and



maximizing the use of recycled water in areas where groundwater supplies are in a state of overdraft, among other goals. The proposed project directly supports those statewide goals. • C.14d_ California Water Action Plan: Page 3 Goals, Page 4 Actions. This plan outlines statewide goals and prioritized actions including more improved water supply reliability, resiliency, improved groundwater management, and safe water for all communities, which this project directly addresses.

15. Does the project protect water resources with exceptional recreational value or ecological importance?

☐ ☐

If yes, identify the water resources, why it has exceptional recreational value or ecological importance, and describe how the project protects it.

The proposed project is important for providing a new source of water for use in the Oxnard Basin, but the Basin itself does not represent a resource of exceptional recreational value or ecological importance. Groundwater-Dependent Ecosystems in the Oxnard Basin are supported by shallow groundwater flows that are generally separated and disconnected from the primary groundwater aquifers. However, the project will increase local water supply reliability which can help reduce dependence on imported SWP supplies, thereby reducing diversions from that

source. SWP water is drawn from the Sacramento-San Joaquin Delta which, in addition to serving as the State's most important water resource, is also among the State's most significant ecological resources. As the largest freshwater tidal estuary of its kind on the west coast, the Delta provides important habitat for large populations of migratory birds and fish. It is estimated that half the migrating waterfowl in California pass through the Delta, as do two-thirds of California's salmon. By increasing the City's reliability of local water supplies, its dependence on SWP supplies is reduced which can contribute to protecting the Delta's valuable ecological resources.

16. Is the project designed to address an existing compliance issue?

☐

If yes, identify the compliance issues(s). Explain how and to what extent the project addresses it.

The project is designed to ensure reliable supplies to meet future demands in anticipation of and in compliance with planned groundwater pumping restrictions enacted by FCGMA. In addition, the project is identified as an action that would help address sustainability criteria of the recently completed Groundwater Sustainability Plan for the Oxnard Basin, which was developed in compliance with 2014 Sustainable Groundwater Management Act (SGMA). FCGMA manages all contractual withdrawals and limits production from the Oxnard Basin in an effort to protect local groundwater resources and avoid critical overdraft. In response to recent drought conditions, Emergency Ordinance E was implemented between 2014 and the end of 2019, which



reduced the City's pumping allocation from the basin by 20%. While the emergency ordinance was a temporary restriction, sustainable management criteria adopted in the recently completed Groundwater Sustainability Plan for the critically overdrafted Oxnard Basin will further limit allowable groundwater production over the long-term. As a result of recently established sustainable management goals, the City's allocation from the Oxnard Basin is anticipated to be reduced by up to 50% by 2040. These reductions are projected to result in water shortages in the City's system of up to 12,000 AFY without a new supply to offset those reductions. The project will produce 14,000 AFY of advanced treated water for subbasin recharge, in-lieu groundwater production, and indirect potable reuse. This new supply and operational strategies will allow the City to maximize groundwater pumping and increase local water supply reliability, despite constraints of FCGMA-imposed pumping limitations. Without this project and others like it, the Groundwater Sustainability Plan states that "substantially greater reductions in groundwater production will be needed to meet the sustainability goal for the basin, which would lead to significant economic disruption and prevent groundwater in the basin from being put to beneficial use to the fullest extent possible." By providing a new source of water for use in the Basin, the proposed project will directly help meet the sustainability goal for the Basin in a manner that avoids adverse impacts to beneficial uses and users of groundwater within the Subbasin. With its recharge operations, the project would contribute to achieving and maintaining sustainable groundwater levels and improving basin groundwater quality for the long-term benefit of all basin users. Therefore, this project is a critical action to mitigate impacts from groundwater pumping reductions and for reaching compliance with Groundwater Sustainability Plan objectives.

17. Is the project designed to maintain compliance?

☐ ☐

If yes, identify the potential compliance issue(s). Describe how the project maintains compliance.

The water quality of the City's blended sources dictates the amount of water drawn from each source, making it central to the City's water system operations. Currently, the City relies on imported SWP water and groundwater from local wells and purchased from UWCD to meet its drinking water demands. The City consistently meets drinking water quality standards with its delivered water because it uses six blending stations to blend its mix of water supply sources, with a heavy reliance on high quality imported SWP water. In addition, a desalter is operated at Blending Station No. 6 to treat a portion of the City's groundwater for TDS and nitrate reduction. However, the City is dependent on a high-quality water source to meet drinking water standards. Any reduction to imported SWP water supplies would require additional treatment of groundwater sources to reliably meet drinking water standards. Local groundwater from the Oxnard Basin, including from the City's local wells and UWCD supplies, is generally of low quality, characterized by high TDS levels of 1,000 mg/L and greater, as well as elevated hardness levels and in some cases elevated nitrate levels. TDS is the primary driver for water quality and by blending with higher quality imported SWP supplies, the system produces a blended water

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supply with TDS concentrations less than 700 mg/L, which is below the secondary maximum contaminant level (SMCL) of 1,000 mg/L for TDS. Without the ability to blend supplies with imported SWP water or an alternative source of high-quality water, the City would be unable to meet the SMCL for TDS. In addition, elevated hardness levels in the distributed water create an ongoing issue in that it results in many City customers using point-of-use water softeners. These water softeners in turn impact wastewater and recycled water quality, thereby limiting its use or requiring greater treatment. The proposed project would produce 14,000 AFY of advanced treated water to augment the City's potable water supplies. The AWPf supply is an extremely high quality and highly reliable source of water that would allow the City to improve blended water quality and maintain compliance with drinking water standards even when imported SWP supplies are less available. Importantly, through recharge operations to the Oxnard Basin, the project would contribute to improved groundwater quality on a long-term basis. As such, this project is critical for providing reliability to the City's drinking water system, not only in terms of quantity, but just as importantly in terms of quality in order to maintain compliance with drinking water standards.

18. Does the project serve economically stressed communities or pockets of economically stressed rate payers within otherwise non-economically stressed communities?

☐ ☐

18.1. If yes was selected in question C-18, what is the median household income (MHI) within the project's service area? Include the MHI for any economically stressed communities or

pockets of economically stressed rate payers within otherwise non-economically stressed communities that have a lower MHI than the entire service area.

The average MHI within Oxnard is \$68,303, which is lower than neighboring cities such as Ventura (\$76,076), Camarillo (\$92,913), and Thousand Oaks (\$105,485). The attached figure (C.18.1) shows the MHI for each census block that falls within the Economically Distressed Area category. As seen in the figure, Economically Distressed Communities cover the majority of the City area and those areas have MHIs ranging from \$29,565 to \$63,750.

- 18.2. If yes was selected in question C-18, what is the poverty level within the project's service area? Include the poverty level for any economically stressed communities or pockets of economically stressed rate payers within otherwise non-economically stressed communities that have a higher poverty level than the entire service area.

The percentage of the population living in poverty within Oxnard is 14.3%, which is substantially higher than neighboring cities including Ventura (10.2%), Camarillo (7%), and Thousand Oaks (5.5%).



- 18.3. If yes was selected in question C-18, provide another value or metric that demonstrates that the project serves economically stressed communities or pockets of economically stressed rate payers within otherwise non-economically stressed communities, if applicable.

The per capita income within Oxnard is \$22,914, whereas neighboring cities are Ventura (\$36,359), Camarillo (\$43,794), and Thousand Oaks (\$50,747). The economically stressed communities would be most impacted by high water service costs which could result from reactive water supply measures or increased dependence on higher cost imported water supplies. In contrast, the project is a cost-effective alternative for addressing anticipated water shortages. By taking proactive measures with implementation of this project, the City will help reduce the burden on economically stressed communities within the water service area. In addition, according to the California Healthy Places Index several areas of Oxnard are in the lowest 25% of the State (see figure below). The proposed project will ensure that the City is able to reliably meet potable water needs within the City's service area, including those of economically stressed areas, thereby maintaining basic public health and safety requirements with respect to clean drinking water resources.



19. Does the project reduce exposure to lead or emerging contaminants within a drinking water system?

☐ ☐

If yes, explain how.

Lead exposure from the City's water supplies is not currently a major concern and sampling shows levels below regulatory limits. Emerging contaminants in the City's drinking water have also not been a major concern to the City based on existing sources. With this potable reuse project, precautions will be taken to meet all drinking water quality goals, including thresholds for emerging contaminants. The multi-step advanced purification process that will be implemented with this project will effectively remove micro-constituents, thereby reducing potential exposure to emerging contaminants. Studies conducted for this project have demonstrated water quality in accordance with regulatory objectives and full-scale implementation is anticipated to continue to produce high-quality water that will meet water quality goals and will improve the quality of existing supplies when blended.

20. WIFIA funding would

21. Will WIFIA financing reduce the contribution of Federal assistance to the project?

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Section D: Contact Information

1. Primary point of contact

Name: [Tatiana Arnaout](#)
Title: [City Engineer](#)
Organization: [City of Oxnard Public Works](#)
Street Address: [305 W 3rd Street](#)
City/State/Zip: [Oxnard, CA 93030](#)
Phone: [805-385-8341](#)
E-mail: tatiana.arnaout@oxnard.org

2. Secondary point of contact

Name: [Tim Beaman](#)
Title: [Senior Civil Engineer](#)
Organization: [City of Oxnard Public Works](#)

Street Address: 305 W 3rd Street
City/State/Zip: Oxnard, CA 93030
Phone: 805-385-8141
E-mail: timothy.beaman@oxnard.org



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Form No. 6100-030 **Letter of Interest** Approval expires 12/31/2019

Section E: Certifications

Please sign in the appropriate space and submit a scanned version of the signature page to EPA with the electronic Letter of Interest submission.

1. **National Environmental Policy Act:** The prospective borrower acknowledges that any project receiving credit assistance under this program must comply with all provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and that EPA will not approve a loan for a project until a final agency determination, such as a Categorical Exclusion (CATEX), Finding of No Significant Impact (FONSI), or a Record of Decision (ROD), has been issued.
2. **American Iron and Steel:** The prospective borrower acknowledges that any project receiving credit assistance under this program for the construction, alteration, maintenance, or repair of a project may only use iron and steel products produced in the United States and must comply with all applicable guidance.
3. **Prevailing Wages:** The prospective borrower acknowledges that all laborers and mechanics employed by contractors or subcontractors on projects receiving credit assistance under this program shall be paid wages at rates not less than those prevailing for the same type of work on similar construction in the immediate locality, as determined by the Secretary of Labor, in accordance with sections 3141-3144, 3146, and 3147 of Title 40 (Davis-Bacon wage rules).

4. *Lobbying*: Section 1352 of Title 31, United States Code provides that none of the funds appropriated by any Act of Congress may be expended by a recipient of a contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, or an employee of a Member of Congress in connection with the award or making of a Federal contract, grant, loan, or cooperative agreement or the modification thereof. The EPA interprets this provision to include the use of appropriated funds to influence or attempt to influence the selection for assistance under the WIFIA program.

WIFIA prospective borrowers must file a declaration: (a) with the submission of an application for WIFIA credit assistance; (b) upon receipt of WIFIA credit assistance (unless the information contained in the declaration accompanying the WIFIA application has not materially changed); and (c) at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any declaration previously filed in connection with the WIFIA credit assistance.

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement,



KEY DEFINITIONS

(a) *Administrator* means the Administrator of EPA.

(b) *Credit assistance* means a secured loan or loan guarantee under WIFIA.

(c) *Eligible project costs* mean amounts, substantially all of which are paid by, or for the account of, an obligor in connection with a project, including the cost of:

- (1) Development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work, and other preconstruction activities;
- (2) Construction, reconstruction, rehabilitation, and replacement activities;
- (3) The acquisition of real property or an interest in real property (including water rights, land relating to the project, and improvements to land), environmental mitigation (including acquisitions pursuant to section 33 U.S.C. §3905(7)), construction contingencies, and acquisition of equipment; and

- (4) Capitalized interest necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.
- (d) *Iron and steel products* means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
- (e) *Project* means:
- (1) Any project for flood damage reduction, hurricane and storm damage reduction, environmental restoration, coastal or inland harbor navigation improvement, or inland and intracoastal waterways navigation improvement that the Secretary determines is technically sound, economically justified, and environmentally acceptable, including—
 - (A) a project to reduce flood damage;
 - (B) a project to restore aquatic ecosystems;
 - (C) a project to improve the inland and intracoastal waterways navigation system of the United States; and
 - (D) a project to improve navigation of a coastal or inland harbor of the United States, including channel deepening and construction of associated general navigation features.
 - (2) 1 or more activities that are eligible for assistance [under section 1383\(c\) of this title](#), notwithstanding the public ownership requirement under paragraph (1) of that subsection.
 - (3) 1 or more activities described in section [300j-12\(a\)\(2\) of title 42](#).



- (4) A project for enhanced energy efficiency in the operation of a public water system or a publicly owned treatment works.
- (5) A project for repair, rehabilitation, or replacement of a treatment works, community water system, or aging water distribution or waste collection facility (including a facility that serves a population or community of an Indian reservation).
- (6) A brackish or sea water desalination project, including chloride control, a managed aquifer recharge project, a water recycling project, or a project to provide alternative water supplies to reduce aquifer depletion.
- (7) A project to prevent, reduce, or mitigate the effects of drought, including projects that enhance the resilience of drought-stricken watersheds.
- (8) Acquisition of real property or an interest in real property—
 - (A) if the acquisition is integral to a project described in paragraphs (1) through (6); or
 - (B) pursuant to an existing plan that, in the judgment of the Administrator or the Secretary, as applicable, would mitigate the environmental impacts of water resources infrastructure projects otherwise eligible for assistance under this section.
- (9) A combination of projects, each of which is eligible under paragraph (2) or (3), for which a State infrastructure financing authority submits to the Administrator a single application.
- (10) A combination of projects secured by a common security pledge, each of which is eligible under paragraph (1), (2), (3), (4), (5), (6), (7), or (8), for which an eligible entity, or a combination of eligible entities, submits a single application.

(f) *Public entity* means:

- (1) a Federal, State, or local Governmental entity, agency, or instrumentality; or
- (2) a Tribal Government or consortium of Tribal Governments.

(g) *Publicly sponsored* means the obligor can demonstrate, to the satisfaction of the Administrator that it has consulted with the affected State, local or Tribal Government in which the project is located, or is otherwise affected by the project, and that such government supports the proposed project. Support can be shown by a certified letter signed by the approving municipal department or similar agency, mayor or other similar designated authority, local ordinance, or any other means by which local government approval can be evidenced.

(h) *State infrastructure financing authority* means the State entity established or designated by the Governor of a State to receive a capitalization grant provided by, or otherwise carry out the requirements of, title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et. seq.) or section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12).

(i) *Treatment works* has the meaning given the term in section 212 of the Federal Water Pollution Control Act (33 U.S.C. 1292).

(j) *WIFIA* means the Water Infrastructure Finance and Innovation Act of 2014, Pub. L. 113-121, 128 Stat, 1332, codified at 33 U.S.C. §§ 3901-3914.



Attachment A: Selection Criteria & Scoring

Project Readiness Criteria	Points
Readiness to proceed	50
Preliminary engineering feasibility analysis	30
New or innovative approaches	20
Borrower Creditworthiness Criteria	Points
Enables project to proceed earlier	10
Financing plan	10
Reduction of Federal assistance	10
Required budget authority	10
Preliminary creditworthiness assessment	60

Project Impact Criteria	Points
National or regional significance	15
Protection against extreme weather events	5
Serves energy exploration or production areas	5
Serves regions with water resource challenges	10
Addresses identified priorities	10
Repair, rehabilitation, or replacement	25
Economically stressed communities	10
Reduces exposure to lead & emergent contaminants	20
Total Points	300



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

January 8, 2021

Ms. Tatiana Arnaout
City Engineer
City of Oxnard Public Works
305 W 3rd Street
Oxnard, CA 93030

Subject: City of Oxnard Selection Notification

Dear Ms. Arnaout,

Thank you for submitting your Water Infrastructure Finance and Innovation Act (WIFIA) letter of interest for the FY 2020 Selection Round. We have reviewed these materials and are very pleased to inform you that the Aquifer Storage Recovery Project has been selected to submit an application for credit assistance for up to \$28,980,000 or not to exceed 49 percent of total eligible project costs.

We will soon be reaching out to you to schedule a pre-application meeting to discuss the WIFIA underwriting process in greater detail. Marnin Lebovits will be the primary point of contact for this transaction and is available by e-mail at lebovits.marnin@epa.gov or by phone at 202-566-2851 to answer any immediate questions you may have.

In addition, the WIFIA program will be hosting a webinar for all selected borrowers to provide an overview of the WIFIA application process on February 10 at 2:00 pm EST. We encourage your participation. We will send you a meeting invite. Please forward the invite to anyone else interested in participating. One of the key items we'll walk through then is the [new application form](#) the program has developed for 2020. We hope this more precise document will facilitate the process of furnishing critical information to the program.

Once we receive your complete application, the WIFIA team will commence underwriting the transaction. Receipt of credit assistance remains subject to negotiation of an agreement on terms and conditions satisfactory to the Agency as well as the project's compliance with Federal requirements, including the National Environmental Protection Act (NEPA), American Iron and Steel requirements, Flood Plain Management Standards, and the Davis-Bacon Wage Act. More information about the underwriting and project approval process is attached to this letter.

Readiness to proceed was a major factor in scoring this year, and you stated in your LOI that you will be ready to submit your application by 4/15/2021. We expect to receive your application by this date. If timing for your application and project construction has changed, please notify your underwriter as soon as possible.

EPA is planning to announce the FY 2020 selections and will coordinate with your organization on this press release. Until then, the announcement of the selection of your project for WIFIA credit assistance is embargoed until EPA publicly announces the names of all selected prospective borrowers and projects on January 11th. Please do not share this information externally prior to this date. If you have questions regarding communicating your selection or would like to coordinate your announcement with EPA, please contact Arielle Gerstein at gerstein.arielle@epa.gov or 202-819-6811.

We look forward to working with you on this project.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jorianne Jernberg". The signature is fluid and cursive, with the first name being more prominent.

Jorianne Jernberg
Acting Director, WIFIA Program

WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT (WIFIA) APPLICATION

Public Works and Transportation Committee
February 23, 2021

City Council
March 2, 2021

Tatiana Arnaout, City Engineer



FOR PUBLIC WORKS AND TRANSPORTATION COMMITTEE:

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to adopt resolution authorizing the City Manager to submit an application for an amount not to exceed \$27,600,000 from the Water Infrastructure Finance and Innovation Act Loan program administered by the U.S. Environmental Protection Agency; designating the amount of project expenditures to be reimbursed by proceeds from the Water Infrastructure Finance and Innovation Act loan; and dedicating and pledging revenues and funds for the repayment of the Water Infrastructure Finance and Innovation Act loan from the U.S. Environmental Protection Agency.

FOR CITY COUNCIL:

That the City Council approve and authorize the Mayor to adopt resolution authorizing the City Manager to submit an application for an amount not to exceed \$27,600,000 from the Water Infrastructure Finance and Innovation Act Loan program administered by the U.S. Environmental Protection Agency; designating the amount of project expenditures to be reimbursed by proceeds from the Water Infrastructure Finance and Innovation Act loan; and dedicating and pledging revenues and funds for the repayment of the Water Infrastructure Finance and Innovation Act loan from the U.S. Environmental Protection Agency.

- The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) established a federal credit program administered by the U.S. Environmental Protection Agency (EPA)
 - WIFIA focus is on water and wastewater infrastructure investment
 - Provides for direct low interest loans by the U.S. EPA
 - Loans are customized as to terms and offers extended maturities
 - Designed to compliment existing funding sources
 - Loans must be cofinanced with other sources of funding

- October 12, 2020: Letter of interest submitted for the Aquifer Storage and Recovery (ASR) Completion Project
- U.S. EPA evaluated and selected the City's project and was invited to apply for credit assistance
- Loan is limited to 49% of the total estimated project cost of \$56,330,000 or \$27,600,000
- Process is estimated to take seven (7) months from submission of application to closing of the loan

- ASR is a major component of the City's Groundwater Recovery Enhancement and Treatment (GREAT) program
- ASR Project involves four (4) components which will all be included in the WIFIA application:
 1. Advanced Water Purification Facility (AWPF) upgrades to increase capacity from 6.25 million gallons per day to 12.5 million gallons per day
 2. Construction of six (6) ASR wells - one (1) demonstration well and five (5) full-scale wells

- ASR Project involves four (4) components (continued):
 3. Construction of 20-inch diameter distribution pipeline necessary to convey recovered groundwater from the ASR wells to three existing water blending stations
 4. Blending station mechanical and electrical upgrades, piping modifications and pump replacements

- Demonstration well improvements scheduled to begin construction in 2021 and completed by January 2022
- Demonstration well improvements are not part of the WIFIA program application
- Next stage of the ASR Completion Project expected to begin once the demonstration well improvements permit is approved by the Division of Drinking Water: process anticipated to last one (1) year
- ASR Completion Project will increase production and use of recycled water by increasing capacity at the AWPf, constructing additional full-scale wells, and by improving the infrastructure at the blending stations

- There is no financial impact to the City's General Fund
- Initial cost is for the application process only
 - WIFIA loan application fee is \$100,000 and will be funded with Water Operations Funds
 - Application fee will be credited to the credit processing fee, which ranges from \$100,000 to \$300,000
 - Fee reimburses U.S. EPA for its financial, technical, and legal advisory costs and is due upon execution of the loan

- Full cost of the loan, if approved, will be determined once terms for repayment are established
- Funding for the Project would be included in the CIP starting in FY 2022-23 through 2027-28



QUESTIONS