

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



AMENDED AGENDA

**Closed Session Public Comment Information - Added, Information/Consent Section L Item #7 - Added
Public Hearing Section M Item #2 - Moved to Reports Item #4, Reports Section N Item #7 - Moved to Item #3
AGENDA**

**OXNARD CITY COUNCIL
OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY
OXNARD FINANCING AUTHORITY
OXNARD HOUSING AUTHORITY
Council Chambers, 305 West Third Street
October 19, 2021**

Closed Session - 4:30 PM

Closed Session Only - Public Comments Dial: 805-276-4238

Appointment Items - 5:00 PM & Regular Meeting - 6:00 PM

Zoom details to call-in for Public Comment

- 1. Dial Phone Number: (888) 475-4499**
- 2. Enter Meeting ID: 821 5172 2592**
- 3. Passcode: 301658**

While in the Zoom waiting room, once the Mayor calls for public speakers for the agenda item on which you wish to speak, press *9 to raise your hand to inform the clerk you would like to speak during that agenda item. Once called on, press *6 to unmute your phone. Speakers shall have up to three minutes to speak per agenda item.

This meeting is being held in accordance with Assembly Bill 361, allowing members of the City Council, members of the public and staff to participate via teleconference.

Consistent with City policies imposed to promote social distancing, the facility where the City Council regularly meets is temporarily closed to the public. The public is encouraged to view the meeting from home on Spectrum channel 10, Frontier channel 35, or YouTube at [Youtube.com/oxnardnews](https://www.youtube.com/oxnardnews). Video recordings of the meeting are typically available online following the meeting at the City's website at www.oxnard.org/city-meetings.

*Please see the link for the Measure M pre-recorded presentation video for each item listed on this agenda.

YOU MAY PARTICIPATE IN THE MEETING IN THE FOLLOWING WAYS:

1. EMAILING COMMENTS OR REQUESTING TO SIGN UP TO SPEAK BEFORE THE MEETING

- a. Submit an email to cityclerk@oxnard.org no later than 3 p.m. on the day of the meeting (Please indicate the agenda item number in the subject line). All email correspondence will be forwarded to the City Council prior to the start of the meeting and made part of the legislative record.
- b. Submit a request to speak by no later than 3 p.m. on the day of the meeting by using the form available at www.oxnard.org/city-meetings, emailing the City Clerk at cityclerk@oxnard.org, or calling the City Clerk at (805) 385-7803.

2. PROVIDING PUBLIC COMMENTS DURING THE MEETING

- a. To provide public comment without requesting to speak prior to the meeting, during the meeting dial (888) 475-4499 and enter the Meeting ID and Passcode listed above as the Zoom details for this meeting.
- b. Public comments on agenda items shall be taken following the announcement of the item. After all public speakers have been given an opportunity to speak on an agenda item, the public comment period shall be held open for three minutes to allow additional speakers to register or otherwise be recognized for the purpose of providing public comment. During this three minute time period, the City Council or staff may discuss the item being considered or briefly respond to previous comments.

Detailed participation instructions can be found at www.oxnard.org/city-meetings.

In the event of a disruption which prevents a legislative body of the City of Oxnard from broadcasting a meeting using a call-in option or internet-based service option, or in the event of a disruption within the City's control which prevents members of the public from offering public comment using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on a meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. However, if any of

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 / Council Discussion / Public Comment)

the broadcast options are disrupted, but any of the other broadcast options is still available to the public, the legislative body may take further action on items appearing on a meeting agenda without waiting for the disrupted broadcast option(s) to be restored.

* The City has filed pre-election and post-election lawsuits regarding the validity of Measure M.

A. ROLL CALL, POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

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

C. CLOSED SESSION (4:30 PM)

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Government Code section 54956.9(d)(4))

Based on existing facts and circumstances, the City Council shall decide whether to initiate litigation in one potential case.

Legislative Body: City Council

D. APPOINTMENT ITEMS (5:00 PM)

1. City Manager Department

SUBJECT: Police Department Update (0/20/20)

RECOMMENDATION: That the City Council receive a Police Department update.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/HfvtkJjg2ns>

Legislative Body: City Council

Contact: Jason Benites, (805) 385-7624

E. OPENING CEREMONIES (6:00 PM)

Pledge of allegiance to the flag of the United States.

F. CEREMONIAL ITEMS

1. SUBJECT: Presentation of a Proclamation Designating the Month of October 2021 as "Multicultural Month" in the City of Oxnard.
2. SUBJECT: Presentation of a Proclamation Designating November 11, 2021 as "Veterans Day" in the City of Oxnard.
3. SUBJECT: Presentation of a Commendation to Mixteco Indigena Community Organizing Project (MICOP) on the Occasion of Their 20th Anniversary.

G. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

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. After 30 minutes, if all speakers have not 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.

H. REPORT OF CITY MANAGER/EXECUTIVE DIRECTOR/SECRETARY

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

1. City Manager Department

SUBJECT: COVID-19 Update from Director of Emergency Services and adoption of a resolution re-authorizing remote teleconference meetings of legislative bodies of the City of Oxnard .
(10/5/5)

RECOMMENDATION: That the City Council:

1. Receive and file an update from the Director of Emergency Services on the COVID19 Local Emergency.

2. Adopt a resolution re-authorizing remote teleconference meetings of the legislative bodies of the City of Oxnard in accordance with Assembly Bill 361.

Legislative Body: City Council

Contact: Alexander Nguyen, Stephen Fischer, (805) 385-7430, (805) 385-7483

2. City Manager Department

SUBJECT: American Rescue Plan Act Investment Results from the September 21, 2021, City Council Meeting (0/10/10)

RECOMMENDATION: That the City Council receive and file the American Rescue Plan Act Investments Results from September 21, 2021 Council Meeting.

Legislative Body: City Council

Contact: Alexander Nguyen, (805) 385-7430

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

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

1. Community Development Department

SUBJECT: Resolution in Support of H.R. 2307 - Energy Innovation and Carbon Dividend Act of 2021. (10/10/10)

RECOMMENDATION: That the City Council adopt a Resolution in support of H.R. 2307 - Energy Innovation and Carbon Dividend Act of 2021.

Legislative Body: City Council

Contact: Vyto Adomaitis, (805) 385-7882

J. REVIEW OF INFORMATION/CONSENT AGENDA

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

K. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

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

L. INFORMATION/CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the City Council approve the minutes of the July 29, 2021 and September 7, 2021 regular meetings as presented

Legislative Body: City Council

Contact: Rose Chaparro, (805) 385-7805

2. Public Works Department

SUBJECT: California Resilience Challenge Grant Program Application.

RECOMMENDATION: That City Council adopt a resolution ratifying the authorization of the City Manager to execute in the name of the City of Oxnard all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project for \$200,000 in California Resilience Challenge Grant funds, to be used for the completion of a City-wide park drought and heat resiliency project.

(This item did not originate in Committee.)

Legislative Body: City Council

Contact: Brian Yanez, (805) 200-5412

3. Community Development Department

SUBJECT: Adoption of Ordinance No. 2998 - Planning & Zoning (PZ) Permit No. 20-580-05 (Zone Text Amendment).

RECOMMENDATION: That the City Council adopt Ordinance No. 2998 amending Chapter 16 of the Oxnard City Code to add Medical Clinics and Hospitals as sensitive uses requiring separation from Firearm Ranges and Businesses Engaged in the Sale of Firearms and Ammunition.

Legislative Body: City Council

Contact: Vyto Adomaitis, (805) 385-7882

4. Community Development Department

SUBJECT: Adoption of Ordinance Nos. 2999, 3000, 3001, 3002 and 3003 - Planning & Zoning (PZ) Permit No. 21-580-03 (Zoning Text Amendments) - Implementation of the 6th Cycle 2021-2029 Housing Element.

RECOMMENDATION: That the City Council adopt the following Ordinances amending Chapter 16 of the Oxnard City Code (OCC) to implement the 6th Cycle 2021-2029 Housing Element:

1. Ordinance No. 2999 - An Ordinance of the City Council of the City of Oxnard to Repeal the All-affordable Housing Opportunity Program (AAHOP) and replace these regulations with newly created Affordable Housing, Permitted (-AHP) And Affordable Housing,

Discretionary (-AHD) Additive Zone Definitions, Designations and Regulations in OCC Sections 16-420a through 16-420k; and

2. Ordinance No. 3000 - An Ordinance of the City Council of the City of Oxnard amending the General Commercial zone permitted and related uses in OCC Section 16-135 & 16-136; and
3. Ordinance No. 3001 - An Ordinance of the City Council of the City of Oxnard amending the Business And Research Park (BRP) zone permitted uses in OCC Section 16-162 & 16-163; and
4. Ordinance No. 3002 - An Ordinance of the City Council of the City of Oxnard amending the Density Bonus ordinance approval authority and appeal provision in OCC Section 16-410; and
5. Ordinance No. 3003 - An Ordinance of the City Council of the City of Oxnard Creating a Ministerial Site Plan Review process OCC Sections 16-523 through 16-523.12.

(This item originated from a Public Hearing at the October 5, 2021 City Council meeting and was previously heard by the Planning Commission, therefore this item did not originate in Committee.)

Legislative Body: City Council

Contact: Vyto Adomaitis, (805) 385-7882

5. Fire Department

SUBJECT: Adjustment of State Surcharge Fees for Certified Unified Program Agency (CUPA) Services and Permits.

RECOMMENDATION: That City Council adopt a resolution to adjust the existing State General Oversight Surcharge fees.

(Approved at Finance & Governance Committee on September 28, 2021 with a vote of 3-0.)

Contact: Alexander Hamilton, (805) 385-7700 Legislative Body: City Council

6. Police Department

SUBJECT: Increase in Reward Funds for Unsolved Homicide Cases.

RECOMMENDATION: That the City Council receive and file a report from the Oxnard Police Department on the increase of reward funds for unsolved homicide cases.

(The Public Safety Committee approved 3-0.)

Legislative Body: City Council

Contact: Jason Benites, (805) 385-7624

7. Public Works Department

SUBJECT: Agreement A-8375 with Sancon Technologies, Inc., for On-Call Cured-in-Place Pipe Repair Services.

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute Agreement A-8375 with Sancon Technologies, Inc., in the amount not to exceed \$450,000 for a three-year term ending November 1, 2024, for On-Call Cured in Place Pipe Repair Services for the Wastewater Division.

(As of the date of this City Council agenda being posted, there is not yet an outcome from the October 12, 2021 Public Works and Transportation Committee. Staff is available to answer any questions.)

Contact: Michael Wolfe, (805) 385-8055 Legislative Body: City Council

M. PUBLIC HEARINGS**1. Public Works Department**

SUBJECT: 2020 Urban Water Management Plan and Water Shortage Contingency Plan.
(10/10/30)

RECOMMENDATION: That the City Council:

1. Receive a presentation and hold a Public Hearing to receive public comments on the 2020 Urban Water Management Plan and Water Shortage Contingency Plan; and
2. Adopt a Resolution to approve the 2020 Urban Water Management Plan and Water Shortage Contingency Plan and authorize City staff to file the plans with the State of California. (Public Works and Transportation Committee approved 3-0).

(Presentation will be live upon consultant's request.)

Legislative Body: City Council

Contact: Brian Yanez, (805) 200-5412

N. REPORTS**1. Finance Department**

SUBJECT: Authorize Issuance and Sale of Water Revenue Refunding Bonds, Series 2021, to Refinance Outstanding 2014 Bonds. (10/10/10)

RECOMMENDATION: That the City Council adopt a resolution authorizing the issuance and sale of Water Revenue Refunding Bonds, Series 2021, in an aggregate principal amount that shall not exceed \$25,000,000.00, to refinance outstanding bonds, authorizing execution of Indenture of Trust, Placement Agent Agreement, and related official actions. (Finance and Governance Committee approved 3-0).

(Presentation will be live upon Consultant's request)

Legislative Body: City Council

Contact: Betsy George, 805-200-5400

2. Finance Department

SUBJECT: Authorize Execution and Delivery of Schedule of Property to the Banc of America Master Equipment Lease/Purchase Agreement A-7667 for the Acquisition, Financing, and Leasing of Certain Equipment. (10/10/10)

RECOMMENDATION: That the City Council:

1. Adopt a resolution authorizing the execution and delivery of Schedules of Property to the Master Equipment Lease/Purchase Agreement not to exceed \$10.5 million for the acquisition, financing and leasing of certain equipment for the public benefit within the terms provided herein; authorizing the execution and delivery of other documents required in connection therewith; and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution; and
2. Adopt a resolution declaring the intent of the City to be reimbursed for certain capital expenditures from the proceeds of indebtedness.

(Finance and Governance Committee approved 3-0)

(Presentation will be live upon Consultant's request).

Legislative Body: City Council

Contact: Betsy George, 805-200-5400

3. Housing Department

SUBJECT: A Review of Rent Control and Tenant Protection Strategies (0/20/20)

RECOMMENDATION: That the City Council:

1. Conduct a review of potential strategies regarding tenant protection strategies;
2. Give direction to staff on the preferred components of the tenant protection strategies; and
3. Direct staff to return to the City Council for consideration of specific components of the tenant protection strategies.

Please click the following links to view the required Measure M pre-recorded presentation videos:

https://youtu.be/LqZg_0owRRk

<https://youtu.be/ahhQSt1FSZ4>

<https://youtu.be/ouubOull2hk>

<https://youtu.be/tecvlgLQ9Gk>

Legislative Body: City Council

Contact: Emilio Ramirez, (805) 385-8094

4. Public Works Department

SUBJECT: Formation and Levy of a Special Tax of the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) and Dissolution of the City of Oxnard Community Facilities District No. 6 (Northshore at Mandalay Bay). (0/5/5)

RECOMMENDATION: That the City Council:

1. Conduct a Second Reading and Adopt Ordinance No. 3004 authorizing the levy of a special tax within the Community Facilities District 9 (Northshore at Mandalay Bay); and
2. Introduce an Ordinance (by title only, further reading waived) Ceasing Levy of Special Tax, Extinguishing Lien and Dissolving Community Facilities District No. 6 (Northshore at Mandalay Bay).

Please click the following link to view the required Measure M pre-recorded presentation video:

<https://youtu.be/Fm6z1xhesfw>

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

5. Public Works Department

SUBJECT: Award Agreements for Automated Meter Infrastructure Installation Project PW 17-32. (0/10/30)

RECOMMENDATION: That the City Council approve and authorize the following for a total of \$30,481,628.12 in Project funds for the Advanced Meter Infrastructure (AMI) Installation Project PW 17-32 (Project No. 206503):

1. The Mayor to award and execute Agreement A-8371 with Badger Meter, Inc., for \$22,062,283.12 for Installation of Water Meters;
2. A Project contingency amount of \$2,206,228;
3. A Project allocation of \$2,206,228 for engineering, inspection, survey and project management; and

4. The Mayor to award and execute Agreement A-8350 with Carollo Engineers, Inc., for \$4,006,889 for Construction Management Services.

(Public Works and Transportation Committee approved 3-0).

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/jfz8NvVjbac>

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

- ## 6. Public Works Department

SUBJECT: Update of Bicycle and Pedestrian Projects. (0/5/5)

RECOMMENDATION: That the City Council receive and file a report on the status of the City's Bicycle and Pedestrian Master Plan.

(Public Works and Transportation Committee approved 3-0.)

Please click the following link to view the required Measure M pre-recorded presentation video:

<https://youtu.be/vnVxtYkvxno>

Legislative Body: City Council

Contact: Michael Wolfe, (805) 385-8055

- ## 7. City Manager Department

SUBJECT: Consideration of Draft Supervisorial District Maps. (0/20/20)

RECOMMENDATION: That the City Council consider draft supervisorial maps presented to the Board of Supervisors and determine:

1. What map, if any, the City Council wishes to recommend that the Board of Supervisors adopt on or before December 15, 2021; OR
2. The specific recommendation(s) the City Council wishes to provide on needed changes to one or more specific supervisorial maps that are being considered by the Board of Supervisors; OR
3. That the City Council will take no further official action regarding the supervisorial map recommended to be adopted by the Board of Supervisors; OR
4. Another alternative action(s) that the City Council wishes to take regarding the supervisorial map redistricting process.

Legislative Body: City Council

Contact: Ashley Golden, (805) 385-7478

8. City Attorney Department

SUBJECT: Funding Obligations for Community Facilities District No. 5 (RiverPark) (0/10/10)

RECOMMENDATION: That the City Council (acting as the legislative body of Community Facilities District No. 5 (RiverPark)) adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
ACTING IN ITS ROLE AS THE LEGISLATIVE BODY OF COMMUNITY
FACILITIES DISTRICT NO. 5 (RIVERPARK) OF THE CITY OF OXNARD
SPECIFYING THE PROCESS THAT MUST BE FOLLOWED BEFORE
COMMUNITY FACILITIES DISTRICT NO. 5 (RIVERPARK) OF THE CITY

OF OXNARD MAY REIMPOSE THE FUNDING OBLIGATION FOR FIRE
PROTECTION SERVICES AT A FUTURE DATE

Legislative Body: City Council

Contact: Stephen Fischer, (805) 385-7483

O. ADJOURNMENT

CITY COUNCIL OF THE CITY OF OXNARD
RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE
BODIES OF THE CITY OF OXNARD IN ACCORDANCE WITH ASSEMBLY BILL 361

WHEREAS, all meetings of the City of Oxnard's legislative bodies are open and public, as required by the Brown Act (Cal. Gov. Code sections 54950 et seq.), so that any member of the public may attend, participate, and watch the City's legislative bodies conduct their business; and

WHEREAS, meetings of the City's legislative bodies are broadcast on Spectrum Channel 10, Frontier Channel 10, and Youtube.com/Oxnardnews ("Broadcast Options"); and

WHEREAS, during the COVID-19 state of emergency, the City's legislative bodies have been meeting via teleconference under modified Brown Act requirements pursuant to Executive Orders issued by the Governor which are no longer in place; and

WHEREAS, on September 16, 2021, the Governor signed Assembly Bill 361 ("AB 361") into law, allowing the City's legislative bodies to continue to meet via teleconference during proclaimed states of emergency under modified Brown Act requirements; and

WHEREAS, AB 361, at Government Code section 54953(e), provides for teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, AB 361 allows legislative bodies to meet via teleconference when a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, AB 361 further requires that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the City's COVID-19 *Comprehensive Policy and Protocol* continues to impose measures to promote social distancing; and

WHEREAS, on September 17, 2021, the Ventura County Health Officer ("Health Officer") informed the public that Ventura County's case rate is 19.3, which is still considered widespread community transmission by the Centers for Disease Control and Prevention and the California Department of Public Health; and

WHEREAS, on September 21, 2021, the Health Officer recommended that social distancing measures continue to be practiced throughout Ventura County communities to minimize the spread of COVID-19; and

WHEREAS, on October 5, 2021, the City Council adopted Resolution 15,488 re-affirming that a local emergency still exists and that in-person meetings of the City's legislative bodies would present imminent risks to the health or safety of attendees; and

WHEREAS, Resolution 15,488 authorized the City's legislative bodies to continue to meet via teleconference under modified Brown Act requirements; and

WHEREAS, Resolution 15,488 established that in the event of a disruption which prevents a legislative body of the City of Oxnard from broadcasting a meeting using a call-in option or internet-based service option, or in the event of a disruption within the City's control which prevents members of the public from offering public comment using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on a meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. However, if any of the Broadcast Options are disrupted, but any of the other Broadcast Options is still available to the public, the legislative body may take further action on items appearing on a meeting agenda without waiting for the disrupted Broadcast Option(s) to be restored; and

WHEREAS, Resolution 15,488 took effect immediately upon its adoption and is effective until the earlier of (i) November 5, 2021 or such time the City Council adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the City of Oxnard may continue to teleconference without compliance with Government Code section 54953(b)(3); and

WHEREAS, the City Council's next regularly scheduled meeting is November 16, 2021, which is more than 30 days after the City Council adopted Resolution 15,488.

NOW, THEREFORE, the City Council of the City of Oxnard resolves that:

SECTION 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. The City Council has reconsidered the circumstances of the state of emergency and has determined that the state of emergency continues to impact the ability of members of the City's legislative bodies to meet safely in-person. In-person meetings of the City's legislative bodies would present imminent risks to the health or safety of attendees. The City continues to impose measures to promote social distancing in City owned and operated facilities.

SECTION 3. The staff and legislative bodies of the City of Oxnard are hereby re-authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

SECTION 4. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) November 18, 2021, or (ii) such time the City Council makes subsequent findings in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the City of Oxnard may continue to teleconference without compliance with Government Code section 54953(b)(3).

SECTION 5. If any section, subsection, clause or phrase in this resolution is for any reason held invalid, the validity of the remainder of this resolution shall not be affected thereby. The City Council would have passed this resolution and each section, subsection, sentence, clause, or phrases thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases thereof be held invalid.

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

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

John C. Zaragoza, Mayor

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney



CITY COUNCIL AGENDA REPORT
REPORT OF CITY MANAGER/EXECUTIVE
DIRECTOR/SECRETAR
AGENDA ITEM NO. H.2

DATE: October 19, 2021

TO: City Council

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

SUBJECT: American Rescue Plan Act Investment Results from the September 21, 2021, City Council Meeting (0/10/10)

RECOMMENDATION

That the City Council receive and file the American Rescue Plan Act Investments Results from September 21, 2021 Council Meeting.

BACKGROUND

American Rescue Plan Act Investments Results On September 21, 2021, the City Council began the selection of American Rescue Plan Act Investments projects. Attached are the American Rescue Plan Act Investments Results from September 21, 2021 Council Meeting.

STRATEGIC PRIORITIES

This agenda item supports Economic Development strategy. The purpose of Economic Development strategy is to focus on the retention and expansion of Oxnard businesses by increasing the skills and employability of our local workforce, invite new business investments, and target site-based redevelopment opportunities.

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

This agenda item supports Public Safety strategy. The purpose of the Public Safety strategy is to restore and modernize the delivery of public safety services to provide for the safety of our neighborhoods and health of our community.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Alexander Nguyen, City Manager

ATTACHMENTS

1. ARPA Investment List - Councilmember Selections - September 24, 2021

American Rescue Plan Act (ARPA) Investments
\$59,540,662 Total
Tranche 1 = \$29,770,331 - Tranche 2 = \$29,770,331

a) Tranche 1 was received May 2021. Tranche 2 expected in May 2022
b) Non-infrastructure projects and programs are required to be completed by December 31, 2024
c) Funds for Infrastructure projects are required to be encumbered by December 31, 2024, and projects completed by December 31, 2026
d) Items in **blue** indicate projects added by councilmembers
e) Items in **green** indicate staff's final project recommendations
f) As of September 24, 2021, US Treasury has not released the Final Rule on the APRA Program

Item No.	Investment Idea	ARPA Category	ARPA Sub-Category, Federal Register page	Estimated Cost	Council Priority	Tranche	Notes	Picked by Council - 9/21/21	Tabled until spring 2022
1	Gratitude program for grocery store workers *City Council approved June 1, 2021, Resolution No. 15,443	Premium Pay for Essential Workers	Premium Pay, pg 26797	\$2,500,000	Y	1		\$2,500,000	
2	Premium pay for City employees working on the front-line during the pandemic	Premium Pay for Essential Workers	Premium Pay, pg 26797	\$2,000,000	Y	1		\$2,000,000	
3	Refreshing school crosswalks and Safe Routes planning	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$600,000	Y	1		\$600,000	
4	Safe Sleep Program - Capital improvements to support up to 14 RVs in City-owned parking lot at former Oxnard National Guard Armory	Address Negative Economic Impacts	Assistance to Households, pg 26794	\$700,000	Y	1		\$700,000	
6	Carnegie Art Museum: architectural and seismic study (New)	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$160,000	Y	1		\$160,000	
7	Seed money for park equipment repair, replacement, and consideration of all-access equipment. Specific park locations will be determined based on safety and need	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$3,000,000	Y	2		\$3,000,000	
8	Seed money for 10 park playground shade structures. Specific park locations based on parks receiving replacement of playground equipment (not in Parks & Rec Master Plan)	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$1,000,000	Y	2		\$1,000,000	
9	Pleasant Valley Park: repair and replacement of playground equipment (not in Parks & Rec Master Plan)	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$600,000	Y	2		\$600,000	
New	YARA program	Address Negative Economic Impacts	Assistance to Unemployed Workers, Households, pg 26794; Promoting Healthy Childhood Environments, pg 26796	\$75,000			Added by Mayor Zaragoza	\$75,000	
New	Painting City Hall & Annex	Replacing Public Revenue Loss	Government Services, pg 26801	\$600,000			Added by Mayor Zaragoza	\$600,000	
New	USPS mailbox replacement	Replacing Public Revenue Loss	Government Services, pg 26801				Added by Mayor Pro Tem MacDonald		
10	Oxnard festivals - "Comeback Year" grants	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$200,000	N	1		\$200,000	
11	Community Assessment to determine transitions to adulthood among Oxnard Youth Post Covid-19	Address Negative Economic Impacts	Expenses to Improve Efficacy of Economic Relief Programs, pg 26794	\$300,000	N	1		\$300,000	
12	Community Assessment report on Oxnard's business attractions assets and gap analysis	Address Negative Economic Impacts	Small Business and Nonprofits/Expenses to Improve Efficacy of Economic Relief Programs, pg 26794	\$100,000	Y	1		\$100,000	
13	Relocate COVID-19 shelter from PAL to the Armory and costs to repair and clean PAL	Address Negative Economic Impacts	Assistance to Households, pg 26794	\$15,000	Y	1		\$15,000	
14	Revitalize Corridors: site-based development in downtown and Hueneme corridor, including land acquisition and plan development	Address Negative Economic Impacts	Building Stronger Communities through Investments in Housing & Neighborhoods, pg 26795	\$3,000,000	Y	1		\$3,000,000	
15	Saviers Rd Corridor: conceptual plan for widening sidewalks, landscape, lighting.	Address Negative Economic Impacts	Small Businesses & Nonprofits, pg 26794	\$140,000	Y	2		\$140,000	
16	Saviers Rd Corridor: formation of South Oxnard Property Business Improvement District (PBID)	Address Negative Economic Impacts	Small Businesses & Nonprofits, pg 26794	\$100,000	Y	1		\$100,000	
17	River Ridge Playing Fields: parking improvements & permanent power (not in Parks & Rec Master Plan)	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$325,000	N	1		\$325,000	
18	River Ridge Golf Course: Event space for golf course to expand wedding business (not in Parks & Rec Master Plan)	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$600,000	N	1		\$600,000	
19	PACC - upgraded marquee with new digital sign	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$85,000	N	1		\$85,000	
20	City-wide wayfinding program	Address Negative Economic Impacts	Aid to Impacted Industries: Hotels and Tourism, pg 26795	\$1,000,000	N	1	Move to spring discussion		\$1,000,000
21	Visit Oxnard: Branding & publications, destination management, digital advertising	Address Negative Economic Impacts	Aid to Impacted Industries: Hotels and Tourism, pg 26795	\$436,000	N	1		\$436,000	
22	Sports Park: Baseball and softball complex, lawns spaces w/ walking trails, inclusive playgrounds (Parks & Rec Master Plan, pgs 140, 158, 214, 217)	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$6,500,000	Y	2	Reduced by \$5 million	\$1,500,000	

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e) Items in **green** indicate staff's final project recommendations
f) As of September 24, 2021, US Treasury has not released the Final Rule on the APRA Program

Item No.	Investment Idea	ARPA Category	ARPA Sub-Category, Federal Register page	Estimated Cost	Council Priority	Tranche	Notes	Picked by Council - 9/21/21	Tabled until spring 2022
23	Homeless/Housing: Temporary staffing (over 2 years) to support the administration of Mainstream and Emergency Housing Vouchers	Address Negative Economic Impacts	Assistance to Households, pg 26794	\$400,000	Y	1		\$400,000	
24	Colonia Park: repair and resurface pool, renovation of locker rooms, construction of new public restrooms, basketball court resurfacing (resurfacing project, Parks & Rec Master Plan, pg 215)	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$1,200,000	Y	2		\$1,200,000	
25	Johnson Creek Park: renovation of snack bar, restrooms, and baseball fields (not in Parks & Rec Master Plan)	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$600,000	Y	2		\$600,000	
26	Durley Park: repair baseball fields (Parks & Rec Master Plan, pg 158)	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$75,000	Y	1		\$75,000	
27	River Ridge Playing Fields: permanent bleachers & stage area; 50% of \$200,000 total cost (not in Parks & Rec Master Plan)	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$100,000	N	2		\$100,000	
28	Youth Facilities (PAL): sports equipment, youth center supplies, vehicle	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$130,000	Y	1		\$130,000	
29	Youth Centers (Colonia Park, Durley Park, Southwinds Park, S. Oxnard Center): Sports equipment, youth center supplies, furniture, computer centers	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$190,000	Y	1		\$190,000	
30	Wilson Arts Building: reconstruct the ADA ramp at Wilson Art Building to serve youth classes and the Special Populations program	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$20,000	Y	1		\$20,000	
31	Oxnard Senior Centers (Wilson, South Oxnard, and Colonia): replacement of furniture in the social spaces	Address Negative Economic Impacts	Assistance to Households, pg 26794	\$100,000	Y	1	Discuss additional investments in spring	\$100,000	
32	PACC CIP - remove and replace roofing material and metal flashing on the Ventura and Oxnard room roofs	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$545,000	N	2		\$545,000	
33	Olympic Skatepark in Colonia	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$3,000,000	N	2		\$3,000,000	
34	Main and S. Oxnard branch libraries technology purchases, laptops, security systems, and upgrades; conversion of computer labs with up to 100 Chromebooks for City's three libraries (includes Colonia)	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$830,000	Y	1		\$830,000	
35	Oxnard Arts Academy: portable classrooms, instruments, tablets, music stands, chairs, tables	Address Negative Economic Impacts	Addressing Education Disparities, pg 26796	\$450,000	Y	2		\$450,000	
36	Downtown: 50 trash receptacles, acquisition of water trailer for DOIA, marketing funds, acquisition of movable/lockable tables and chairs, public art, removable bollards, & reader boards.	Address Negative Economic Impacts	Small Businesses & Nonprofits, pg 26794	\$775,000	Y	1		\$775,000	
37	Downtown: implement outdoor venues on City owned properties (A St and 5th St)	Address Negative Economic Impacts	Small Businesses & Nonprofits, pg 26794	\$250,000	Y	1		\$250,000	
38	Heritage Square building & site enhancements, repairs, and event support	Address Negative Economic Impacts	Aid to Impacted Industries: Tourism, pg 26795	\$1,000,000	N	1	Move to spring discussion		\$1,000,000
43	Permanent Outdoor Patio Program Fund: provide grants for restaurants to create permanent attractive and safe outdoor dining spaces.	Address Negative Economic Impacts	Small Businesses & Nonprofits, pg 26794	\$1,000,000	Y	1	Added by Councilmember Teran	\$1,000,000	
45	Oxnard Employee Pipeline and Homeless Vocational programs	Address Negative Economic Impacts	Assistance to Unemployed Workers, Households, pg 26794; Services to address homelessness pg 26796	\$200,000	Y	1	Move to spring discussion		\$200,000
46	Oxnard Tennis Center: replace the foundation and resurface the tennis courts	Address Negative Economic Impacts	Promoting Healthy Childhood Environments, pg 26796	\$500,000	Y	2	Added by Councilmember Madrigal	\$500,000	
49	Libraries (Main, S. Oxnard, and Colonia branch): upgrade of Wifi systems with Bluesocket Access Points with omnidirectional antennas	Broadband Infrastructure	Broadband Infrastructure, pg 26804	\$17,000	N	1		\$17,000	
50	Youth Recreation Centers: Installation of Fiber Lines for South Oxnard Center, Southwinds Center, Colonia Center, Durley Park Center - requires an internet service provider to provide service	Broadband Infrastructure	Promoting Healthy Childhood Environments, pg 26796; Broadband Infrastructure, pg 26804	\$675,000	N	2		\$675,000	
51	City-wide painting of curbs red next to fire hydrants	Replace Public Sector Revenue Loss	Government Services, pg 26801	\$250,000	N	2	Move to spring discussion		\$250,000
52	Bike / Pedestrian project: Path along the SCR-3 levee road north of the River Ridge Golf Course between Ventura Rd and Victoria Rd	Replace Public Sector Revenue Loss	Government Services pg 26801	\$3,800,000	N	2	Move to spring discussion		\$3,800,000

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Item No.	Investment Idea	ARPA Category	ARPA Sub-Category, Federal Register page	Estimated Cost	Council Priority	Tranche	Notes	Picked by Council - 9/21/21	Tabled until spring 2022
53	City-wide ADA tree and sidewalk improvements	Replace Public Sector Revenue Loss	Government Services pg 26801	\$1,000,000	Y	2		\$1,000,000	
54	Fire station architectural design for Oxnard Fire Stations 2, 3, 5	Replace Public Sector Revenue Loss	Government Services, pg 26801	\$1,000,000	Y	1		\$1,000,000	
55	Fire Department Vehicle for 2-person paramedic squad	Replace Public Sector Revenue Loss	Government Services, pg 26801	\$80,000	Y	2		\$80,000	
56	Police Department radio communications: upgrade City-wide radio infrastructure to a P25 system	Replace Public Sector Revenue Loss	Government Services, pg 26801	\$4,000,000	Y	2		\$4,000,000	
57	Howell Rd lighting and safety improvements	Replace Public Sector Revenue Loss	Government Services, pg 26801	\$250,000	Y	2		\$250,000	
58	Intelligent Transportation Systems (ITS) Traffic Signal Retiming Safety Project – Phase 1	Replace Public Sector Revenue Loss	Government Services, pg 26801	\$750,000	Y	2		\$750,000	
59	Bike / Pedestrian project: Wooley Rd Protected Bike Lanes	Replace Public Sector Revenue Loss	Government Services pg 26801	\$1,500,000	N	2	Added by Councilmembers Teran & Madrigal	\$1,500,000	
60	Contactless payment kiosk for utility payments, installed at location to be determined	Support Public Health Response	COVID-19 Mitigation & Prevention, pg 26790	\$80,000	N	1		\$80,000	
61	Fire Department Supplied Air Respirators replacement and multi-band radios	Support Public Health Response	COVID-19 Mitigation & Prevention, pg 26790	\$1,700,000	Y	1		\$1,700,000	
62	Police Department Covid Response: Polaris ATV for PD beach patrols, equipment decontamination software, additional car wash cleaning, social distancing COVID compliance materials	Support Public Health Response	COVID-19 Mitigation & Prevention, pg 26790	\$40,000	Y	1		\$40,000	
63	Code Compliance: Tablet purchases for field reporting, access to information, inspections, and video	Support Public Health Response	COVID-19 Response & Prevention, pg 26821	\$12,600	Y	1		\$12,600	
64	PPE Purchase - 1 year supply for City employees	Support Public Health Response	COVID-19 Response & Prevention, pg 26821	\$160,000	Y	1		\$160,000	
65	Zoom license bundles - 1 year	Support Public Health Response	COVID-19 Response & Prevention, pg 26821	\$6,600	N	1		\$6,600	
66	Fire Catch-up Academy: cost of six recruits	Support Public Health Response	Public Health & Safety Staff, pg 26791	\$580,000	Y	1		\$580,000	
67	305 W 3rd St - West Wing repair and asbestos abatement, capital investment to meet pandemic operational needs	Support Public Health Response	COVID-19 Mitigation & Prevention, pg 26790	\$3,000,000	N	2		\$3,000,000	
68	Contactless payment kiosk for utility payments, installed at the South Oxnard Center	Support Public Health Response	COVID-19 Mitigation & Prevention, pg 26790	\$80,000	N	1		\$80,000	
69	Senior Nutrition Program: commercial freezers, cookware, thermal insulated bags, industrial pressure cookers, vehicle	Support Public Health Response	COVID-19 Response & Prevention, pg 26821	\$350,000	Y	1		\$350,000	
71	Electrical Plant Water Quality Capture Project	Water & Sewer Infrastructure	Stormwater, pg 26802	\$400,000	N	2		\$400,000	
72	Phase 1 Design: College Park-Oxnard Regional Stormwater Capture Project	Water & Sewer Infrastructure	Stormwater, pg 26802	\$100,000	Y	2		\$100,000	
73	Phase 1 Design: Drifhill Elementary School-Oxnard Regional Stormwater Capture Project	Water & Sewer Infrastructure	Stormwater, pg 26802	\$100,000	Y	2		\$100,000	
74	Phase 1 Design: Frank Intermediate School-Oxnard Regional Stormwater Capture Project	Water & Sewer Infrastructure	Stormwater, pg 26802	\$100,000	Y	2		\$100,000	
75	Stormwater Conveyance Improvements along Oxnard Boulevard	Water & Sewer Infrastructure	Stormwater, pg 26802	\$400,000	N	2		\$400,000	
76	Stormdrain: Diamond Bar	Water & Sewer Infrastructure	Stormwater, pg 26802	\$600,000	N	2		\$600,000	
77	Harbor Area Water Quality Feasibility Study	Water & Sewer Infrastructure	Stormwater, pg 26802	\$300,000	N	2		\$300,000	
78	Harbor Water Quality Mitigation Fund	Water & Sewer Infrastructure	Stormwater, pg 26802	\$1,000,000	N	2		\$1,000,000	
79	Phase 1 Design: East Village/Del Sol Park diversion and infiltration-Oxnard Regional Stormwater Capture Project	Water & Sewer Infrastructure	Stormwater, pg 26802	\$100,000	Y	2		\$100,000	
80	Phase 1 Design: Ventura Road and 2nd St. diversion and infiltration-Oxnard Regional Stormwater Capture Project	Water & Sewer Infrastructure	Stormwater, pg 26802	\$100,000	Y	2		\$100,000	

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Item No.	Investment Idea	ARPA Category	ARPA Sub-Category, Federal Register page	Estimated Cost	Council Priority	Tranche	Notes	Picked by Council - 9/21/21	Tabled until spring 2022
81	Stormwater Catch Basins Full Capture Devices Installation for Edison Canal and Channel Islands Harbor	Water & Sewer Infrastructure	Stormwater, pg 26802	\$400,000	N	2		\$400,000	
82	AWPF-Oxnard Regional Stormwater Capture Project Wetland Storage & Sewer Diversion Pilot	Water & Sewer Infrastructure	Stormwater, pg 26802	\$1,000,000	Y	2		\$1,000,000	
83	Phase 1 Design: Riverpark basin - recycled water storage project	Water & Sewer Infrastructure	Water & Sewer Infrastructure pg 26802	\$100,000	N	2		\$100,000	
								\$48,182,200	\$6,250,000

Total of projects selected: \$48,182,200
Total of projects deferred to spring: \$6,250,000
Available ARPA funding: \$59,540,662
Remaining ARPA funding: \$11,358,462



CITY COUNCIL AGENDA REPORT

CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY/FI AGENDA ITEM NO. I.1

DATE: October 19, 2021

TO: City Council

FROM: Vyto Adomaitis, Community Development Director, (805) 385-7882, vyto.adomaitis@oxnard.org

SUBJECT: Resolution in Support of H.R. 2307 - Energy Innovation and Carbon Dividend Act of 2021. (10/10/10)

RECOMMENDATION

That the City Council adopt a Resolution in support of H.R. 2307 - Energy Innovation and Carbon Dividend Act of 2021.

BACKGROUND

At the September 21, 2021 City Council meeting, a member of the public spoke, encouraging the City to support the aforementioned initiative. City Council provided direction for staff to return to a future Council meeting with a resolution of support.

H.R. 2307, the Energy Innovation and Carbon Dividend Act of 2021, is a bill intended to encourage market-driven innovation of clean energy technologies through a carbon fee on producers and importers. The bill would also distribute the net proceeds to eligible U.S. residents on a per-capita basis as a monthly carbon dividend, resulting in a revenue neutral system and is projected to create 2.1 million new jobs.

H.R. 2307 is a bill that imposes a fee on the producers and importers of fossil fuels with the (current) rate beginning at \$15 per metric ton of CO₂ equivalent emissions of fossil fuels and escalating by \$10 per metric ton each year. Because the cost to oil and gas companies for fossil fuel extraction and production increases, the cost of fossil fuels increases for the consumer in commodities like gasoline and electricity. According to a report by The Center on Global Energy Policy at Columbia University, national average gasoline prices are estimated to increase by 12 cents after two years of adoption and 90 cents after 12 years of adoption. The primary goal of this bill is to encourage market-driven innovation of clean energy technologies through a carbon fee on producers and importers, reducing carbon emissions by up to 45% by 2030, with a net zero target by 2050. This reduction target is in line with many investor-owned utility reduction targets.

To compensate for the increased price of fossil fuels and fossil fuel intensive products, the fees are deposited into a Carbon Dividend Trust Fund and used for monthly dividend payments to U.S. citizens or lawful residents, resulting in a revenue neutral system. It is estimated that the dividend payment initially would be approximately \$20 per month per adult and \$10 per month for up to two eligible children per household, although the additional revenue from the annual fee increase is projected to increase monthly dividend payments to \$130 per adult and \$65 per child over a 20 year period. The bill is also projected to create 2.1 million new jobs. If passed, the bill would amend the Internal Revenue Code of 1986 and make adjustments to the Clean Air Act. Council adoption of this resolution would show the Council's commitment to clean and renewable energy and support for innovation in the financial energy market. The City would join at least 30 other California cities in supporting this bill. Enacting HR 2307 would send a clear signal to businesses to invest in a clean-energy economy. It would protect lower and middle-income households through the distribution of dividends. It would also create jobs, as the dividend puts money back into local economies, and would discourage domestic businesses from relocating where they can emit more Carbon Dioxide (CO₂).

The City is currently preparing a Climate Action and Adaptation Plan (CAAP). As part of preparation of this document,

the City Council will establish emission reduction targets. Emission reduction target suggestions are expected to be presented to the City Council by the end of 2021. Adoption of a resolution of support will globally help reduce negative climate causing emissions. Clean energy provides a variety of environmental and economic benefits, including a reduction in air pollution. A diverse clean energy supply also reduces the dependence on imported fuels (and the associated financial and environmental costs this incurs).

STRATEGIC PRIORITIES

This agenda item supports Economic Development strategy. The purpose of Economic Development strategy is to focus on the retention and expansion of Oxnard businesses by increasing the skills and employability of our local workforce, invite new business investments, and target site-based redevelopment opportunities.

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

There is no financial impact associated with this item.

COMMITTEE OUTCOME

This item did not originate in Committee. The subject matter is consistent with the City's legislative platform. This legislation is currently being considered by Congress and it is unknown when Congress will take action on this bill.

Prepared by: Kathleen Mallory, Planning & Sustainability Manager

ATTACHMENTS

1. Attachment 1 - Resolution No. ____ HR 2037 Energy Innovation and Carbon Dividend Act - Support

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
URGING THE UNITED STATES CONGRESS TO ENACT THE
ENERGY INNOVATION AND CARBON DIVIDEND ACT OF 2021

WHEREAS, the Oxnard City Council recognizes the importance of reducing greenhouse gas emissions; and

WHEREAS, the City of Oxnard is threatened by climate change impacts such as destabilized weather patterns, rising sea levels, extreme weather events, and other serious impacts; and

WHEREAS, the City of Oxnard, is preparing a Climate Action and Adaptation Plan, demonstrating the City Council's commitment to improving the climate; and

WHEREAS, the City of Oxnard recognizes the need for national legislation to leverage what the City is doing and coordinate private, municipal, state and federal actions across the country; and

WHEREAS, the Energy Innovation and Carbon Dividend Act of 2021 fulfills the Oxnard City Council's endorsement of a Carbon Fee and Dividend and request for members of Congress to support a Carbon Fee and Dividend.

NOW, THEREFORE, BE IT RESOLVED that the Oxnard City Council urges Congress to enact without delay the Energy Innovation and Carbon Dividend Act of 2021.

PASSED AND ADOPTED this 19th day of October 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

John Zaragoza, Mayor

ATTEST:

APPROVED AS TO FORM:

Rose Chaparro, City Clerk

Stephen M. Fischer, City Attorney



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. L.1

DATE: October 19, 2021

TO: City Council

FROM: Rose Chaparro, City Clerk, (805) 385-7805, rose.chaparro@oxnard.org

SUBJECT: Approval of Minutes.

RECOMMENDATION

That the City Council approve the minutes of the July 29, 2021 and September 7, 2021 regular meetings as presented

BACKGROUND

Approval of Minutes.

STRATEGIC PRIORITIES

This agenda item is a routine operational item.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Rose Chaparro, City Clerk

ATTACHMENTS

1. MINUTES 07 29 2021 CC Regular Meeting
2. MINUTES 09 07 2021 CC Regular Meeting

MINUTES
OXNARD CITY COUNCIL
Regular Meeting
July 29, 2021

A. ROLL CALL, POSTING OF AGENDA

At 4:30 p.m., Mayor John C. Zaragoza called to order the regular meeting of the Oxnard City Council, in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Mayor Pro Tem Bryan A. MacDonald and Councilmembers Gabriela Basua, Vianey Lopez, Oscar Madrigal, Bert E. Perello, Gabriel (Gabe) Teran were present via videoconference. Mayor Zaragoza was present in person.

Councilmember Basua joined the meeting at 5:00 p.m.

Housing Authority Commissioners Andrade and Vega joined the meeting at 6:00 p.m., via videoconference as well.

Staff members present in person were Alexander Nguyen, City Manager; Stephen M. Fischer, City Attorney; Ken Rozell, Chief Assistant City Attorney; and Rose Chaparro, City Clerk.

Staff members Ashley Golden, Assistant City Manager; Shiri Klima, Deputy City Manager; Adam Smith, Project Manager; Jason Zaragoza, Deputy City Attorney; Jason Benites, Police Chief; Eric Sonstegard, Assistant Chief of Police; John Colamarino, Assistant Fire Chief; Brian Yanez, Acting Public Works Director; Tatiana Arnaout, Senior Civil Engineer; Jan Hauser, Wastewater Division Manager; Emilio Ramirez, Housing Director; Vyto Adomaitis, Community Development Director; Jeffrey Pengilley, Community Development Assistant Director; Scott Kolwitz, Planning & Environmental Services Manager; Jay Dobrowalski, Senior Planner; Kevin Riper, Chief Financial Officer; Eden Alomeri, Billing & Licensing Director; and Albert Gauthier, IT Director participated via videoconference.

Ava Ediger, P.E., QSD Civil Design Engineer/Project Manager with Jensen Design & Survey, Inc.; Jeffrey Wayne Maulhardt, Oxnard Historic Farm Park Director; Dani Anderson, SCE Government Relations Manager; John King, SCE Street Light Acquisition and Projects Manager; Kristen Parks, National Demographics Corporation Consultant; and Mike Penrod, Partner at Parkstone Companies also participated via videoconference.

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council and Housing Authority.

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS (None received.)

C. CLOSED SESSION (4:30 PM)

1. CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION
(Government Code Section 54956.9(d)(1))
Name of case: Moving Oxnard Forward, Inc. v. Michelle Ascencion, in her official Capacity as City Clerk, et al.
United States District Court Case No. 2:20-cv-04122
Legislative Body: City Council
2. PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION (Government Code section 54957)
Title: City Manager
Legislative Body: City Council
3. PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION (Government Code section 54957)
Title: City Attorney
Legislative Body: City Council

At 4:31 p.m., the City Council recessed to a closed session. At 5:23 p.m., the City Council reconvened in open session in the Council Chambers. The City Attorney announced that there were no reportable actions out of closed session.

D. APPOINTMENT ITEMS (5:24 – 6:01 PM)

1. City Manager Department
SUBJECT: Preliminary American Rescue Plan Act Investment Ideas. (5/30/25)
RECOMMENDATION: That the City Council begins the discussion about American Rescue Plan Act (ARPA) preliminary investment ideas.

Alexander Nguyen, City Manager, presented and answered questions. No public comments were received. Discussion ensued among the Council and staff. No formal action was required.

E. OPENING CEREMONIES (6:02 PM)

The flag salute was followed by a moment of silence.

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received from Francisco Jaena (Bicycle Lane Safety), and Salvador Perez (Accidents on C Street and Bicycle Safety).

G. REPORT OF CITY MANAGER/EXECUTIVE DIRECTOR/SECRETARY

1. City Manager Department

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

RECOMMENDATION: That the City Council receive and file an update from the Director of Emergency Services on the COVID-19 Local Emergency.

The City Manager gave a report on the City's COVID-19 response. No formal action was required.

2. City Manager Department

SUBJECT: Verbal Update on Illegal Use of Fireworks in the Community. (5/10/10)

RECOMMENDATION: That the City Council receive a verbal update by the Chief of Police on the 4th of July illegal fireworks.

Police Chief Benites reported on the fireworks activity during the 4th of July holiday. No formal action was required.

H. CITY COUNCIL REPORTS

Councilmember Teran provided an update on his attendance at the SCR-1 project meeting in partnership with the Ventura County Watershed Protection District staff, Public Works and Planning department staff. Councilmember Perello and Ventura County Supervisor Matt LaVere were also in attendance. He also provided an update on meetings and conversations held in the community for his upcoming Council campaign and announced future events coming up. Also, wished his wife a happy 15th wedding anniversary on August 5th.

Mayor Pro Tem MacDonald announced that Darren Kettle, Executive Director of the Ventura County Transportation Commission (VCTC) was named to serve as Chief Executive Officer of Metrolink by Southern California Regional Rail Authority and wished him well. Gold Coast Transit District Board of Directors will hold a special meeting in August to ensure that the new financial system is fully implemented. He will also be celebrating his 36th wedding anniversary on August 3rd and thanked his wife.

Councilmember Madrigal announced that he and Mayor Zaragoza attended a meeting with Ventura County officials including Supervisor Carmen Ramirez at the Public Health Institute to discuss health and safety issues for the farmworker community and public parks. County and City government officials attended, as well as outside nonprofit agencies were also in attendance. He also attended two virtual meetings with other local city officials to discuss affordable housing where the City's Housing Director Ramirez presented.

Mayor Zaragoza attended the 2021 Dallas Cowboys Training Camp opening ceremony at the River Ridge Fields in Oxnard. He will also be attending a special event with Councilmember Basua and Councilmember Lopez to accept \$5 million in state funding from State Senator Monique Limon to the Oxnard City Council to assist with the construction of an aquatic center

at Oxnard College. He will also attend a farewell event for Consulate of Mexican members Jonathan Elias Alvarez Alzua, Consul for Community Affairs and Javier Cerritos de los Santos, Consul for Protection and Legal Affairs, at the Port of Hueneme.

Councilmember Perello also attended the opening ceremony for the Dallas Cowboys with Mayor Zaragoza, Councilmember Basua, Councilmember Lopez, and Councilmember Madrigal. He congratulated Mayor Pro Tem MacDonald and Councilmember Teran on their anniversaries. He thanked the public for supporting Measure E and mentioned several projects and improvements being done throughout the City. He announced that he attended the SCR-1 project meeting in partnership with the Ventura County Watershed Protection District and mentioned a few of the bicycle path options being considered. He attended a Ventura Regional Sanitation District Board of Directors Executive Committee meeting. He also encouraged the public to continue to be safe and protect themselves from Covid-19.

I. REVIEW OF INFORMATION/CONSENT AGENDA

Items K -1 through K-7 were discussed among the Council and staff.

J. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

Public comments were received from Christina Zubko (K.6).

K. INFORMATION/CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the City Council approve the minutes of the March 2, 2021; March 16, 2021, and March 30, 2021 regular meetings as presented.

2. Public Works Department

SUBJECT: Environmental Protection Agency Grant Award and Budget Appropriation for the Food Waste and Anaerobic Digestion Feasibility Study Project.

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute a budget appropriation recognizing grant revenue in the amount of \$182,630 of U.S. Environmental Protection Agency grant funds and \$37,126 of City matching funds to the Food Waste and Anaerobic Digestion Feasibility Study Project.

(This item did not originate in Committee. The grant application was approved by the City Council at the July 7, 2020, meeting.)

3. Public Works Department

SUBJECT: Approval of an LS-1 Option E Agreement A-8356 with Southern California Edison to Replace High Pressure Sodium Vapor Street Lights with Light Emitting Diode Street Lights Citywide.

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

execute the LS-1 Option E Agreement A-8356 with Southern California Edison (SCE), for a term of 20 years, to replace SCE owned street lights from High Pressure Sodium Vapor (HPSV) to Light Emitting Diode (LED) with no out-of-pocket cost to the City. (Public Works and Transportation Committee approved 3-0.)

4. Public Works Department

SUBJECT: Hueneme Road Recycled Water Pipeline - Phase II Right of Way Agreements and Easement Deeds.

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

1. Right of Way Agreement with Banjo Ranch, LLC, in the amount of \$18,800 as the entire consideration for the easement deed for the property identified by the County Assessor as APN 232-0-041-380, as particularly described in the Easement Deed;
2. Certificate of Acceptance for an Easement Deed with Banjo Ranch, LLC, for the property identified by the County Assessor as APN 232-0-041-380;
3. Right of Way Agreement with Dingaling Ranch, LLC, in the amount of \$19,200 as the entire consideration for the easement deed for the property identified by the County Assessor as APN 232-0-041-390, as particularly described in the Easement Deed;
4. Certificate of Acceptance for an Easement Deed with Dingaling Ranch, LLC, for the property identified by the County Assessor as APN 232-0-041-390;
5. Right of Way Agreement with GH Land Holdings, LLC, in the amount of \$47,200 as the entire consideration for the easement deed for the properties identified by the County Assessor as APN 223-0-031-190 and APN 223-0-031-210, as particularly described in the Easement Deed;
6. Certificate of Acceptance for an Easement Deed with GH Land Holdings, LLC, for the properties identified by the County Assessor as APN 223-0-031-190 and APN 223-0-031-210;
7. Right of Way Agreement with Marathon Land Inc., in the amount of \$40,500 as the entire consideration for the easement deed for the property identified by the County Assessor as APN 232-0-032-090, as particularly described in the Easement Deed;
8. Certificate of Acceptance for an Easement Deed with Marathon Land Inc., for the property identified by the County Assessor as APN 232-0-032-090;
9. Right of Way Agreement with P & R Properties, a California General Partnership, in the amount of \$70,000 as the entire consideration for the easement deed for the property identified by the County Assessor as APN 232-0-041-405, as particularly described in the Easement Deed; and
10. Certificate of Acceptance for an Easement Deed with P & R Properties, a California General Partnership, for the property identified by the County Assessor as APN 232-0-041-405.

(This item did not originate in Committee as this is associated with a capital improvement project specifically listed in the City's Capital Improvement Program, page 172.)

5. Housing Department

SUBJECT: Award of Contract for the Residential Rehabilitation & Remodel Project at Pleasant Valley Village.

RECOMMENDATION: That the Board of Commissioners of the Housing Authority of the City of Oxnard approve and authorize the Chairman to execute a firm-fixed price contract in the amount of \$757,683.20 with Waisman Construction Inc. (Agreement Number A-8343 using funds previously appropriated from the 2019 Capital Fund grant for Section 504 compliance (Americans with Disabilities Act). (Community Services, Public Safety, Housing & Development Committee approved 3-0 on July 13, 2021.)

6. Housing Department

SUBJECT: Encampment Response Project and Related Agreement.

RECOMMENDATION: That the City Council:

1. Review Encampment Response Project Plan;
2. Approve a plan and updated timeline for encampment response to an existing encampment near Ormond Beach; and
3. Approve and authorize the Mayor to execute an agreement with the County of Ventura/Ventura County Health Care Agency to provide encampment outreach, case management and motel voucher administration services.

(As of the date of this City Council agenda being posted, there is not yet an outcome from the July 27, 2021, Community Services, Public Safety, Housing & Development Committee.)

7. Public Works Department

SUBJECT: Award Agreement A-8359 to Avidex Industries, LLC for Council Chambers Production System Improvement Project PW 21-97.

RECOMMENDATION: That the City Council:

1. Approve and authorize the Mayor to execute Agreement A-8359 with Avidex Industries, LLC in the amount of \$833,227.20 for the Council Chambers Production System Improvement Project, Specification No. PW 21-97 (Project No. 211401).
2. Approve \$83,322 for project contingency for the Council Chambers Production System Improvement Project (Project No. 211401); and
3. Approve \$83,322 for engineering, inspection, survey and project management for the Council Chambers Production System Improvement Project (Project No. 211401).

(This item did not originate in Committee as this is a capital improvement project specifically listed in the City's Capital Improvement Program.)

Consent Agenda Items: K.1 – K.4 and K.6 - K.7:

It was moved by Mayor Pro Tem MacDonald, seconded by Councilmember Madrigal, to approve the Information/Consent items K.1 - K.4, K.6, and K.7 as presented. VOTE: MacDonald, Perello, Basua, Madrigal, Zaragoza, Teran, and Lopez voted in favor; motion passed 7-0.

Consent Agenda Item: K.5:

It was moved by Mayor Pro Tem MacDonald, seconded by Councilmember Madrigal, to approve the Information/Consent item K.5 as presented. VOTE: MacDonald, Perello, Basua, Madrigal, Zaragoza, Teran, Lopez, Housing Authority Commissioner Andrade and Commissioner Vega voted in favor, motion passed 9-0.

L. PUBLIC HEARINGS1. City Attorney Department

SUBJECT: Public Hearing regarding Redistricting of City Council Districts.
(15/20/20) - **Time Certain 7:00 PM.**

RECOMMENDATION: That the City Council conduct a public hearing to:

1. Receive a report on the redistricting process for City Council Districts and the criteria to be considered to redraw City Council district boundaries; and
2. Receive public input regarding the composition of one or more Council districts.

The City Clerk announced the affidavit of publication and stated that a written communication was received from Jon Huycke, and it was submitted to Council. Ken Rozell, Chief Assistant City Attorney, and Kristen Parks, Consultant with National Demographics Corporation, gave a report and answered questions from Council.

Mayor Zaragoza opened the public testimony portion of the public hearing. Public comments were received from Ronald Arruejo.

Without objection, the Council approved closing the public testimony portion of the public hearing. Discussion ensued among the Council and staff. Report was received and filed, no formal action was required.

2. City Manager Department

SUBJECT: Sale of the Oxnard Historic Farm Park. (0/10/10)

RECOMMENDATION: That the City Council:

1. Conduct a public hearing and consider the Summary Report prepared pursuant to California Government Code section 52201;

2. Adopt **Resolution No. 15,478** and approve Purchase and Sale Agreement No. A-8295 between the City of Oxnard (City) and the Oxnard Historic Farm Park Foundation (Foundation) for the sale of the Gottfried Maulhardt/Albert Pfeiler Farm Site (Farm Park); and
3. Approve the attached Budget Appropriation recognizing the revenue from the sale of the Farm Park. (The Public Works and Transportation Committee approved 3-0).

The City Clerk announced the affidavit of publication and stated that no written communications were received. Adam Smith, Project Manager, answered questions from Council.

Mayor Zaragoza opened the public testimony portion of the public hearing. No public comments were received.

Without objection, the Council approved closing the public testimony portion of the public hearing. Discussion ensued among the Council and staff.

It was moved by Councilmember Perello, seconded by Councilmember Madrigal, to approve the recommended action as presented. VOTE: Zaragoza, MacDonald, Perello, Lopez, Madrigal, Basua, and Teran voted in favor; the motion carried 7-0.

3. Billing and Licensing Department

SUBJECT: Discontinuing the Approximately \$500,000 Subsidy for Convenience Fee Costs Associated with Accepting Credit Cards, Debit Cards and Electronic Checks as Payment Methods for Certain City Services and Fees. (0/10/10)

RECOMMENDATION: That the City Council:

1. Conduct a public hearing to consider the establishment of fees to cover the costs of banking convenience fees for the use of credit card, debit card and electronic check transactions for certain City services, and for certain fees, charges or taxes due to the City; and
2. Following the public hearing, adopt **Resolution No. 15,479** establishing fees to cover the costs of banking convenience fees for the use of credit card, debit card and electronic check transactions for certain City services, and for certain fees, charges or taxes due to the City. (Finance and Governance Committee approved 3-0).

The City Clerk announced the affidavit of publication and stated that no written communications were received. Eden Alomeri, Billing & Licensing Director, presented and answered questions from Council.

Mayor Zaragoza opened the public testimony portion of the public hearing. No public comments were received.

Without objection, the Council approved closing the public testimony portion of the public hearing. Discussion ensued among the Council and staff.

*It was moved by Councilmember Madrigal, seconded by Councilmember Perello, to approve the recommended action with an amendment to **not** implement these fees until the local declaration of emergency has been suspended. VOTE: Basua, Madrigal, Teran, Lopez, Perello, and Zaragoza voted in favor; the motion carried 6-0. Mayor Pro Tem MacDonald was not able to vote on this item, due to internet connection technical issues.*

M. REPORTS

1. Community Development Department

SUBJECT: Maulhardt Ranch South Temporary Water Connection Agreement.
(0/10/10)

RECOMMENDATION: That the Oxnard City Council approve and authorize the City Manager to execute the attached Agreement to provide a single water connection to the Maulhardt Ranch South parcel, near the northeast corner of Rose Avenue and Camino Del Sol, for a limited duration of time.(This item did not originate in Committee as it is supportive of the May 4, 2021 Council action to approve an Off-Site Improvement Agreement and thus facilitate the construction of Del Sol High School.)

Jeffrey Pengilley, Community Development Assistant Director, presented and answered questions from Council. No public comments were received. Discussion ensued among the Council and staff.

An amendment to the motion was requested by Councilmember Perello, as follows:

On Section 3, of the Water Connection Agreement, between the City of Oxnard and Maulhardt Ranch, “that the City Council, acting on behalf of the City, may at its sole discretion extend the term of the agreement for an additional 5 year term.” The change is to replace the word *shall* with *may*.

It was moved by Councilmember Perello, seconded by Mayor Zaragoza, to approve the recommended action as amended. VOTE: Lopez, Basua, Teran, Zaragoza, Perello, and Madrigal voted in favor; the motion carried 6-0. Mayor Pro Tem MacDonald was not able to vote on this item, due to internet connection technical issues.

2. Community Development Department

SUBJECT: Teal Club Development Agreement Preliminary Authorization. (0/10/10)

RECOMMENDATION:

That the City Council:

1. Determine if entering into a Development Agreement with Borchard Family Interests (the "Developer") is warranted and desirable for the project in the Teal Club Specific Plan Area; and
2. Direct City staff to negotiate a Development Agreement with the Developer for recommendation by the Planning Commission and consideration by the City Council. (This item did not originate in Committee.)

Ashley Golden, Assistant City Manager, presented and answered questions from Council. Public comments were received from Barbara Macri-Ortiz and Dennis Hardgrave. Discussion ensued among the Council and staff.

It was moved by Councilmember Madrigal, seconded by Councilmember Teran, to approve the recommended action as presented. VOTE: Perello, Madrigal, Basua, Zaragoza, Lopez, and Teran voted in favor; the motion carried 6-1. Mayor Pro Tem MacDonald voted against.

N. ADJOURNMENT

There being no further business on the agenda, and without objection, Mayor Zaragoza adjourned the meeting at 8:55 p.m.

ROSE CHAPARRO
City Clerk

JOHN C. ZARAGOZA
Mayor

MINUTES
OXNARD CITY COUNCIL
Regular Meeting
September 7, 2021

A. ROLL CALL, POSTING OF AGENDA

5:00 p.m., Mayor John C. Zaragoza called to order the regular meeting of the Oxnard City Council, in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Mayor Pro Tem Bryan A. MacDonald and Councilmembers Gabriela Basua, Vianey Lopez, Oscar Madrigal, Bert E. Perello, Gabriel (Gabe) Teran were present via videoconference. Mayor Zaragoza was present in person.

Councilmember Basua joined the meeting at 5:15 p.m.

Housing Authority Commissioners Andrade and Vega joined the meeting at 6:00 p.m., via videoconference as well.

Staff members present in person were Alexander Nguyen, City Manager; Stephen M. Fischer, City Attorney; and Rose Chaparro, City Clerk.

Staff members Shiri Klima, Deputy City Manager; Ken Rozell, Chief Assistant City Attorney; Jason Benites, Police Chief; Denise Shadinger, Assistant Chief of Police; Eric Sonstegard, Assistant Chief of Police; Delia Campbell, Police Finance Manager; Alexander Hamilton, Fire Chief; Brian Yanez, Acting Public Works Director; Steve Howlett, Assistant Public Works Director; Juanita Guzman, Administrative Services Manager; Timothy Beaman, Supervising Civil Engineer; Jan Hauser, Wastewater Division Manager; Ray Trevino, Wastewater Collections Manager; Emilio Ramirez, Housing Director; Vyto Adomaitis, Community Development Director; Jeffrey Pengilley, Community Development Assistant Director; Isidro Figueroa, Principal Planner; Betsy George, Chief Financial Officer; and Victor Zambrano, Utilities Finance Officer; participated via videoconference.

John A. Gebhardt Principal, SEG Advisors; Maryann Goodkind, Counsel at Norton Rose Fullbright; Sara Mares, Director at NBS Local Government Consultants; Fernando Villa, Partner at Allen Matkins; Scott Bordogna, Director at GTIS Partners also participated via videoconference.

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council and the Oxnard Housing Authority.

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS (None received.)

C. CLOSED SESSION (5:00 PM)

1. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION (Government

Code Section 54956.9(d)(1))

Name of case: City of Oxnard v. Brownstein, Hyatt, Farber, Schreck, LLP

Los Angeles County Superior Court, Case No. 20STCV19575

Legislative Body: City Council

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – (Government Code section 54956.8)

Properties: 715 South A Street, Oxnard, CA (APN 2020144240); 731 South A Street, Oxnard (APN 2020144280); 720 South B Street, Oxnard (APN 2020144220)

Agency Negotiators: Emilio Ramirez and Al Barkley

Negotiating Parties: City of Oxnard and Heritage Square

Under Negotiation: Price and terms of payment

Legislative Body: City Council

At 5:05 p.m., the City Council recessed to a closed session. At 6:20 p.m., the City Council reconvened in open session in the Council Chambers. The City Attorney announced that there were no reportable actions out of closed session.

D. OPENING CEREMONIES (6:20 PM)

The flag salute was followed by a moment of silence.

E. CEREMONIAL ITEMS

1. SUBJECT: Presentation of a Proclamation in Remembrance of the 20th Anniversary of 9/11.

Mayor Zaragoza read the proclamation and presented it to Fire Chief Alexander Hamilton, who made a few remarks.

2. SUBJECT: Presentation of a Proclamation Designating the Week of September 17 - 23, 2021 as "Constitution Week."

Mayor Zaragoza read the proclamation and presented it to Marc Anderson, Vice President of the Ventura County Bar Association, who was not able to be present to accept the proclamation.

3. SUBJECT: Presentation of a Proclamation Designating September 18, 2021 as "Coastal Cleanup Day in the City of Oxnard."

Mayor Zaragoza read the proclamation and presented it to Isabel Ayala with Coastal Keepers, who made a few remarks.

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received from Michael Mercurio (vehicles parked on the west side of Victoria Avenue), Manuel Herrera (positive budget/Measure E improvements), Karla Alejandra Ramirez (restroom maintenance for city's parks), Douglas D. Partello (Measure O funds/road maintenance), Jillian Hall (ban fossil fuels), Alexis (ban fossil fuels), Ray Blattel (Measure O mailer), Debbie Reeves (hazard pay distribution), and Jesus Vazquez (ban fossil fuels).

G.1 CITY MANAGER REPORT

1. City Manager Department

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

RECOMMENDATION: That the City Council receive and file an update from the Director of Emergency Services on the COVID-19 Local Emergency.

The City Manager gave a report on the City's COVID-19 response. No formal action was required.

2. City Manager Department

SUBJECT: Infrastructure Use Fee Refund and Utility Rate Reduction.

RECOMMENDATION: That the City Council receive a report regarding the Infrastructure Use Fee (IUF) credit and utility rate reduction, and approve and authorize the following:

1. The refund of IUF funds totaling \$7,112,897 paid by Oxnard utility customers during the period of January 1, 2020 through August 31, 2021, with Water customers receiving a credit totaling \$3,208,214, Wastewater customers receiving a credit totaling \$2,015,000, and Environmental Resources customers receiving a credit totaling \$1,889,683;
2. The reduction of utility rates by a combined estimated total of \$3,556,448 (a 3.2 percent reduction) for the period September 1, 2021 through June 30, 2022 to reflect the elimination of the IUF for this time period. Water rates will be reduced by an estimated \$1,604,106, Wastewater rates by an estimated \$1,007,500, and Environmental Resources rates by an estimated \$944,842;
3. In Fiscal Year 2022-23 and beyond, the City's full and continued compliance with the Second Amended Final Judgment filed July 13, 2021 regarding utility rates and a new IUF consistent with this judgment. (Case No.: 56-2017-00494475-CU-WM-VTA); and
4. The Chief Financial Officer or designee to approve administrative budget adjustment for the impacted revenue reductions in the Water, Wastewater and Environmental Resources funds for Fiscal Year 2021-22.

Alexander Nguyen, City Manager, presented and answered questions from Council. Public comments were received from Douglas D. Partello and Aaron Starr. Discussion ensued among the Council and staff.

It was moved by Mayor Zaragoza, seconded by Councilmember Perello, to approve the recommended action. VOTE: Lopez, Basua, Teran, Zaragoza, MacDonald, Perello, and Madrigal voted in favor; the motion carried 7-0.

H. CITY COUNCIL REPORTS

Councilmember Teran thanked the speakers. He recognized the three ceremonial items on the agenda including the September 11th tragedy. Legislative recess for the month of August, will allow time for staff to continue working and catch-up on projects and review items that are coming down the line and for Council it will allow time to focus on their Districts and meet with constituents. He met with several Council Committee Chairs and River Park residents. He sent condolences to his grandmother Josie for the passing of his grandfather which passed this morning.

Councilmember Madrigal thanked the Parks and Recreation staff, City Corps, and the many volunteers for the clean-up work done at La Colonia Park. He also thanked Mariposa Landscape for the work done at the outskirts of West and East Village. The new piping continues to be installed on Colonia streets. He received complaints about the quality of the roads on Cooper Road and Juanita Street being left bumpy after the pipes are installed. He thanked the students at Oxnard High School for reaching out to express their concerns about the current use of Measure E funds for trimming trees on Patterson and instead should be used to clean up the parks which need maintenance. He will be meeting with the students.

Mayor Pro Tem MacDonald thanked Council for holding tonight's meeting in memory of the military personnel that lost their lives. He attended the mural unveiling event at Del Sol Park. He had an opportunity to speak to some exceptional students about their future life goals.

Councilmember Basua welcomed back City Council members and staff. She also attended the mural unveiling at Del Sol Park. She enjoyed the amazing art work done by local students. She addressed the speaker which made a comment about the aquatic center and said that the aquatic center will be for the entire community.

Councilmember Lopez announced it has been great start to September; it will be a busy month with many virtual meeting to attend. She attended the check presentation of \$5 million dollars from State Governor Monique Limon for the aquatic center in Oxnard. She is very much looking forward to having the aquatic center built for the community.

Councilmember Perello talked about Congresswoman Barbara Lee, U.S. Representative for California's 13th Congressional District in Congress. He made a request to add an item for future Council discussion to address the safety concerns regarding vehicles being parked along Victoria Avenue.

Mayor Zaragoza mentioned that he has been in communications with Chief Benites about the vehicles being parked along Victoria Avenue. Police Chief Benites announced that there are efforts already being done to address these concerns. Mayor Zaragoza announced the creation of the Mayor's Gateways Task Force, a group of five everyday residents that the Mayor has appointed to lead the effort to create gateways into the City of Oxnard. The Mayor's Gateways Task Force will work collaboratively with City staff; community members and the Mayor to identify and create gateways to Oxnard that complement the City's restored landscaping efforts.

1. City Manager Department

SUBJECT: League of California Cities Annual Conference Voting Delegate 2021.

RECOMMENDATION: That City Council designate Councilwoman Gabriela Basua as the voting delegate at the League of California Cities Annual Conference and determine the City's position on the League's resolutions regarding online sales tax equity and securing railroad property maintenance.

Alexander Nguyen, City Manager, presented. No public comments were received. Discussion ensued among the Council and staff.

*It was moved by Councilmember Perello, seconded by Councilmember Madrigal, to approve the recommended action as presented, to vote to **not** support the sharing of online sales tax equity and vote to support the securing railroad property maintenance. VOTE: Perello, MacDonald, Madrigal, Basua, Zaragoza, Lopez, and Teran voted in favor; the motion carried 7-0.*

I. REVIEW OF INFORMATION/CONSENT AGENDA

Items K-1 through K-3 were discussed among the Council and staff.

J. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA (None received.)

K. INFORMATION/CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the City Council approve the minutes of the April 6, 2021; April 20, 2021, April 29, 2021, and May 4, 2021 regular meetings as presented.

2. Public Works Department

SUBJECT: Approval of Changes to Chapter 19: Public Works, Article I: Sewerage System; Wastewater Disposal of the Oxnard City Code.

RECOMMENDATION: That the City Council adopt Ordinance No. 2997 amending various sections of Chapter 19 (Public Works, Sewerage System; Wastewater Disposal) of the Oxnard City Code:

- 19-3 Abbreviations;
 - 19-4 Definitions;
 - 19-25 Prohibited; discharge standards;
 - 19-26 Local limits;
 - 19-36 Additional pretreatment measures;
 - 19-43 Discharges from food establishments, vehicle maintenance facilities, and commercial and industrial laundries; and
 - 19-51 Industrial wastewater discharge permit requirements
- (The Public Works and Transportation Committee approved 3-0.)

3. Housing Department

SUBJECT: Trade Services Agreement with Alltech Industries, Inc. for Security

Services.

RECOMMENDATION: That the Board of Commissioners of the Housing Authority of the City of Oxnard approve and authorize the Executive Director to execute a firm-fixed price trade services agreement in the amount of \$106,055.04 with Alltech Industries, Inc. (Agreement No. 9292-21-HO) for the provision of security services at public housing sites.

(This item did not originate in Committee.)

Consent Agenda Items: K.1 and K.2:

It was moved by Councilmember Perello, seconded by Councilmember Lopez, to approve the Information/Consent items K.1 and K.2 as presented. VOTE: MacDonald, Perello, Basua, Madrigal, Zaragoza, Teran, and Lopez voted in favor; motion passed 7-0.

Consent Agenda Item: K.3:

It was moved by Councilmember Perello, seconded by Councilmember Lopez, to approve the Information/Consent item K.3 as presented. VOTE: MacDonald, Perello, Basua, Madrigal, Zaragoza, Teran, Lopez, Housing Authority Commissioner Andrade and Commissioner Vega voted in favor, motion passed 9-0.

L. PUBLIC HEARINGS

1. Police Department

SUBJECT: Edward Byrne Memorial Justice Assistance Grant Program FY2021 Local JAG.

RECOMMENDATION: That City Council conduct a public hearing and adopt

Resolution No. 15,480:

1. Authorizing the City Manager a prior execution and submission of an application for U.S. Department of Justice (DOJ) grant funds in the amount of \$107,007 from the Edward Byrne Memorial Justice Assistance Grant (JAG) Formula Program's FY 2021 Local Solicitation with no matching fund requirement;
2. Authorizing the City Manager to execute a Memorandum of Understanding with the County of Ventura and the City of San Buenaventura designating the City of Oxnard as the lead agency and fiscal agent for the JAG;
3. Authorizing the City Manager or designee to execute grant agreements and appropriate funds upon notification of grant award;
4. Authorizing the Chief Financial Officer or designee to submit financial reports and grant claims and approve administrative budget appropriation for the use of JAG funds upon award; and
5. Authorizing the Chief of Police or designee to submit all program-related progress or status reports. (This item did not originate in Committee.)

The City Clerk announced the affidavit of publication and stated that no written communications were received. Police Chief Jason Benites gave a report and was available to answer questions.

Delia Campbell, Police Finance Manager, presented and answered questions from Council.

Mayor Zaragoza opened the public testimony portion of the public hearing. No public comments were received.

Without objection, the Council approved closing the public testimony portion of the public hearing. Discussion ensued among the Council and staff.

It was moved by Councilmember Perello, seconded by Councilmember Lopez, to approve the recommended action as presented. VOTE: Zaragoza, MacDonald, Perello, Lopez, Madrigal, Basua, and Teran voted in favor; the motion carried 7-0.

M. REPORTS

1. City Treasurer

SUBJECT: Quarterly Investment Report for the Period Ending June 30, 2021

RECOMMENDATION: That the City Council receive and file the Quarterly Investment Report for the period ending June 20, 2021.

(This item did not originate in Committee.)

Treasurer Molina was available to answer questions. No public comments were received.

It was moved by Councilmember Perello, seconded by Councilmember Lopez, to approve the recommended action as presented. VOTE: MacDonald, Perello, Lopez, Zaragoza, Madrigal, Teran, and Basua voted in favor; motion passed 7-0.

2. Public Works Department

SUBJECT: Approval of Purchase Order #8164 with VAC-CON, Inc., for a New Sewer Cleaning Vehicle. (0/5/5)

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute Purchase Order #8164 with VAC-CON, Inc. for the purchase of a new VAC-CON sewer cleaning combination truck, model VPD4211HE/1300, mounted on a Freightliner 114SD truck chassis in the amount of \$558,637.71.

(Public Works and Transportation Committee approved 3-0)

Brian Yanez, Acting Public Works Director, was available to answer questions. No public comments were received. Discussion ensued among the Council and staff.

It was moved by Mayor Zaragoza, seconded by Councilmember Teran, to approve the recommended action as presented. VOTE: MacDonald, Zaragoza, Perello, Madrigal, Basua, Teran, and Lopez voted in favor; motion passed 7-0.

3. Public Works Department

SUBJECT: Proposed Formation of the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) and Approval of Deposit and Reimbursement Agreement and Special Tax Disbursement Agreement. (0/5/5)

RECOMMENDATION: That the City Council adopt the following resolutions:

1. **Resolution No. 15,481** Approving a Deposit and Reimbursement Agreement A-8373 and Special Tax Disbursement Agreement A-8374 Relating to the Proposed City of Oxnard Community Facilities District No. 9 (Northshore At Mandalay Bay);
 2. **Resolution No. 15,482** of Intention to Establish City of Oxnard Community Facilities District No. 9 (Northshore At Mandalay Bay); and
 3. **Resolution No. 15,483** of Intention to Incur Bonded Indebtedness in the Amount Not to Exceed \$22,000,000 within the Proposed City of Oxnard Community Facilities District No. 9 (Northshore At Mandalay Bay).
- (Finance and Governance Committee approved 3-0.)

Ken Rozell, Chief Assistant City Attorney and Steve Howlett, Assistant Public Works Director were available to answer questions. No public comments were received. Discussion ensued among the Council and staff.

Ken Rozell, Chief Assistant City Attorney, notified Council that staff is recommending that (2.) **Resolution No. 15,482** of Intention to Incur Bonded Indebtedness is modified to indicate that the services for maintenance would be for the Edison Canal and the Channel Islands Harbor maintenance, and delete the reference to beach maintenance and beach patrol.

Also, on the exhibit which lays out the budget and the same changes will be made, that the Mandalay State Beach maintenance and patrol funding will be modified and changed to maintenance of the Edison Canal and the Channel Islands Harbor maintenance.

It was moved by Mayor Pro Tem MacDonald, seconded by Councilmember Perello, to approve the recommended action with the additional staff recommendations, as amended. VOTE: Teran, Basua, Zaragoza, Lopez, MacDonald, Madrigal, and Perello voted in favor; motion passed 7-0.

4. Community Development Department

SUBJECT: Peninsula Road Street Vacation and Acceptance of a Public Access Easement; Planning and Zoning (PZ) Permit No. 21-660-01 (Street Vacation)- A Resolution of Intention to vacate the southernmost 272 feet of Peninsula Road fronting 3605 Peninsula Road and acceptance of a public access easement to allow for the continuation of vehicular circulation. (0/10/10)

RECOMMENDATION: That the City Council:

1. Find the project Exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15061(b)(3);
2. Adopt **Resolution No. 15,484** declaring its intention to vacate its right, title and interest in the southernmost 272 feet of the right-of-way fronting 3605 Peninsula Road and accept a public access easement to allow for the continuation of vehicular circulation; and
3. Direct the City Clerk to schedule a public hearing in accordance with the vacation procedures contained in California Streets and Highway Code Section 8300 et seq to be held on Tuesday, October 5, 2021 at 6:00 p.m. at the at the City Council Chambers

of the City of Oxnard located at 305 West Third Street in Oxnard, California.
(This item did not originate in Committee.)

Vyto Adomaitis, Community Development Director; Jeffrey Pengilley, Community Development Assistant Director; and Isidro Figueroa, Principal Planner; were available to answer questions. No public comments were received. Discussion ensued among the Council and staff.

It was moved by Councilmember Perello, seconded by Mayor Zaragoza, to approve the recommended action as presented. VOTE: Basua, Madrigal, MacDonald, Teran, Lopez, Perello, and Zaragoza voted in favor; motion passed 7-0.

5. Community Development Department

SUBJECT: Encroachment Protection Agreement Amendment; Sixth Amendment to the Encroachment Protection Agreement Between the Department of the Navy, the Nature Conservancy, the Trust for Public Land, the Ventura Land Trust and the City of Oxnard. (0/5/5)

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute a Sixth Amendment to the Encroachment Protection Agreement between the United States Department of the Navy, The Nature Conservancy, the Trust for Public Land, the Ventura Land Trust and the City of Oxnard (A-7734), for the purpose of acquiring long-term interests in lands, for a period of five (5) years beginning on September 30, 2021 and ending on September 29, 2026.

(This item did not originate in Committee.)

Vyto Adomaitis, Community Development Director, was available to answer questions. No public comments were received. Discussion ensued among the Council and staff.

It was moved by Councilmember Perello, seconded by Mayor Zaragoza, to approve the recommended action as presented. VOTE: Madrigal, Lopez, Teran, MacDonald, Basua, Perello, and Zaragoza voted in favor; motion passed 7-0.

6. Community Development Department

SUBJECT: First Amendment to Agreement Number 9041-20-CD for Consulting Services. (0/5/5)

RECOMMENDATION: That City Council approve and authorize the Mayor to execute a contract amendment to increase the contract amount by \$375,000 for a total contract amount of \$525,000 with Bureau Veritas North America, Inc., (Agreement Number 9041-20-CD) for on-call plan check and inspection services, ending on December 31, 2022.

(This item did not originate in Committee.)

Jeffrey Pengilley, Community Development Assistant Director, presented and answered questions. No public comments were received. Discussion ensued among the Council and staff.

It was moved by Councilmember Teran, seconded by Mayor Pro Tem MacDonald, to approve the

recommended action as presented. VOTE: Basua, Madrigal, MacDonald, Teran, Lopez, Perello, and Zaragoza voted in favor; motion passed 7-0.

7. Public Works Department

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

RECOMMENDATION: That the City Council adopt **Resolution No. 15,485**, and repeal Resolution 15,429, authorizing the City Manager to submit an application for an amount not to exceed \$49,792,000 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.

Brian Yanez, Assistant Public Works Director and Timothy Beaman, Supervising Civil Engineer, presented and answered questions. Discussion ensued among the Council and staff.

It was moved by Mayor Pro Tem MacDonald, seconded by Councilmember Perello, to approve the recommended action as presented. VOTE: Madrigal, Lopez, Teran, MacDonald, Basua, Perello, and Zaragoza voted in favor; motion passed 7-0.

N. ADJOURNMENT

There being no further business on the agenda, and without objection, Mayor Zaragoza adjourned the meeting at 9:02 p.m.

ROSE CHAPARRO
City Clerk

JOHN C. ZARAGOZA
Mayor



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

DATE: October 19, 2021

TO: City Council

FROM: Brian Yanez, Assistant Public Works Director, (805) 200-5412, brian.yanez@oxnard.org

SUBJECT: California Resilience Challenge Grant Program Application.

RECOMMENDATION

That City Council adopt a resolution ratifying the authorization of the City Manager to execute in the name of the City of Oxnard all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project for \$200,000 in California Resilience Challenge Grant funds, to be used for the completion of a City-wide park drought and heat resiliency project. (This item did not originate in Committee.)

BACKGROUND

Climate change is forcing communities across California to become more resilient to drought, flood, wildfire, extreme heat, and rising seas. Climate resilience aims to anticipate and prepare for impacts to reduce the damage from extreme weather events, as well as chronic, long-term shifts, including those resulting from or aggravated by climate change. Taking steps today to adapt to climate change in a climate-friendly way will yield significant future benefits for public health, safety, infrastructure, the economy, and the environment.

To complement these and other climate change resilience planning efforts, the California Resilience Challenge is providing funding by means of its 2021 Grant Program for eligible resiliency planning projects aimed at improving local resilience to climate impacts, including drought, flooding (including sea level rise), extreme heat and increasing frequency of hot days, and wildfire challenges, and water and air quality impacts of the foregoing. Competitive project proposals will be innovative and replicable for other locations, will help protect critical infrastructure, and will require broad community support; significantly, the focus of the 2021 Grant Program is on projects that serve under-resourced communities.

DISCUSSION

Staff analyzed the grant requirements, priorities, and previously funded projects in the context of Oxnard community needs. Due to the grant opportunities' timeline, staff submitted the application on September 13, 2021. Several concepts were considered, and a city-wide-park drought and heat resiliency community-based planning project that supports adaptation to drought and extreme heat events was selected as the priority project that best fit the objectives of the competitive grant. The project is innovative and provides a replicable model that other cities can reference, as many of California's municipal parks were designed in the 1900's before climate resilience, drought resilience, extreme heat, or carbon sequestration were significant considerations in their design process. Water was perceived as being abundant, and large areas of turf a simple and familiar design and management strategy. In the 21st century, while turf areas are still critical for certain types of play such as field sports, public appreciation and demand for passive park spaces that can serve multi-benefit objectives has risen. The re-imagining of public parks in this context, and crucially in the context of climate change and its impacts on water supplies, heat, and carbon sequestration, is critical.

The proposed project will thus initiate a critically-needed planning process that authentically involves residents, including young people and disadvantaged community residents, in the re-imagining and re-designing of Oxnard's 53 parks (General Fund and Special Districts) within a climate resilience framework. The project will improve resilience to drought as it plans the transformation of approximately 30% of an existing 366 acres of turf to native or conservation plantings in parks and public spaces, and that integrate shade where relevant and feasible. The City's 2021 Parks and Recreation Master Plan recommended that 30 to 50% of park turf City-wide be removed and replaced with native and drought tolerant landscaping, in the context of climate change impacts. The Parks and Recreation Master Plan was developed with diverse stakeholders and resident participation. The proposed project will take this recommendation to the next step and involve residents, including those of under-resourced communities, in the re-imagining and conceptual re-design of their public spaces to initiate direct planning for local climate resilience adaptation efforts. The efforts will also serve as a useful replicable model for other communities needing to implement similar resiliency efforts through the completion of a case study.

The grant program requires that public entities applying for projects must partner with community-based organizations. The City will be partnering with interested local organizations to support community outreach during the grant process. The proposed project will work to make Oxnard parks increasingly safe and healthy spaces where families can find opportunities to picnic, play, and enjoy a natural environment, even as temperatures increase. The grant funds planning projects up to \$200,000, and no local match is required. If awarded, and projects implemented based on the planning project, savings will be gained in water costs.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

Upon grant award, staff will recognize and appropriate the grant award to the project. No matching funds are required.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Eric Humel, Grants Specialist, Steve Howlett, Assistant Public Works Director

ATTACHMENTS

1. Resolution
2. Turf transition pages from Oxnard Parks & Rec Master Plan

CITY COUNCIL OF THE CITY OF OXNARD
RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
APPROVING THE SUBMITTAL OF A GRANT APPLICATION FOR CALIFORNIA
RESILIENCE CHALLENGE GRANT FUNDS

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

WHEREAS, the Public Works Department has requested that City Council approve the submittal of an application to the Bay Area Council Foundation for \$200,000 in California Resilience Challenge Grant Program funds to be used for the City-wide-park Drought and Heat Resiliency Project.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to approve the submittal of a grant application by the City Manager for the City-wide-park Drought and Heat Resiliency Project. The City Council further resolves that the City Manager or designee is authorized to execute grant agreements; the Finance Director or designee is authorized to submit financial reports and grant claims and approve special budget appropriations for the use of grant funds; and the Director of Public Works or their designee is authorized to submit non-financial reports.

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

AYES:

NOES:

ABSTAIN:

ABSENT:

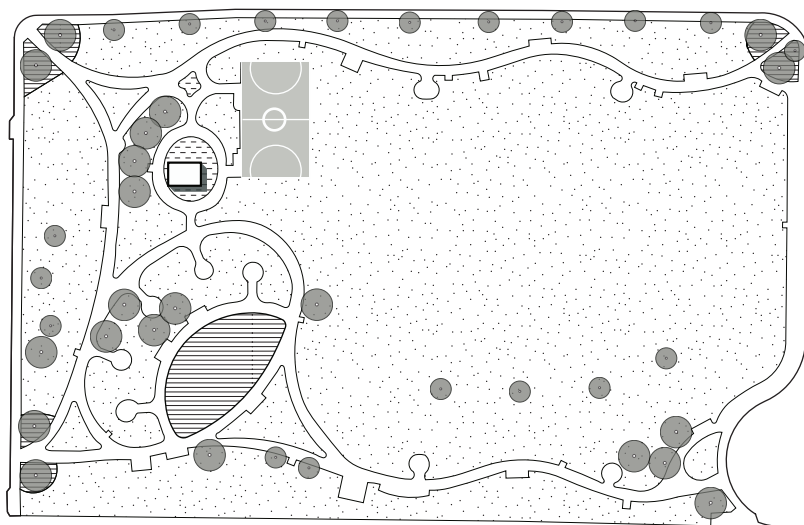
John C. Zaragoza, Mayor

ATTEST:

APPROVED AS TO FORM:

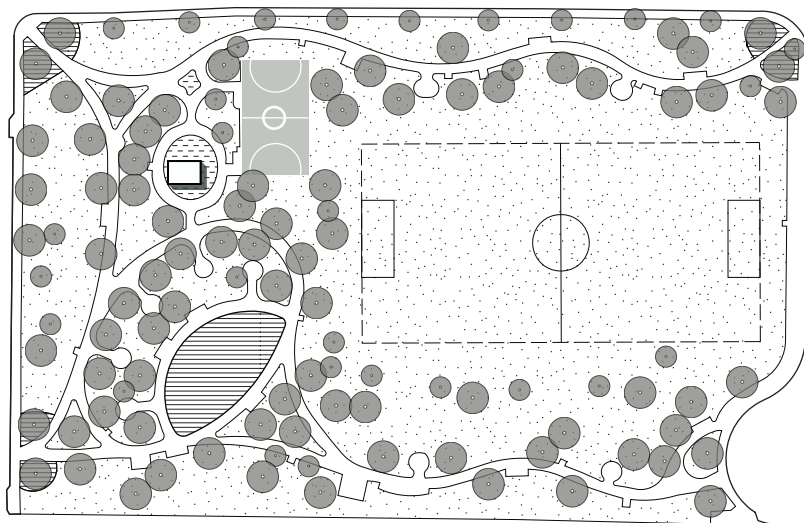
Rose Chaparro, City Clerk

Stephen M. Fischer, City Attorney



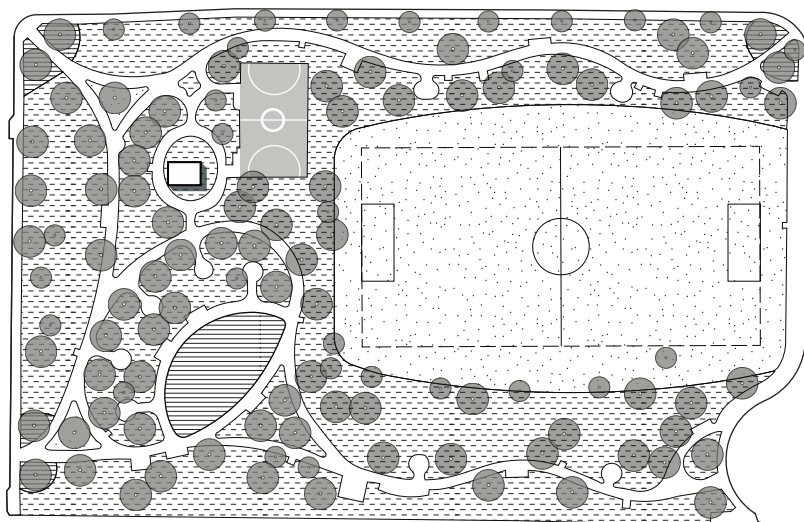
PHASE ONE: EXISTING PARK IN OXNARD

Oxnard's parks are comprised almost entirely of turf. They have large open spaces, typically used for sports, with meandering pathways and other limited amenities. The associated diagram is of Garden City Acres Park. One can see there are many "dead" spaces between paths where no programming can happen.



PHASE TWO: PROGRAMMING ZONES & NATURALIZE

When (re)designing a park, first delineate the appropriately sized area for required programming. It is important to define the current park usage to know how much turf is necessary. In this example, a soccer field is accommodated within the open, flexible turf space.



PHASE THREE: REPLACE TURF WITH NATURAL PLANTING

Convert all non-program use areas to either natural materials, conservation lawn, or native, drought-tolerant planting. This will dramatically reduce site water-use and maintenance costs. For Garden Acres Park, the spaces that have no programmatic function can be converted to native planting. An advantage of this conversion is that the native planting can provide a new program—a community botanical garden.



CITY COUNCIL AGENDA REPORT

INFORMATION/CONSENT AGENDA AGENDA ITEM NO. L.3

DATE: October 19, 2021

TO: City Council

FROM: Vyto Adomaitis, Community Development Director, (805) 385-7882, vyto.adomaitis@oxnard.org

SUBJECT: Adoption of Ordinance No. 2998 - Planning & Zoning (PZ) Permit No. 20-580-05 (Zone Text Amendment).

RECOMMENDATION

That the City Council adopt Ordinance No. 2998 amending Chapter 16 of the Oxnard City Code to add Medical Clinics and Hospitals as sensitive uses requiring separation from Firearm Ranges and Businesses Engaged in the Sale of Firearms and Ammunition.

BACKGROUND

Ordinance No. 2998 was introduced to the City Council at its September 21, 2021 meeting. Following a public hearing, the Council introduced the ordinance for first reading by title only, waiving further reading. If adopted by Council on October 19, 2021, the ordinances will take effect in thirty days, on November 18, 2021.

(The proposed Zone Text Amendment (ZTA) was reviewed by the Committee on April 13, 2021. The Committee unanimously determined staff should pursue a ZTA to include medical clinics and hospitals as a sensitive use requiring a minimum separation from firearm and ammunition sales and firearm ranges uses.)

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

This agenda item supports Public Safety strategy. The purpose of the Public Safety strategy is to restore and modernize the delivery of public safety services to provide for the safety of our neighborhoods and health of our community.

FINANCIAL IMPACT

No financial impacts to the City are associated with the proposed Zone Text Amendment.

COMMITTEE OUTCOME

The proposed Zone Text Amendment (ZTA) was reviewed by the Committee on April 13, 2021. The Committee unanimously determined staff should pursue a ZTA to include medical clinics and hospitals as a sensitive use requiring a minimum separation from firearm and ammunition sales and firearm ranges uses. The Committee did not review any specific ZTA language.

The specific ZTA language was heard by the Planning Commission during a public hearing; therefore, the specific ZTA language did not originate in Committee.

Prepared by: Isidro Figueroa, Principal Planner

ATTACHMENTS

1. Attachment 1-City Council Ordinance No. 2998 - Firearm Zoning-Medical Clinics-Hospitals

ORDINANCE NO. 2998

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING CHAPTER 16 (ZONING CODE) OF THE OXNARD CITY CODE (OCC) PERTAINING TO THE PERMITTING AND DEVELOPMENT REQUIREMENTS RELATED TO FIREARM RANGES AND BUSINESSES ENGAGED IN THE SALE OF FIREARMS AND AMMUNITION. MODIFICATIONS INCLUDE ADDING MEDICAL CLINICS AND HOSPITALS AS SENSITIVE USES REQUIRING A 600-FOOT SEPARATION FROM BUSINESSES ENGAGED IN THE SALE OF FIREARMS AND AMMUNITION AND FIREARM RANGES TO OCC CHAPTER 16, ARTICLE II, SECTION 16-10 (DEFINITIONS), AND OCC CHAPTER 16, ARTICLE V (SPECIFIC USE REQUIREMENTS) DIVISION 19 (FIREARM AND AMMUNITION SALES) SECTION 16-540.1(B) AND DIVISION 20 (FIREARM RANGES) SECTION 16-504.2(B). FILED BY THE CITY OF OXNARD, COMMUNITY DEVELOPMENT DEPARTMENT, 214 SOUTH C STREET, OXNARD, CALIFORNIA 93030.

WHEREAS, the Planning Commission of the City of Oxnard has considered Zone Text Amendment (ZTA) PZ No. 20-580-05, filed by the City of Oxnard Community Development Department, to amend Chapter 16 of the Oxnard City Code (OCC) pertaining to the permitting and development requirements related to firearm ranges and businesses engaged in the sale of firearms and ammunition. Proposed modifications include adding medical clinics and hospitals as sensitive uses requiring a 600-foot separation from businesses engaged in the sale of firearms and ammunition and firearm ranges to OCC Chapter 16, Article II, Section 16-10 (Definitions), and OCC Chapter 16, Article V (Specific Use Requirements), Division 19 (Firearm and Ammunition Sales) Section 16-540.1(B) & Division 20 (Firearm Ranges) Section 16-504.2(B); and

WHEREAS, On July 16, 2019, the City Council approved the second reading and adopted Ordinance No. 2961 pertaining to the permitting and development of firearm ranges and businesses engaged in the sale of firearms and ammunition; and

WHEREAS, On April 13, 2021, Community Services, Public Safety, Housing & Development Committee unanimously determined staff should pursue a ZTA to amend Chapter 16 of the OCC to include medical clinics and hospitals as a sensitive use requiring a minimum separation from firearm and ammunition sales and firearm ranges uses within Chapter 16, Article V, Divisions 19 and 20; and

WHEREAS, on May 17, 2021, a public Community Workshop meeting was held for the community and the general public to receive community input on the proposed ZTA; and

WHEREAS, on July 15, 2021, the Planning Commission of the City of Oxnard conducted a duly noticed public hearing to consider Planning and Zoning Permit No. 19-580-02 (Zone Text Amendment) (the “**Project**”) in accordance with the Oxnard City Code and recommended approval to the City Council; and

WHEREAS, the Planning Commission received written and verbal comments from the public; and

WHEREAS, the Planning Commission found the Project to be Categorically Exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines 15060(c)(2) and (3) and 15061(b)(3); and

WHEREAS, the Planning Commission adopt Resolution 2021-15 recommending that the City Council approve Planning & Zoning Permit No. 20-580-05 (Zone Text Amendment) adding Medical Clinics and Hospitals as sensitive uses requiring separation from establishing regulations to address Firearm Ranges and the Sales of Firearms and Ammunition; and

WHEREAS, on September 21, 2021, the City Council of the City of Oxnard conducted a duly noticed public hearing to consider the Applicant's request to approve Planning and Zoning Permit No. 20-580-05 (Zone Text Amendment) in accordance with the OCC, and

WHEREAS, the City Council received written and verbal comments from the public; and

WHEREAS, the City Council finds proposed Zoning Text Amendment is in the public interest and reflects the input from residents, stakeholders in the community, and decision-makers. There are no changes recommended under the proposed ZTA that would reduce or compromise existing standards that protect the health, safety or general welfare of the City; and

WHEREAS, the proposed ZTA does not involve any direct physical changes to the environment. There are no changes in landforms or an intensification of land uses as a part of the proposed ZTA and all public services for existing land uses will remain as-is, with no changes and no diminishment of service or safety; and

WHEREAS, the proposed ZTA to Chapter 16 of the OCC would establish specific provisions consistent with the action items and policy directives in the 2030 General Plan; and

WHEREAS, the adoption of ZTA would be a reasonable exercise of the City's police powers to ensure the continued health, safety, and welfare of the public by establishing regulations related to the siting, permitting and operation of firearm and ammunition sales businesses and firearm ranges within the City of Oxnard; and

WHEREAS, the City Council determined that this action is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15060(c)(2) and (3) and 15061(b)(3) as this ZTA is a regulatory action

which will not result in direct or reasonably foreseeable indirect physical change in the environment and when it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment are not subject to CEQA; and

WHEREAS, it is in the public interest, consistent with the 2030 General Plan and will further protect the public health, safety, and general welfare to establish special zoning regulations governing firearm and ammunition sales and firearm ranges.

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

Section 1. Amend Oxnard City Code Chapter 16, Article II, Section 16-10 “Definitions”. Existing City Code Section 16-10 shall be amended as shown below to add the following definitions and reorganize the existing definitions accordingly:

(X) MEDICAL CLINIC – An organized outpatient health facility that provides direct medical, surgical, dental, optometric, or podiatric advice, services, or treatment to patients who remain less than 24 hours, and that may also provide diagnostic or therapeutic services to patients.

(X) HOSPITAL – A health facility having a duly constituted governing body with overall administrative and professional responsibility and having an organized medical staff which provides twenty-four-hour inpatient care including one (1) or more of the following basic services: medical, nursing, surgical, anesthesia, laboratory, radiology, pharmacy, dietary services, or psychiatric care and treatment.

Section 2. Amend Oxnard City Code Chapter 16, Article V, Division 19. FIREARM AND AMMUNITION SALES (Only underlined portions are to be added)

SEC. 16-504.1. PURPOSE AND INTENT.

(A) Firearm and ammunition sales may be established, subject to all other provisions of this chapter and division, only in the general commercial (C-2) and limited manufacturing (M-L) zoning districts. For the purposes of this division, the establishment of any business engaged in firearm and ammunition sales shall include the locating and opening of such a business as a new business, the relocation of such business, the conversion of an existing business location to any firearm and ammunition sales use, or the expansion of an existing firearm and ammunition sales use.

(B) Locational Criteria: In the C-2 and M-L zoning districts, no firearm and ammunition sales use may be established within the following proximity to the sensitive uses identified below:

- (1) Within 600 feet of any residentially zoned property;
- (2) Within 600 feet of any day care center. For the purposes of this division, ‘day care center’ includes any child or adult day care facility other than a family day care home and includes infant center, preschools, extended day care facilities for adults and/or children which involve the supervision of more than 14 persons for a period of less than 24 hours per

day;

(3) Within 600 feet of any park. For the purposes of this division, 'park' includes any land or easements owned or leased by the city which, by ordinance, resolution, regulation or agreement, is dedicated to or operated by the city for purposes of public recreation, be it active or passive. This term does not apply to trails, bikeways, or similar facilities;

(4) Within 600 feet of any church, as defined by section 16-10 as a building primarily operated for worship or for promotion of religious activities excluding other buildings or activities maintained by religious organizations such as educational institutions, hospitals, homeless shelters, and day care centers or operations that are commercial in nature;

(5) Within 600 feet of any school. For the purposes of this division, 'school' includes any child day care facility or educational institution for minors, whether public or private, offering instruction in those courses of study required by the Cal. Education Code and maintained pursuant to standards set by the State Board of Education. This definition includes nursery school, kindergarten, elementary school, middle or junior high school, senior high school, or any special institution of education for grades K through 12. This definition does not include tutoring centers, a professional or commercial school, or an institution of higher education, including a community or junior college, college, or university; and

(6) Within 600 feet of the boundaries of the Oxnard Transportation Center and Oxnard Airport; and

(7) Within 600 feet of any medical clinic; and

(8) Within 600 feet of any hospital; and

(9) Within 200 feet of another legally authorized firearm and ammunition sales business or firearm range.

(C) Measurement: All locational criteria outlined in this division shall be calculated using the distance between the closest exterior wall of the firearm and ammunition sales business and the nearest property line of the identified sensitive use in a straight line extended between two points, without regard for intervening structures.

(D) Permit Requirements and Conditions: The establishment of a firearm and ammunition sales use is permitted only on approval of a special use permit, as provided in sections 16-530 through 16-553.

(1) In addition to the application materials described in section 16-553, the following information shall be provided within an application for a special use permit:

(a) Plans shall indicate the nature of construction of exterior walls, placement, and size of exterior windows and doors, and location of exterior heating, ventilation, air conditioning equipment, and skylights.

(b) A business proposal detailing the proposed operation, what types of firearms and ammunition will be sold and stored on-site, an account of the quantities, types, storage, and handling of any hazardous materials, and any ancillary services performed, including firearm repair and maintenance.

(c) Staff positions and responsibilities.

(2) In addition to the factors described in section 16-532, conditions of approval involving the following factors may be imposed by the planning commission on a special

use permit for firearm and ammunition sales:

- (a) Safety and security related to the design and operation of the proposed use, security and access control systems, and the like;
 - (b) Site and building target hardening;
 - (c) Inspections to ensure compliance with conditions of approval and applicable laws;
 - (d) Weapons and ammunition storage;
 - (e) The maintenance of all required state, federal and local licenses;
 - (f) Copies of a live-scan for all applicants for employment, submitted to the police chief or his/her designee; and
 - (g) Liability and risk management.
- (E) Requirements for Granting: In addition to those findings listed in section 16-531, the applicant must demonstrate and the planning commission must find that the proposed use is in conformance with the following, prior to granting a special use permit for the sale of firearms and ammunition:
- (1) The establishment has incorporated adequate security so as to reduce the likelihood that the use will aggravate policing issues; and
 - (2) The proposed operational procedures are sufficient to mitigate issues related to facility security, staff and customer safety, and first responder events.

Section 3. Amend Oxnard City Code Chapter 16, Article V, Division 20. FIREARM RANGES (Only underlined portions are to be added)

SEC. 16-504.2. PURPOSE AND INTENT.

- (A) Firearm ranges may be established, subject to all other provisions of this chapter and division, only in the limited manufacturing (M-L) zoning district. For the purposes of this division, the establishment of any firearm range shall include the locating and opening of such a business as a new business, the relocation of such business, the conversion of an existing business location to a firearm range, or the expansion of an existing firearm range.
- (B) Locational criteria: In the M-L zoning district, no firearm range may be established within the following proximity to the sensitive uses identified below:
- (1) Within 600 feet of any residentially zoned property;
 - (2) Within 600 feet of any day care center. For the purposes of this division, ‘day care center’ includes any child or adult day care facility other than a family day care home and includes infant center, preschools, extended day care facilities for adults and/or children which involve the supervision of more than 14 persons for a period of less than 24 hours per day;
 - (3) Within 600 feet of any park. For the purposes of this division, ‘park’ includes any land or easements owned or leased by the city which, by ordinance, resolution, regulation or agreement, is dedicated to or operated by the city for purposes of public recreation, be it active or passive. This term does not apply to trails, bikeways, or similar facilities;
 - (4) Within 600feet of any church, as defined by section 16-10 as a building primarily operated for worship or for promotion of religious activities excluding other buildings or activities maintained by religious organizations such as educational institutions,

hospitals, homeless shelters, and day care centers or operations that are commercial in nature;

(5) Within 600 feet of any school. For the purposes of this division, 'school' includes any child day care facility or educational institution for minors, whether public or private, offering instruction in those courses of study required by the Cal. Education Code and maintained pursuant to standards set by the State Board of Education. This definition includes nursery school, kindergarten, elementary school, middle or junior high school, senior high school, or any special institution of education for grades K through 12. This definition does not include tutoring centers, a professional or commercial school, or an institution of higher education, including a community or junior college, college, or university; and

(6) Within 600 feet of the boundaries of the Oxnard Transportation Center and Oxnard Airport; and

(7) Within 600 feet of any medical clinic; and

(8) Within 600 feet of any hospital; and

(9) Within 200 feet of another legally authorized firearm and ammunition sales business or firearm range.

(C) Measurement: All locational criteria outlined in this division shall be calculated using the distance between the closest exterior wall of the firearm and ammunition sales business and the nearest property line of the identified sensitive use in a straight line extended between two points, without regard for intervening structures.

(D) Permit Requirements and Conditions: The establishment of a firearm range is permitted only on approval of a special use permit, as provided in sections 16-530 through 16-553.

(1) In addition to the application materials described in section 16-553, the following information shall be provided within an application for a special use permit:

(a) Plans shall indicate the nature of construction of exterior walls, placement, and size of exterior windows and doors, and location of exterior heating, ventilation, air conditioning equipment, and skylights;

(b) A business proposal detailing the proposed operation including the number of shooters to be accommodated, whether the range will emphasize training or competitive activities, what types of firearms and ammunition will be used, any special uses proposed (e.g., advanced training, special weapons, or explosives), individual customer storage facilities, an account of the quantities, types, storage, and handling of any hazardous materials, and any ancillary services performed, including firearm repair and maintenance;

(c) Details regarding proposed ventilation systems for the building, including any filtration systems;

(d) Staff positions and responsibilities; and

(e) A parking study, prepared pursuant to section 16-651.

(2) In addition to the factors described in section 16-532, conditions of approval involving the following factors may be imposed by the planning commission on a special use permit for firearm ranges:

(a) Safety and security related to the design and operation of the proposed use, security and access control systems, and the like;

- (b) Site and building target hardening;
 - (c) Inspections to ensure compliance with conditions of approval and applicable laws;
 - (d) Weapons and ammunition storage;
 - (e) The maintenance of all required state, federal and local licenses;
 - (f) Copies of a live-scan for all applicants for employment, submitted to the police chief or his/her designee;
 - (g) Liability and risk management;
 - (h) Mitigation of potential environmental issues (noise, ventilation, cleaning, and the like); and
 - (i) Health, safety and trauma procedures and equipment for employees.
- (E) Requirements for Granting: In addition to those findings listed in section 16-531, the applicant must demonstrate and the planning commission must find that the proposed use is in conformance with the following, prior to granting a special use permit for the operation of a firearms range:
- (1) The establishment has incorporated adequate security so as to reduce the likelihood that the use will aggravate policing issues; and
 - (2) The proposed operational procedures are sufficient to mitigate issues related to facility security, staff and customer safety, and first responder events.

Section 4. If any section, sentence, clause or phrase of this Ordinance is determined to be invalid, illegal or unconstitutional by a decision or order of any court of competent jurisdiction, then decision or order shall not affect the validity and enforceability of the remaining portions of this Ordinance. The City Council declares that it would have passed and adopted this Ordinance, and each section, sentence, subsection, clause, phrase, part or portion thereof, regardless of the fact that any one or more sections, sentences, subsections, clauses, phrases, be declared invalid or unconstitutional.

Section 5. Cumulative Ordinance. Nothing in this Ordinance shall be interpreted to allow any land use which is not expressly listed as permitted or conditionally permitted within the City's Zoning Code.

Section 6. Exempt from CEQA. The City Council determines and finds that the adoption of this Ordinance is exempt from review under the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and (3) and 15061(b)(3) of the Guidelines to the California Environmental Quality Act because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Therefore, CEQA does not apply to this action.

Section 7. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this Ordinance, and a certified copy the Ordinance was posted in the Office of the City Clerk a minimum of five days before the City Council's adoption of the Ordinance.

Section 8. The City Clerk shall certify as to the adoption of this Ordinance and shall cause summary thereof to be published within fifteen calendar (15) days of the adoption and shall post a certified copy of this Ordinance, including for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. 2998 was first read on September 21, 2021, and finally adopted on October 19, 2021, to become effective thirty (30) days thereafter.

PASSED AND ADOPTED this 19th day of October, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

John Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney



CITY COUNCIL AGENDA REPORT

INFORMATION/CONSENT AGENDA

AGENDA ITEM NO. L.4

DATE: October 19, 2021

TO: City Council

FROM: Vyto Adomaitis, Community Development Director, (805) 385-7882, vyto.adomaitis@oxnard.org

SUBJECT: Adoption of Ordinance Nos. 2999, 3000, 3001, 3002 and 3003 - Planning & Zoning (PZ) Permit No. 21-580-03 (Zoning Text Amendments) - Implementation of the 6th Cycle 2021-2029 Housing Element.

RECOMMENDATION

That the City Council adopt the following Ordinances amending Chapter 16 of the Oxnard City Code (OCC) to implement the 6th Cycle 2021-2029 Housing Element:

1. Ordinance No. 2999 - An Ordinance of the City Council of the City of Oxnard to Repeal the All-affordable Housing Opportunity Program (AAHOP) and replace these regulations with newly created Affordable Housing, Permitted (-AHP) And Affordable Housing, Discretionary (-AHD) Additive Zone Definitions, Designations and Regulations in OCC Sections 16-420a through 16-420k; and
2. Ordinance No. 3000 - An Ordinance of the City Council of the City of Oxnard amending the General Commercial zone permitted and related uses in OCC Section 16-135 & 16-136; and
3. Ordinance No. 3001 - An Ordinance of the City Council of the City of Oxnard amending the Business And Research Park (BRP) zone permitted uses in OCC Section 16-162 & 16-163; and
4. Ordinance No. 3002 - An Ordinance of the City Council of the City of Oxnard amending the Density Bonus ordinance approval authority and appeal provision in OCC Section 16-410; and
5. Ordinance No. 3003 - An Ordinance of the City Council of the City of Oxnard Creating a Ministerial Site Plan Review process OCC Sections 16-523 through 16-523.12.

(This item originated from a Public Hearing at the October 5, 2021 City Council meeting and was previously heard by the Planning Commission, therefore this item did not originate in Committee.)

BACKGROUND

Following a public hearing at the October 5, 2021 City Council meeting, the Council introduced Ordinance Nos. 2999, 3000, 3001, 3002 and 3003 for first reading by title only, waiving further reading. If adopted by Council on October 19, 2021, the ordinances will take effect thirty days later, on November 18, 2021.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

Adoption of the 2021-2029 Housing Element Update commits the City to implement programs identified in Chapter G of the Final Housing Element. Implementation of these programs will either be executed as ongoing programs already included in various departmental work efforts and priorities; or as new programs which will require departmental

prioritization. The Final Housing Element is pending review and certification by HCD so additional program edits and timing for implementation may change between now and January 2022, which may also require future funding requests. As part of upcoming FY 2022/2023 budget requests, the Community Development and Housing Departments will be putting together a comprehensive budget request for Council review and approval.

COMMITTEE OUTCOME

This item was a public hearing and therefore, did not originate in Committee.

Prepared by: Kathleen Mallory, Planning & Sustainability Manager

ATTACHMENTS

1. Ordinance No. 2999 - OCC Sections 16-420a through 16-420k (Affordable Housing -AHP and - AHD Additive Zone) Amendments - New Provision
2. Ordinance No. 3000 - OCC Section 16-135 & 16-136 (C-2 General Commercial zone) Amendments
3. Ordinance No. 3001 - OCC Section 16-162 & 16-163 (Business And Research Park zone) Amendments
4. Ordinance No. 3002 - OCC Section 16-410 (Density Bonus) Amendments
5. Ordinance No. 3003 - OCC Sections 16-523 to 16-523.12 (Site Plan Review) New Provision

Attachment 1

Zoning Text Amendment to OCC Section 16-420 Affordable Housing Additive Zone

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD TO REPEAL THE ALL-AFFORDABLE HOUSING OPPORTUNITY PROGRAM (AAHOP) AND REPLACE THESE REGULATIONS WITH NEWLY CREATED AFFORDABLE HOUSING, PERMITTED (-AHP) AND AFFORDABLE HOUSING, DISCRETIONARY (-AHD) ADDITIVE ZONE DEFINITIONS, DESIGNATIONS AND REGULATIONS IN DIVISION 7C OF ARTICLE V OF CHAPTER 16 OF THE OXNARD CITY CODE (OCC) SECTIONS 16-420A THROUGH 16-420K, RELATED TO THE AMENDMENT AND ADOPTION OF THE 2021-2029 HOUSING ELEMENT. FILED BY CITY OF OXNARD, COMMUNITY DEVELOPMENT DEPARTMENT, 214 SOUTH C STREET, OXNARD, CA, 93030.

WHEREAS, the City Council of the City of Oxnard has considered Zone Text Amendment (ZTA) PZ No. 21-580-03, filed by the City of Oxnard Community Development Department, to amend Chapter 16 of the Oxnard City Code (OCC) repealing the All-Affordable Housing Opportunity Program (AAHOP) in its entirety from Chapter 16, Article VII, Section sections 16-523A through 16-523H, and replacing it with the “Affordable Housing -AHP and -AHD Additive Zones” to implement the 2021-2029 Housing Element. The proposed ordinance provides zoning designations and standards for the development of affordable multifamily housing at 30 dwelling units with 20% lower income units per acre in OCC Chapter 16, Article VII, Section sections 16-420A through 16-420K; and

WHEREAS, in 2013 the City Council adopted the first AAHOP ordinance to provide opportunity for developers and the non-profit sector to develop all-affordable residential development to help reach the City’s Regional Housing Need Allocation (RHNA); and

WHEREAS, due to changes in state Housing Element law, on October 6, 2020, the City Council held a public meeting on preparation of the 2021-2029 Housing Element and directed staff to discontinue the AAHOP program and instead rezone select housing element sites to the State default density of 30 dwelling units per acre to reach the total 2021-2029 RHNA lower income allocation; and

WHEREAS, the Planning Commission held a public hearing on September 2, 2021 to review and provide input on the 2021-2029 Final Housing Element, Staff’s recommended text and map changes to the General Plan Land Use Element, Draft amendments to Chapter 16 of the Oxnard City Code and recommended zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element; and

WHEREAS, City staff prepared Modification Memo No. 1 to the Planning Commission that recommended modifications to three sections of the Affordable Housing Additive Zone Draft Ordinance; and

WHEREAS, the Planning Commission held a public hearing on September 16, 2021 to consider approving resolutions recommending that the City Council of the City of Oxnard amend the 2030 General Plan by adopting the 2021-2029 Final Housing Element Update as revised in Errata No. 1 and incorporating it as

Chapter 8 of the 2030 General Plan (General Plan Amendment PZ No. 20-620-03), text and map changes to the General Plan Land Use Element (General Plan Land Use Element/Text and Map Amendment Nos. PZ 21-620-02 and PZ 21-620-03), amendments to Chapter 16 of the Oxnard City Code (Zoning Code Text Amendments No. PZ 21-580-03), and zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element (Zoning Map Amendments No. PZ 21-580-04); and

WHEREAS, the Planning Commission received written and verbal comments from the public; and

WHEREAS, The City prepared an Initial Study - Mitigated Negative Declaration (IS/MND - No. 2021-01) for the proposed 2021-2029 Housing Element and related actions in accordance with CEQA Guidelines, Section 15070; and

WHEREAS, the Planning Commission adopt Resolution 2021-26 recommending that the City Council approve Planning & Zoning Permit No. 21-580-03 (Zone Text Amendment) as revised by Modification Memo No. 1 for implementation of the City's housing element; and

WHEREAS, on October 5, 2021, the City Council of the City of Oxnard conducted a duly noticed public hearing to consider the Applicant's request to approve Planning and Zoning Permit No. 21-580-03 (Zone Text Amendment) in accordance with the OCC, and

WHEREAS, the City Council received written and verbal comments from the public; and

WHEREAS, the City Council finds the proposed Zoning Text Amendment is in the public interest and reflects the input from residents, stakeholders in the community, and decision-makers. There are no changes recommended under the proposed ZTA that would reduce or compromise existing standards that protect the health, safety or general welfare of the City; and

WHEREAS, the proposed ZTA does not involve any direct physical changes to the environment. There are no changes in landforms as a part of the proposed ZTA and all public services for existing land uses will remain as-is, with no changes and no diminishment of service or safety; and

WHEREAS, the proposed ZTA to Chapter 16 of the OCC would establish specific provisions consistent with the action items and policy directives in the 2030 General Plan, as amended under PZ Permit No. 20-620-03, General Plan Amendment replacing in its entirety the current Chapter 8 (2013-2021 Housing Element) with the 2021-2029 Housing Element and PZ No. 21-620-02, update to General Plan Land Use Element (Chapter 3) text by amending the General Commercial and Business Research Park land use descriptions to allow up to 30 dwelling units with 20% lower income units per acre when identified by a zoning suffix of "-AHP" (Affordable Housing Permitted) or "-AHD" (Affordable Housing Discretionary); and

WHEREAS, the adoption of ZTA to City's General Commercial zone would facilitate development in the Affordable Housing Permitted (AHP) and Affordable Housing Discretionary (AHD) Additive Zones at the default density of 30 du/acre, provided that a minimum of 20% of units are affordable to lower income households to help the City reach its regional housing needs allocation (RHNA), per State requirements; and

WHEREAS, the City Council determined that this action is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15060(c)(2) and (3) and 15061(b)(3) as this ZTA is a regulatory action which will not result in direct or reasonably foreseeable indirect physical change in the environment and when it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment are not subject to CEQA; and

WHEREAS, it is in the public interest, consistent with the 2030 General Plan, to establish reasonable standards relating to the provision of affordable housing in specific zones in the City.

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

Section 1. Oxnard City Code Chapter 16, Article V, Division 7C entitled “Affordable Housing -AHP and -AHD Additive Zones”, sections 16-420A through 16-420K are hereby amended to read as follows:

“DIVISION 7C. AFFORDABLE HOUSING -AHP AND -AHD ADDITIVE ZONES

16-420A. Intent

16-420B. Creation and selection of additive zones (-AHP and -AHD)

16-420C. Permitted uses

16-420D. Plan Review and Processing

16-420E. Affordability requirements

16-420F. Density of units

16-420G. Development Standards

16-420H. Design Standards

16-420I. Special Development Requirements

16-420J. Interpretation of this Division 7C

16-420K. Findings

DIVISION 7C. AFFORDABLE HOUSING -AHP AND -AHD ADDITIVE ZONES

SEC. 16-420A. INTENT.

The affordable housing additive zones are zoning designations to provide opportunities for the development of affordable residential housing to help the City reach its regional housing needs allocation (RHNA) to implement the Housing Element’s “Affordable Housing Permitted” and “Affordable Housing Discretionary” site-specific designations. The Affordable Housing additive zones are separate, and in addition to, the “State” Density Bonus authorized by Division 7A (commencing with section 16-410A).

SEC. 16-420B. CREATION AND SELECTION OF ADDITIVE ZONES (-AHP AND -AHD).

(A) Additive zone - Additive zone designations act as a suffix to the underlying zone designation. The additive designations are “Affordable Housing Permitted” (-AHP), and “Affordable Housing Discretionary” (-AHD). The -AHP and -AHD designations do not change the allowable uses and/or density of the underlying zone but add the right to develop housing at a density of up to 30 dwelling units per acre, in a manner consistent with this Division 7C.

(B) Selection of Affordable Housing Additive zone sites - The parcels and aggregations of parcels with the -AHP and -AHD additive zone designations are shown in the Housing Element (2030

General Plan, Chapter 8) Supplement 1. These sites are not required to be available for sale or require owner permission to be designated -AHP or -AHD, although both conditions are preferred.

(C) No Net Loss - If an Affordable Housing Additive zone site is approved for non-residential development or with a residential unit count less than realistic/net lower income units listed for the site in Supplement 1 of the Housing Element, the City shall designate a replacement Additive Zone site (or combination of sites) if needed and required to maintain a "rolling" potential unit inventory that meets the then-remaining RHNA allocation for extremely low, very low and low income housing for the current RHNA planning period, as calculated by the Director. The city shall be responsible for the designation of replacement site(s) within 12-months from the date of the approved entitlements, unless the rolling inventory for extremely low, very low, and low income housing meets the remaining RHNA need as determined in the Annual Report. The determination on if a replacement site is needed and required will be based on results of the City's Annual Report which will be submitted to the California Department of Housing and Community Development (HCD) on a yearly basis. Private parties may propose Affordable Housing Additive zone sites through the rezoning process in combination with an housing development application process.

(D) Evaluation of sites for Affordable Housing Additive zone - In determining additional parcels or groups of parcels that may be suitable for the -AHP or -AHD additive zoning, potential sites shall be evaluated for their potential compatibility with adjacent land uses, availability of public services and is not located on land in any of the categories listed in Section 16.420K(F) of this Division, and the site is found to either be suitable or have the potential to be suitable with appropriate design that transitions to adjoining neighborhoods.

(E) The -AHP additive zone may only be applied to a non-vacant site that was included in a prior housing element planning period, or a vacant site that was included in two or more consecutive housing elements planning periods.

SEC. 16-420C. PERMITTED USES.

(A) Multifamily - Multifamily residential uses are allowed in -AHP and -AHD zones, subject to compliance with all applicable requirements of this Division 7C.

(B) Mixed use permissible - Mixed use multifamily residential uses are allowed in -AHP and AHD zones, subject to compliance with all applicable requirements of this Division 7C, as follows:

(1) Mixed use multifamily residential uses within the -AHP or -AHD additive zone may include space for commercial or office uses that do not exceed 15 percent of the total floor area of the development, where commercial or office uses are allowed as a permitted use in the underlying zoning designation, as part of the -AHP or -AHD associated permit. Commercial or office uses, which require a Special Use Permit in accordance with the underlying zoning designation, shall require approval of a Special Use Permit, in both the -AHP or -AHD additive zone.

(2) Mixed use multifamily residential uses within the -AHP additive zone which contain commercial or office space of greater than 15 percent of the total floor area of the development may request that the mixed use multifamily residential use application be removed from the by-right Site Plan Review permit process and submit an application for a Development Design Review planning permit pursuant to section [16-525](#) under which the mixed use multifamily residential use application is not considered ministerial. The commercial or office space of greater than 15 percent of the total floor area of the development are also permissible, if they are constructed in addition to other permitted or related uses that are permitted in accordance with the underlying zoning designation.

The commercial or office space shall still require Development Design Review Permit or Special Use Permit in accordance with the underlying zoning designation in the -AHP additive zone.

(3) Mixed use multifamily residential uses within the -AHD additive zone which contain commercial or office space of greater than 15 percent of the total floor area of the development are also permissible, if they are constructed in addition to other permitted or related uses that are permitted in accordance with the underlying zoning designation. The commercial or office space shall still require Development Design Review Permit or Special Use Permit in accordance with the underlying zoning designation in the -AHD additive zone.

(C) Underlying zoning permissible - As the -AHP and -AHD Additive zone designations do not replace the 2030 general plan land use or underlying zone designations, any proposed use or development other than housing, or in addition to housing, shall be governed by the 2030 General Plan and zone designations and applicable standards and guidelines.

SEC. 16-420D. PLAN REVIEW AND PROCESSING.

(A) Application - Residential or mixed use developments proposed on -AHP or -AHD Additive Zone sites and permitted under this Division shall be identified by the applicant at the time of permit application. The permit application fee and applicable supplemental development and environmental analysis and impact fees are required.

(1) Residential or mixed use development applications are to identify that the development will provide a minimum of 20% of all units as affordable to extremely-low income, very-low income, or low income households and comply with this entire Division.

(2) The Planned Development designation on a site is only applicable to non-residential development or development that does not fall under the -AHP or -AHD additive zone provisions.

(3) An application cannot utilize both the Planned Development Additive Zone provisions found in Chapter 16, Division 17 and the -AHP or -AHD Additive Zone provisions found in Section 16-420H(E).

(B) Site Plan Review Permit - A ministerial site plan review (SPR) permit process (City Code section 16-523) is required for all Multi-Family Residential development as defined under Section 16-420C(A) within the -AHP zone that meets the affordability requirements as defined in Section 16-420E(A), and complies with the applicable development and design standards of this chapter.

(C) Special Use Permit - A Special Use Permit (SUP) permit process (City Code Sections 16-530 to 16-553) is required for all Multi-Family Residential uses permitted under this Division that are not eligible under Subsection (B) of this section and are located in the -AHD zone.

(D) Impact fees - applicants shall pay all applicable impact fees, provide appropriate design and engineering studies, and otherwise follow the applicable entitlement process for development of comparable size and use.

SEC. 16-420E. AFFORDABILITY REQUIREMENTS.

(A) All housing units built pursuant to this Division shall provide a minimum of 20% of all units as affordable to extremely-low income, very-low income, or low income households as defined and periodically updated by the U.S. Department of Housing and Urban Development for Ventura County. Developers of housing under this Division are not eligible to request to make in-lieu Affordable Housing Payment instead of providing affordable housing units.

(B) All residential developments built pursuant to this Division 7C are subject to the City of Oxnard Inclusionary Housing Ordinance.

(C) The developer shall establish and at all times maintain a written list of Oxnard residents qualified to purchase or rent each of the affordable units. The developer shall offer the affordable units to qualified Oxnard resident buyers or renters on the waiting list first and give preference to them until there are no qualified Oxnard residents on the waiting list. At such time, the developer may make units available to all other prospective buyers or renters meeting the income limitations for such units.

(D) Affordability restrictions - Each affordable unit must be restricted for a minimum of 55 years for rental units and 45 years for owner-occupied units. The deed restriction or affordable housing agreement shall be recorded prior to, or concurrently with, final map recordation or, where the qualified housing development does not include a map, prior to issuance of a building permit for any structure on the site. The Director is hereby authorized to enter into the agreements authorized by this section on behalf of the city upon approval of the agreements by city attorney for legal form and sufficiency.

(E) Manager's unit - For developments which are 100 percent affordable the following shall apply. For a development with between 10 and 40 units, one manager's unit is exempt from the affordability requirement. For a development between 41 and 80 units, up to two manager's units are exempt from the affordability requirement. For development of 81 or more units, up to three manager's units are exempt from the affordability requirement. Developments that provide 9 or less affordable units do not obtain an exemption for a manager unit.

SEC. 16-420F. ASSISTANCE FOR AFFORDABLE PROJECTS.

(A) Housing developments that comply with this Division and contain multiple parcels with at least one parcel less than 0.5 acres which will be merged to facilitate affordable housing may request that lot merger fees be waived. Unless the lot merger involves unique situations that involve an agency or easement party other than the city or a utility company, the city shall grant the lot merger fee waiver request.

SEC. 16-420G. DENSITY OF UNITS.

(A) Maximum density - The allowable density of units per acre for the -AHP and -AHD additive zones is up to 30 units per acre.

(B) Density bonus applications - Affordable Housing Additive zone sites are eligible for the State density bonus if the developer files a density bonus permit request under Division 7A of Article V of Chapter 16 (commencing with section 16-410A).

(C) Accessory dwelling unit application - Affordable Housing Additive zone sites are eligible for the accessory dwelling units if the developer files an accessory dwelling unit permit request under Division 13 of Article V of Chapter 16 (commencing with section 16-465).

(D) Subdivisions – Affordable Housing developments permitted under this Division may be subdivided in a manner that portions of the development may exceed the designated housing density or have a different compatible use, so long as the overall applicable density is achieved.

SEC. 16-420H. DEVELOPMENT STANDARDS

(A) Residential development in the -AHP and -AHD additive zones are subject to the R-4 High Rise Residential development standards (City Code Sections 16-70 to 16-79), the attached dwelling unit development standards (City Code sections 16-360 to 16-363), the off-street parking requirements (Article X of Chapter 16 of the City Code), and standards for all zones (Article IV of Chapter 16 of the City Code) except as otherwise provided under this Division 7C and Division 7A Density Bonus.

(B) Maximum building heights for residential development in the -AHP and -AHD additive zones of five stories shall be permitted but shall not exceed 56 feet. Ground floors shall have a minimum plate height of 12 feet and shall not exceed 16 feet.

(C) Buildings within the C-2 zone having commercial and or office uses on the lower floor and residential uses on the upper floor or floors shall comply with the front, side and rear yard regulations of the underlying zone for commercial and or office floors and the R-4 zone for the residential floors.

(D) Buildings within the BRP zone shall comply with the front, side, rear, and street side yard setbacks of the BRP zone.

(E) Adjustment to development standards – housing developments that include one-hundred percent of units affordable to extremely-low income, very-low income, or low income households, exclusive of managers units, are eligible for adjustment to numerical development standards by plus or minus 10%, as determined necessary by the Review Authority, to ensure requested densities up to the maximum allowed for the subject site, and to ensure quality development is achieved for one-hundred percent affordable housing developments. The 10% modification is to be applied to the underlying three-dimensional development standards (and not density) and is in addition to requested Density Bonus provisions. The City may deny the requested adjustment if the adjustment would cause the development to have a specific, adverse impact, as defined in Cal. Gov't Code, Section 65589.5(d)(2), upon the public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources, or would be contrary to State or Federal law.

SEC. 16-420I. DESIGN STANDARDS

Housing developments permitted under this Division shall incorporate the following objective design standards and include on-site amenities appropriate for the resident population to be served:

(A) Neighborhood compatibility.

(1) Residential developments located abutting or across the street from a single-family neighborhood shall orient the buildings to the street with individual entries, patio areas and landscaping facing the single-family homes. Parking lot areas, garages and carports shall be located behind residential structures unless it is technically infeasible based on other City or State required standards.

(2) Duplexes, triplexes, and fourplexes abutting or across the street from a single-family neighborhood shall include individual front doors and interior stairs (when stairs are needed).

(3) When determined necessary by a noise assessment, sound walls shall include an earth berm and landscaping. Walls between buildings shall be extended to create pockets of protected common space avoiding long continuous walls for the entire length of a development site.

(B) Building Design.

- (1) Buildings shall orient towards the street or internal courtyard.
- (2) Buildings shall carry the same theme on all elevations. For the purposes of this standard, a theme includes primary (non-accent) materials and colors.
- (3) Architectural articulation shall be provided on all four sides of a building. Architectural articulation rhythms shall be followed based upon dimensions found in existing developments immediately adjacent to the site being developed.
- (4) Exterior siding shall be made of nonreflective and nonmetallic materials. Acceptable siding material includes wood, stucco, ceramic tile, brick, stone, or other masonry materials, or any combination of these materials.
- (5) Affordable units and market rate units in the same development shall be constructed of the same or similar exterior materials and details such that the units are not distinguishable.
- (6) Blank walls (façades without doors, windows, landscaping treatments) shall be less than 30 feet in length along sidewalks, pedestrian walks, or publicly accessible outdoor space areas.
- (7) Buildings over three stories must provide a ground floor elevation that is distinctive from the upper stories by providing a material change or color change between the first floor and upper floors when in alignment with a change in architectural fenestration or facade articulation. The change in material or color shall occur along at least 75% of the building façade with frontage upon a street, adjacent public park or public open space.
- (8) The Primary Street and the Side Street frontages, up to 75 feet from the primary street front property line, of on-grade parking podiums and parking structures shall be lined with occupiable, usable space with a minimum depth of 18 feet. Non-lined portions of above-grade garages (rear of lots along side streets) must be set back at least five feet. The setback area should contain landscaping of the same quality as elsewhere on the property.
- (9) Trim surrounds shall be provided at all exterior window and door openings. In lieu of exterior window trim, windows can be recessed from the wall plane by a minimum of three inches.
- (10) At least two materials shall be used on any building frontage, in addition to glazing and railings. Any one material must comprise at least 20% of the building frontage.
- (11) Building facades shall be multi-colored. Each facade must contain not less than two but not more than five distinct colors. Extremely bright colors are only allowed on doors, window trim, or other building components that represent a small portion of the overall building façade. Materials, finishes, fixtures, and colors visible from the street shall be designed in a manner that is consistent with the architectural style of the building

(C) Massing/articulation.

- (1) A minimum of two features such as balconies, cantilevers, dormers, bay windows, patios, individualized entries, and accent materials shall be incorporated into each proposed building.
- (2) A minimum one-foot offset is required for any wall plane that exceeds 30 feet in length.
- (3) Buildings over three stories tall shall have major massing breaks at least every 100 feet along any street frontage, adjacent public park, publicly accessible outdoor space, or designated open space, through the use of varying setbacks and/or building entries. Major breaks shall be a minimum of 30 inches deep and four feet wide and extend the full height of the building.

(4) Buildings shall have minor massing breaks at least every 50 feet along the street frontage, through the use of varying setbacks, building entries and recesses, or structural bays. Minor breaks shall be a minimum of 12 inches deep and four feet wide and extend the full height of the building.

(5) Rooflines shall be vertically articulated at least every 50 feet along the street frontage, through the use of architectural elements such as parapets, varying cornices, reveals, clerestory windows, and varying roof height and/or form.

(6) Within 20 feet of an R-1 District boundary, the maximum building height is 25 35 feet. From this point, the building height may be increased to a ground level of up to 16 feet to allow for podium parking and four additional stories of 10 feet each with a combined maximum height of 56 feet.

(D) Site design.

(1) When dwelling units are abutting common open space areas and parks, a minimum of one window from each dwelling shall be located to overlook common area and parks.

(2) Garages and carports shall be designed to include a minimum of two of the following from the main building(s): materials, detailing, roof materials, and colors.

(3) Controlled entrances to parking facilities (gates, doors, etc.) shall be located a minimum of 18 feet from the back of sidewalk, in order to accommodate one vehicle entering the facility.

(4) Where bicycle parking is not visible from the street, directional signage to bicycle parking shall be included at the main building entrance. The signage shall be in the form of either a directory not exceeding six (6) square feet and or up to ten (10) individual directional signs not exceeding 1 square-foot each.

(5) Within commercial zones parking shall not be allowed within the front setback areas and direct pedestrian access to the building(s) must be provided from the public right-of-way. Direct pedestrian access between the public right-of-way and the building shall not require crossing parking, drive aisles, or other spaces used for vehicular circulation.

(6) Within commercial zones all housing developments must have direct interaction with the public right-of-way. When ground floor residential units are proposed, the residential units which front the public right-of-way shall locate kitchens and other living spaces (but not bedrooms) to front on the public right-of-way. These residential units may have covered patios and decks which can be constructed within the front yard setback within 5 feet of the property line provided the patios or decks have steps and or gates which lead directly to the public right-of-way. Second and third floor residential units are encouraged to place kitchens and other living spaces (but not bedrooms) to overlook the public right-of-way. These residential units may have decks and or balconies which encroach up to 10 feet into the front yard back.

(7) Surface parking spaces may be open or covered. All surface parking shall be screened from street views by buildings, walls (36 to 48 inches tall), landscaping, a planted earth berm, planted fencing, topography, or some combination of the above. Landscaping used for screening purposes must be no less than five feet wide (from the back of sidewalk or street curb to the parking lot paving, whichever is greater).

(8) Frontage improvements consistent with Public Works plates. The frontage improvements shall be designed to connect with and transition into adjacent existing frontage improvements.

(9) Common use site areas shall include refuse collection, mail distribution, laundry, recreation, and congregation. All such areas shall be connected with an accessible route.

(10) A secured mail and parcel distribution areas shall be well lit, secure, and shall remain open to the tenants at all times.

(E) Accessory elements.

(1) Perimeter fencing utilized along a public street shall be constructed of decorative iron, pre-painted welded steel, CMU block, or wood picket material.

(2) The height of solid fencing between private yards and common open spaces shall be limited to four and one-half feet in height. If a six-foot fence is desired, the top 18 inches shall allow for vision in and out of the yard.

(3) All roof top, wall mounted or ground mounted equipment must be screened. Roof top screening must use the materials and colors from the building and be architecturally integrated.

(4) All exterior storage facilities shall be screened from the public right-of-way. within an enclosure with walls at least six (6) feet in height

(5) All wood service poles, electric and gas meters, fire sprinkler valves and backflow preventers and transformers shall be located in the least prominent locations onsite as allowed by the utilities, and all equipment shall be camouflaged using building materials and colors and or landscaping included within the project design.

(6) Refuse enclosures.

(a) All refuse enclosures shall be designed to comply with the City Material Management and Enclosure Design Guidelines.

(b) Shield all dumpsters within an enclosure a minimum of six (6) feet tall with a solid roof. Allow adequate size to accommodate the needed dumpsters and recycling containers. All enclosures and gates shall be detailed to withstand heavy use. Provide wheel stops or curbs to prevent dumpsters from banging into walls of enclosure.

(c) Provide an opening so that pedestrians can access the dumpsters without opening the large gates.

(d) Provide lighting at trash enclosures for night time security and use.

(e) Locate dumpster enclosures so that no dwelling is closer than 20 feet (including those on abutting properties), or more than 150 feet from a residential unit. No minimum distance from dwellings is required if dumpsters are located within a fully enclosed room.

SEC. 16-420J. SPECIAL DEVELOPMENT REQUIREMENTS.

For developments located within or adjacent to any industrial or commercial zoned property the following Compatibility standards shall apply to ensure the compatibility of uses within a residential or mixed-use development :

(A) Compatibility with surrounding uses. The overlay environment is an urbanized area, therefore land use compatibility issues are expected to occur. Therefore, applicants for Multifamily or Mixed-use development shall submit data as determined by the Director to evaluate compatibility with surrounding uses with respect to issues including, but limited to the following:

- (1) Noise.
- (2) Odors.
- (3) Truck traffic and deliveries.
- (4) Hazardous materials handling/storage.
- (5) Air emissions.
- (6) Soil/groundwater contamination.
- (7) Complete sidewalk circulation systems and bus stops.

(B) Residential disclosures: All applications for Multifamily or Mixed-use shall include a condition of approval for disclosure to residents clearly outlining the issues associated with living in a mixed-use environment. The language for this disclosure shall be as specified by the Director. Copies of each signed disclosure shall be made available for review upon written request by the City.

(C) Applicants for new Multifamily or Mixed-use developments within 500 feet of US 101 or industrially zoned property shall be required to install high efficiency Minimum Efficiency Reporting Value (MERV) filters of MERV 14 or better in the intake of residential ventilation systems. Heating, air conditioning and ventilation (HVAC) systems shall be installed with a fan unit power designed to force air through the MERV 14 filter. To ensure long-term maintenance and replacement of the MERV 14 filters in the individual units, the following shall occur:

(1) The developer, sale, and/or rental representative shall provide notification to all affected tenants/residents of the potential health risk from US 101 and industrial zones for all affected units, per Item 3 of this section.

(2) For rental units within 500 feet of the US 101 or any industrially zoned property, the owner/property manager shall maintain and replace MERV 14 filters in accordance with the manufacturer's recommendations. The property owner shall inform renters of increased risk of exposure to diesel particulates from US 101 and industrially zoned properties when windows are open.

(3) For residential owned units within 500 feet of US 101 or an industrially zoned property, the homeowners' association (HOA) shall incorporate requirements for long-term maintenance in the covenant conditions and restrictions and inform homeowners of their responsibility to maintain the MERV 14 filter in accordance with the manufacturer's recommendations. The HOA shall inform homeowners' of increased risk of exposure to diesel particulates from US 101 when windows are open.

(D) For all Multifamily or Mixed-use developments located within the distances to industrial uses as outlined below the applicant shall submit a health risk assessment (HRA) prepared in accordance with policies and procedures of the State Office of Environmental Health Hazard Assessment (OEHHA), California Office of Emergency Services (OES), Certified Unified Program Agency (CUPA)

and Ventura County, Air Pollution Control District (APCD) to the Director. The HRA shall be reviewed and approved by the City and qualified experts approved by the City following APCD or California Air Pollution Control Officers Association (CAPCOA) guidelines prior to approval of any future residential or residential mixed use development, and HRA recommendations shall be incorporated into the development.

- 1,000 feet from the truck bays of an existing distribution center that accommodates more than 100 trucks per day, more than 40 trucks with operating transport refrigeration units, or where transport refrigeration unit operations exceed 300 hours per week.
- 1000 feet from industrial facility which emits toxic air contaminants (TACs) identified by the following sources:
 - CARB Toxic Emission Inventory
 - EPA Toxic Release Inventory
 - CARB Toxic Air Contaminant Identification List
 - EPA List of Air Toxics
 - Ventura County APCD Air Toxic Annual Report or Similar APCD List

(E) For all Multifamily or Mixed-use developments located within 1,000 feet of an industrial facility that emits substantial odors, which includes, but is not limited to:

- Wastewater treatment plants.
- Composting, greenwaste, or recycling facilities.
- Fiberglass manufacturing facilities.
- Painting/coating operations.
- Coffee roasters.
- Food processing facilities.

The applicant shall submit an odor assessment to the Director prior to approval of any future discretionary action that verifies that the Ventura County Air Pollution Control District has not received three or more verified odor complaints. If the odor assessment identifies that the facility has received three such complaints, the applicant will be required to identify and demonstrate the Best Available Control Technologies for Toxics (T-BACTs) which are capable of reducing potential odors to an acceptable level, including appropriate enforcement mechanisms. T-BACTs may include, but are not limited to, installation of Minimum Efficiency Reporting Value (MERV) filters rated at 14 or better at all residential units. All T-BACTs shall be incorporated into the development.

(F) Noise standards.

(1) Individual developments that involve vibration-intensive construction activities, such as pile drivers, jack hammers, and vibratory rollers, occurring near sensitive-receptors shall be evaluated for potential vibration impacts. Developments are required to implement construction techniques which result in construction-related vibration that is less than the Federal Transit Administration vibration-annoyance criteria of 78 VdB during the daytime (7:00am-10:00pm) and not allowed during the nighttime (10:01pm-6:59am).

(2) The applicant shall submit evidence to the satisfaction of the Director that all units with patios and/or balconies meet the 65 dBA CNEL.

(G) Hazardous materials standards. Individual development sites may have existing facilities, such as transformers or clarifiers, to be demolished as part of a proposed development. To mitigate hazardous materials-related impacts during the removal of such facilities, the Director, in conjunction with the Oxnard Fire Department, shall include specific development conditions of approval as part of the discretionary review process for the proposed development.

(H) Public safety standards.

(1) Plans submitted for review of residential development shall include the following safety features:

(a) Recreation areas shall be located adjacent to residential uses whenever possible. These areas shall be visible to residents from within their dwellings to allow for "eyes on the street" proper visual surveillance. Placement of windows, landscaping, lighting, and recreation uses shall be coordinated to enhance resident surveillance opportunity, but not to detract from the recreational use.

(b) General utilization of the concepts of Crime Prevention Through Environmental Design (CPTED) in the planning and development stages.

(2) The inclusion of the following items shall be verified by the public safety department prior to issuance of the first building permit for a residential unit.

(a) Development of a security plan for Multifamily or Mixed-use developments that includes:

- i. Management contact for public safety issues available 24-hours a day;
- ii. Cameras for monitoring and recording vehicles and persons entering the site;
- iii. Access control systems to control passage into common areas; and
- iv. Secure postal and parcel delivery
- v. Quick removal of graffiti; and
- vi. Enforcement of restricted parking spaces.

(b) Preparation of a standardized, high density, "wayfinding" sign program to aid emergency responders in finding individual residential units quickly and easily.

(c) A Click2Enter radio frequency access system shall be installed at any vehicle and pedestrian access point controlled by privacy gates.

(d) Security. Residential units shall be designed to ensure the security of residents through the provision of secured entrances and exits that are separate from the nonresidential uses. Nonresidential and residential uses shall not have common entrance hallways or common balconies. These separations shall be shown on the development plan and the separations shall be permanently maintained.

(e) Windows. Residential windows of buildings directly adjacent to industrial uses shall generally be directed away from loading areas and docks, unless view-restricting architectural elements are utilized.

SEC. 16-420K. INTERPRETATION OF THIS DIVISION 7C.

(A) No effect on other sites - Nothing in this Division 7C prevents all or partially affordable housing developments being developed on non-AHP and -AHD zoned sites pursuant to the applicable 2030 general plan and zoning designations, density bonus permit process, development standards, CEQA review, and applicable permitting procedures.

(B) Development standards - Nothing in this Division 7C shall be interpreted to require the City to waive or reduce development standards if the waiver or reduction would have a specific, adverse impact, as defined by Cal. Gov't Code, Section 65589.5(d)(2), upon health, safety, the physical environment, or any real property listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact.

(C) Design - Nothing in this Division 7C shall be interpreted as authorizing or encouraging the development of affordable housing with lower quality design compared with market-rate projects. Affordable developments are held to the same building codes, landscape requirements, and exterior architectural standards as comparable and contemporaneous market-rate developments.

SEC. 16-420L. FINDINGS.

In addition to the findings required by the Site Plan Review Permit or Special Use Permit, and any other applicable findings required under this chapter, the Review Authority must make the following findings for any developments approved pursuant to this Division:

(A) Community-level environmental review as defined in the California Public Resources Code, Section 21159.20, has been adopted or certified, and the development consistent with the project evaluated in the environmental document, or the development is otherwise exempt from the California Environmental Quality Act.

(B) The development and other projects approved prior to the approval of the development can be adequately served by existing utilities, and the project applicant has paid, or has committed to pay, all applicable in-lieu or development fees.

(C) The development does not have a significant effect on historical resources pursuant to Section 21084.1 of the Public Resources Code.

(D) The development site does not have an unusually high risk of fire or explosion from materials stored or used on nearby properties.

(E) The development site does not present a risk of a public health exposure at a level that would exceed the standards established by any state or federal agency.

(F) The development is not located on a site that is any of the following:

(1) Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction.

(2) Wetlands, as defined in the United States Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993).

(3) Within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code. This subparagraph does not apply to sites excluded from the specified hazard zones by a local agency, pursuant to subdivision (b) of Section 51179, or sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development.

(4) A hazardous waste site that is listed pursuant to Section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless the Department of Toxic Substances Control has cleared the site for residential use or residential mixed uses.

(5) Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist, unless the development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law (Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code), and by any local building department under Chapter 12.2 (commencing with Section 8875) of Division 1 of Title 2.

(6) Within a floodplain as determined by maps promulgated by the Federal Emergency Management Agency, unless the development has been issued a flood plain development permit pursuant to Part 59 (commencing with Section 59.1) and Part 60 (commencing with Section 60.1) of Subchapter B of Chapter I of Title 44 of the Code of Federal Regulations.

(7) Within a floodway as determined by maps promulgated by the Federal Emergency Management Agency, unless the development has received a no-rise certification in accordance with Section 60.3(d)(3) of Title 44 of the Code of Federal Regulations.

(8) Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code), habitat conservation plan pursuant to the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), or other adopted natural resource protection plan.

(9) Habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), the California Endangered Species

Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), or the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code).

(10) Lands under conservation easement

(G) The development is not located on a site where any of the following apply:

(1) The development would require the demolition of the following types of housing:

(a) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(b) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power."

Section 2. If any section, sentence, clause or phrase of this Ordinance is determined to be invalid, illegal or unconstitutional by a decision or order of any court of competent jurisdiction, then decision or order shall not affect the validity and enforceability of the remaining portions of this Ordinance. The City Council declares that it would have passed and adopted this Ordinance, and each section, sentence, subsection, clause, phrase, part or portion thereof, regardless of the fact that any one or more sections, sentences, subsections, clauses, phrases, be declared invalid or unconstitutional.

Section 3. Cumulative Ordinance. Nothing in this Ordinance shall be interpreted to allow any land use which is not expressly listed as permitted or conditionally permitted within the City's Zoning Code.

Section 4. Exempt from CEQA. The City Council determines and finds that the adoption of this Ordinance is exempt from review under the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and (3) and 15061(b)(3) of the Guidelines to the California Environmental Quality Act because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Therefore, CEQA does not apply to this action.

Section 5. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this Ordinance, and a certified copy the Ordinance was posted in the Office of the City Clerk a minimum of five days before the City Council's adoption of the Ordinance.

Section 6. The City Clerk shall certify as to the adoption of this Ordinance and shall cause summary thereof to be published within fifteen calendar (15) days of the adoption and shall post a certified copy of this Ordinance, including for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on October 5, 2021, to become effective thirty (30) days thereafter.

PASSED AND ADOPTED this 5th day of October, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

John Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

Attachment 2

Zoning Text Amendment to OCC Section 16-135 & 16-136 General Commercial

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING THE GENERAL COMMERCIAL ZONE PERMITTED AND RELATED USES IN DIVISION 9 OF ARTICLE III OF CHAPTER 16 OF THE OXNARD CITY CODE SECTIONS 16-135 AND 16-136, RELATED TO THE AMENDMENT AND ADOPTION OF THE 2021-2029 HOUSING ELEMENT. FILED BY CITY OF OXNARD, COMMUNITY DEVELOPMENT DEPARTMENT, 214 SOUTH C STREET, OXNARD, CA, 93030.

WHEREAS, the City Council of the City of Oxnard has considered Zone Text Amendment (ZTA) PZ No. 21-580-03, filed by the City of Oxnard Community Development Department, to amend Chapter 16 of the Oxnard City Code (OCC) pertaining to the General Commercial zone permitted and related use to implement the 2021-2029 Housing Element. The proposed modification is to allow up to 30 dwelling units with 20% lower income units per acre when identified by a zoning suffix of “-AHP” (Affordable Housing Permitted) or “-AHD” (Affordable Housing Discretionary) in OCC Chapter 16, Article III, Section 16-135 (Uses Permitted) and 16-136 (Related Uses); and

WHEREAS, in 2013 the City Council adopted the first AAHOP ordinance to provide opportunity for developers and the non-profit sector to develop all-affordable residential development to help reach the City’s Regional Housing Need Allocation (RHNA); and

WHEREAS, due to changes in state Housing Element law, on October 6, 2020, the City Council held a public meeting on preparation of the 2021-2029 Housing Element and directed staff to discontinue the AAHOP program and instead rezone select housing element sites to the State default density of 30 dwelling units per acre to reach the total 2021-2029 RHNA lower income allocation; and

WHEREAS, the Planning Commission held a public hearing on September 2, 2021 to review and provide input on the 2021-2029 Final Housing Element, Staff’s recommended text and map changes to the General Plan Land Use Element, Draft amendments to Chapter 16 of the Oxnard City Code and recommended zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element; and

WHEREAS, the Planning Commission held a public hearing on September 16, 2021 to consider approving resolutions recommending that the City Council of the City of Oxnard amend the 2030 General Plan by adopting the 2021-2029 Final Housing Element Update and incorporating it as Chapter 8 of the 2030 General Plan (General Plan Amendment PZ No. 20-620-03), text and map changes to the General Plan Land Use Element (General Plan Land Use Element/Text and Map Amendment Nos. PZ 21-620-02 and PZ 21-620-03), amendments to Chapter 16 of the Oxnard City Code (Zoning Code Text Amendments No. PZ 21-580-03), and zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element (Zoning Map Amendments No. PZ 21-580-04); and

WHEREAS, the Planning Commission received written and verbal comments from the public; and

WHEREAS, The City prepared an Initial Study - Mitigated Negative Declaration (IS/MND - No. 2021-01) for the proposed 2021-2029 Housing Element and related actions in accordance with CEQA Guidelines, Section 15070; and

WHEREAS, the Planning Commission adopt Resolution 2021-26 recommending that the City Council approve Planning & Zoning Permit No. 21-580-03 (Zone Text Amendment) for implementation of the City's housing element; and

WHEREAS, on October 5, 2021, the City Council of the City of Oxnard conducted a duly noticed public hearing to consider the Applicant's request to approve Planning and Zoning Permit No. 21-580-03 (Zone Text Amendment) in accordance with the OCC, and

WHEREAS, the City Council received written and verbal comments from the public; and

WHEREAS, the City Council finds proposed Zoning Text Amendment is in the public interest and reflects the input from residents, stakeholders in the community, and decision-makers. There are no changes recommended under the proposed ZTA that would reduce or compromise existing standards that protect the health, safety or general welfare of the City; and

WHEREAS, the proposed ZTA does not involve any direct physical changes to the environment. There are no changes in landforms as a part of the proposed ZTA and all public services for existing land uses will remain as-is, with no changes and no diminishment of service or safety; and

WHEREAS, the proposed ZTA to Chapter 16 of the OCC would establish specific provisions consistent with the action items and policy directives in the 2030 General Plan, as amended under PZ Permit No. 20-620-03, General Plan Amendment replacing in its entirety the current Chapter 8 (2013-2021 Housing Element) with the 2021-2029 Housing Element and PZ No. 21-620-02, update General Plan Land Use Element (Chapter 3) text by amending the General Commercial and Business Research Park land use descriptions to allow up to 30 dwelling units with 20% lower income units per acre when identified by a zoning suffix of "-AHP" (Affordable Housing Permitted) or "-AHD" (Affordable Housing Discretionary); and

WHEREAS, the adoption of ZTA to City's General Commercial zone would facilitate development in the Affordable Housing Additive Zones at the default density of 30 du/acre, provided that a minimum of 20% of units are affordable to lower income households, per State requirements; and

WHEREAS, the City Council determined that this action is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15060(c)(2) and (3) and 15061(b)(3) as this ZTA is a regulatory action which will not result in direct or reasonably foreseeable indirect physical change in the environment and when it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment are not subject to CEQA; and

WHEREAS, it is in the public interest, consistent with the 2030 General Plan, to accommodate default density relating to the provision of affordable housing in specific zones in the City.

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

Section 1. Section 16-135(A)(42) is added to the Oxnard City Code to read as follows:

"(42) Multifamily Residential uses up to 30 dwelling units per acre on parcels in the AHP additive zone as provided in section 16-420."

Section 2. Section 16-136(A)(2) is amended to read as follows:

”(2) The permitted and related uses in the R-3 zone; and Multifamily Residential uses up to 30 dwelling units per acre in the AHD additive zone as provided in section 16-420;”

Section 3. If any section, sentence, clause or phrase of this Ordinance is determined to be invalid, illegal or unconstitutional by a decision or order of any court of competent jurisdiction, then decision or order shall not affect the validity and enforceability of the remaining portions of this Ordinance. The City Council declares that it would have passed and adopted this Ordinance, and each section, sentence, subsection, clause, phrase, part or portion thereof, regardless of the fact that any one or more sections, sentences, subsections, clauses, phrases, be declared invalid or unconstitutional.

Section 4. Cumulative Ordinance. Nothing in this Ordinance shall be interpreted to allow any land use which is not expressly listed as permitted or conditionally permitted within the City’s Zoning Code.

Section 5. Exempt from CEQA. The City Council determines and finds that the adoption of this Ordinance is exempt from review under the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) and (3) and 15061(b)(3) of the Guidelines to the California Environmental Quality Act because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Therefore, CEQA does not apply to this action.

Section 6. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this Ordinance, and a certified copy the Ordinance was posted in the Office of the City Clerk a minimum of five days before the City Council’s adoption of the Ordinance.

Section 7. The City Clerk shall certify as to the adoption of this Ordinance and shall cause summary thereof to be published within fifteen calendar (15) days of the adoption and shall post a certified copy of this Ordinance, including for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on October 5, 2021, to become effective thirty (30) days thereafter.

PASSED AND ADOPTED this 5th day of October, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

John Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

Attachment 3

Zoning Text Amendment to OCC Section 16-162 & 16-163 Business Research Park

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING THE BUSINESS AND RESEARCH PARK ZONE PERMITTED USES IN DIVISION 11 OF ARTICLE III OF CHAPTER 16 OF THE OXNARD CITY CODE (OCC) SECTIONS 16-162 AND 16-163, RELATED TO THE AMENDMENT AND ADOPTION OF THE 2021-2029 HOUSING ELEMENT. FILED BY CITY OF OXNARD, COMMUNITY DEVELOPMENT DEPARTMENT, 214 SOUTH C STREET, OXNARD, CA, 93030.

WHEREAS, the City Council of the City of Oxnard has considered Zone Text Amendment (ZTA) PZ No. 21-580-03, filed by the City of Oxnard Community Development Department, to amend Chapter 16 of the Oxnard City Code (OCC) pertaining to the Business and Research Park zone permitted use to implement the 2021-2029 Housing Element. The proposed modification is to allow up to 30 dwelling units with 20% lower income units per acre when identified by a zoning suffix of “-AHP” (Affordable Housing Permitted) or “-AHD” (Affordable Housing Discretionary) in OCC Chapter 16, Article III, Section 16-162 (Non-Industrial Use) and 16-163 (Industrial Land Uses by Zone: Industrial Land Use Matrix); and

WHEREAS, in 2013 the City Council adopted the first AAHOP ordinance to provide opportunity for developers and the non-profit sector to develop all-affordable residential development to help reach the City’s Regional Housing Need Allocation (RHNA); and

WHEREAS, due to changes in state Housing Element law, on October 6, 2020, the City Council held a public meeting on preparation of the 2021-2029 Housing Element and directed staff to discontinue the AAHOP program and instead rezone select housing element sites to the State default density of 30 dwelling units per acre to reach the total 2021-2029 RHNA lower income allocation; and

WHEREAS, the Planning Commission held a public hearing on September 2, 2021 to review and provide input on the 2021-2029 Final Housing Element, Staff’s recommended text and map changes to the General Plan Land Use Element, Draft amendments to Chapter 16 of the Oxnard City Code and recommended zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element; and

WHEREAS, the Planning Commission held a public hearing on September 16, 2021 to consider approving resolutions recommending that the City Council of the City of Oxnard amend the 2030 General Plan by adopting the 2021-2029 Final Housing Element Update and incorporating it as Chapter 8 of the 2030 General Plan (General Plan Amendment PZ No. 20-620-03), text and map changes to the General Plan Land Use Element (General Plan Land Use Element/Text and Map Amendment Nos. PZ 21-620-02 and PZ 21-620-03), amendments to Chapter 16 of the Oxnard City Code (Zoning Code Text Amendments No. PZ 21-580-03), and zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element (Zoning Map Amendments No. PZ 21-580-04); and

WHEREAS, the Planning Commission received written and verbal comments from the public; and

WHEREAS, The City prepared an Initial Study - Mitigated Negative Declaration (IS/MND - No. 2021-01) for the proposed 2021-2029 Housing Element and related actions in accordance with CEQA Guidelines, Section 15070; and

WHEREAS, the Planning Commission adopt Resolution 2021-26 recommending that the City Council approve Planning & Zoning Permit No. 21-580-03 (Zone Text Amendment) for implementation of the City's housing element; and

WHEREAS, on October 5, 2021, the City Council of the City of Oxnard conducted a duly noticed public hearing to consider the Applicant's request to approve Planning and Zoning Permit No. 21-580-03 (Zone Text Amendment) in accordance with the OCC, and

WHEREAS, the City Council received written and verbal comments from the public; and

WHEREAS, the City Council finds proposed Zoning Text Amendment is in the public interest and reflects the input from residents, stakeholders in the community, and decision-makers. There are no changes recommended under the proposed ZTA that would reduce or compromise existing standards that protect the health, safety or general welfare of the City; and

WHEREAS, the proposed ZTA does not involve any direct physical changes to the environment. There are no changes in landforms as a part of the proposed ZTA and all public services for existing land uses will remain as-is, with no changes and no diminishment of service or safety; and

WHEREAS, the proposed ZTA to Chapter 16 of the OCC would establish specific provisions consistent with the action items and policy directives in the 2030 General Plan, as amended under PZ Permit No. 20-620-03, General Plan Amendment replacing in its entirety the current Chapter 8 (2013-2021 Housing Element) with the 2021-2029 Housing Element and PZ No. 21-620-02, update General Plan Land Use Element (Chapter 3) text by amending the General Commercial and Business Research Park land use descriptions to allow up to 30 dwelling units with 20% lower income units per acre when identified by a zoning suffix of "-AHP" (Affordable Housing Permitted) or "-AHD" (Affordable Housing Discretionary); and

WHEREAS, the adoption of ZTA to City's Business Research Park zone would facilitate development in the Affordable Housing Additive Zones at the default density of 30 du/acre, provided that a minimum of 20% of units are affordable to lower income households, per State requirements; and

WHEREAS, the City Council determined that this action is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15060(c)(2) and (3) and 15061(b)(3) as this ZTA is a regulatory action which will not result in direct or reasonably foreseeable indirect physical change in the environment and when it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment are not subject to CEQA; and

WHEREAS, it is in the public interest, consistent with the 2030 General Plan, to accommodate default density relating to the provision of affordable housing in specific zones in the City.

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

Section 1. Oxnard City Code Chapter 16, Article III, Division 11 entitled "Industrial Zones", sections 16-162, and 16-163 are amended to read, as follows (**Only underlined portions are to be added**):

DIVISION 11. INDUSTRIAL ZONES

SEC. 16-162. NON-INDUSTRIAL USES.

The city council has determined that certain non-industrial uses may be permitted in industrial zones in order to achieve land use compatibility objectives. Those uses include adult uses and churches and religious facilities. Consistent with the guidance provided in section [16-163](#), industrial land use matrix, the following provisions and restrictions apply.

(A) Adult uses. Adult uses are further governed by Article V, Division 1 of this code.

(B) Churches and religious institutions. To ensure the integrity and economic viability of the industrial zoning districts and promote compatibility with assembly type uses such as churches, mosques, synagogues, and other religious facilities, the following additional restrictions apply to industrial zoned properties.

(1) All religious facilities in industrial zones are subject to a special use permit to permit the evaluation of land use compatibility and potential negative impacts on nearby industrial uses and hazard exposure to facility users.

(2) Religious facilities may be permitted in multi-tenant buildings in the C-M, BRP, and ML zones, subject to a special use permit.

(3) Schools which provide standard K-12 educational instruction are not permitted in any industrial zone. Religious instruction such as Sunday schools, bible study, and similar classes may be permitted subject to a special use permit.

(4) Religious institutions in the M-1 and M-2 must be located in freestanding buildings.

(5) Multifamily Residential uses up to 30 dwelling units per acre are permitted in the BRP zone on parcels identified in the AHD additive zone, subject to the provisions in section 16-420.

(C) Senate Bill (SB) 2 uses. For the purposes of this section, certain terms and words are defined as follows:

(1) EMERGENCY SHELTER FOR FAMILIES - A permanent facility consisting of a building or group of buildings with overnight sleeping accommodations providing temporary housing for six months or less to homeless families with children under the age of 18, or 21 if they are full-time students or disabled, pursuant to standards set forth in Article V, Division 18. Such accommodations shall include basic supportive services such as meals, restroom, bathing, and laundry facilities. No family shall be denied emergency shelter because of an inability to pay. For purposes of this definition, DISABLED means persons with special needs, including mental disabilities, developmental disabilities, AIDS, substance abuse, or chronic health conditions.

(2) EMERGENCY SHELTER, PERMANENT - A permanent facility consisting of a building or group of buildings with overnight sleeping accommodations providing temporary housing for six months or less to homeless persons pursuant to standards set forth in Article V, Division 18. Such accommodations shall include basic supportive services such as meals, restroom, bathing, and laundry facilities. No individual or household shall be denied emergency shelter because of an inability to pay.

(3) EMERGENCY SHELTER, TEMPORARY - A temporary facility consisting of a building or group of buildings with overnight sleeping accommodations providing housing to homeless persons for winter warming or similar short-term, temporary operation not to exceed four months within a 12-

month period. No individual or household shall be denied emergency shelter because of an inability to pay.

(4) **FAMILY** - A group of residents whose members jointly occupy a dwelling unit as a single housekeeping unit; have joint use of and responsibility for common areas; share household activities such as meals, chores, maintenance, and expenses; but not including residents of commercial group living such as hotels, dormitories, and fraternities.

(5) **FARMWORKER** - An employee, also known as an agricultural worker, engaged in agricultural work/farming and any practices performed on a farm in conjunction with farming, including cultivating and tillage of soil, the raising of animals, and the preparation of agricultural products for market, and/or to carriers for transportation to market.

(Ord. No. 2958, 2985)

SEC. 16-163. INDUSTRIAL LAND USES BY ZONE: INDUSTRIAL LAND USE MATRIX.

The allowed land uses in the industrial zoning districts are identified in the following table.

Industrial Land Use Matrix							
Key: Blank: Not Allowed P: Permitted Use (Requires a Zone Clearance) SUP: Special Use Permit DDR: Development Design Review Permit							
Land Use	Zone District						
	CM	BRP	M-L	M-1	M-2	Notes	
Administrative, executive, and/or corporate offices which are a part of a predominantly industrial operation, including governmental offices and facilities	P	P	P	P	P		
Administrative, financial, professional, medical, and general office services	P	P	SUP				
Adult businesses, except adult motels		P	P	P	P	Refer to section 16-337	
Adult day care facilities	P	P					
Adult motels	P					Refer to section 16-336	
Agricultural and construction vehicle sales with incidental repair and service	SUP		DDR	DDR			
Agricultural, limited to growing of crops	P	P	P	P	P		
Aircraft modification, storage, repair, and maintenance				P	P		
Aircraft sales	P	P	P	P			

Alcohol sales: on-site, off-site, and wine tasting	SUP	SUP	SUP	SUP		
Ambulance base facilities	P	P	P	P	P	
Appliance repairs	P		P	P		
Asphalt or concrete manufacture or refining					DDR	
Assembly or repair of small electrical and electronic equipment	P		P	P		
Assisted living residential facility		SUP				
	CM	BRP	M-L	M-1	M-2	Notes
Auction houses	P	P	P	P	P	
Boat building and repair				P	P	
Boiler repair and maintenance				P	P	
Book binding	P	P	P	P	P	
Bottling/canning plants			P	P	P	
Breweries, microbrew (less than 60,000 barrels). A SUP is required if including tasting rooms	DDR	DDR	DDR	DDR		
Breweries, craft (more than 60,000 barrels, less than 2 million barrels). A SUP is required if including tasting rooms	DDR	DDR	DDR	DDR		
Breweries, large (more than 2 million barrels)				DDR	DDR	
Brick, tile, or terra cotta manufacture				DDR	DDR	
Business furniture, supplies, and equipment sales	P	P	P			
Cabinet or carpenter shops	P		P	P	P	
Cafeterias accessory to permitted uses for the convenience of persons employed on the premises		P	P	P	P	
Carpet, rug, and dry-cleaning plants	P		P	P	P	
Cement, glass, lime, gypsum, or plaster manufacture					DDR	
Ceramic products	P		P	P	P	
Children's day care facility serving more than 15 children	SUP	SUP				
Churches	SUP	SUP	SUP	SUP	SUP	Refer to section 16-162(B)
Coffee shops, cafes	P	P	DDR	DDR	DDR	
Cold storage facilities including agricultural freezers and ice production and sales			P	P	P	
Commercial and retail uses	P	DDR	DDR	DDR		Refer to section 16-171
Commercial Cannabis Activities						

Distribution		DDR	DDR	DDR	DDR	See section 16-173 ; Article XVII Chapter 11
Manufacturing		DDR	DDR	DDR	DDR	See section 16-173 ; Article XVII Chapter 11
	CM	BRP	M-L	M-1	M-2	Notes
Retail		SUP				See section 16-173 ; Article XVII Chapter 11
Testing		DDR	DDR	DDR	DDR	See section 16-173 ; Article XVII Chapter 11
Commercial recreational and entertainment uses, such as batting cages, gymnasiums, boxing gyms, escape rooms, bowling alleys, skating rinks, and similar recreational uses as determined by the planning manager	DDR	DDR	DDR	DDR		
Computer and business machine sales and service	P	P	P			
Convenience markets and drugstores	P	DDR				
Corporate training and professional development facilities including ancillary outdoor activities	P	P	P	P	P	
Day care facilities accessory to industrial uses		DDR	DDR	DDR		
Day care facilities (over 12 children) as a principal use	DDR	DDR				
Distribution, warehousing, and wholesaling	P	P	P	P	P	
Drive-through services	SUP	SUP	SUP			
Drop forge industries					DDR	
Dwelling unit, one per establishment, for security or management when located on the premises where such person is employed in such capacity and accessory to an industrial use	DDR		DDR	DDR	DDR	
Electric motor rebuilding	P		P	P	P	
Electrical and lighting supply	P		P			
Electronic and computer repair	P	P	P			
Emergency shelter for families	SUP		P			
Emergency shelter, permanent	SUP		P			

Emergency shelter, temporary	SUP		P			
Employment agencies	P	P				
Energy generation, distribution, storage, and support facilities, including electrical and gas utilities	SUP	SUP	SUP	SUP	DDR	
Explosives, manufacture or storage					DDR	
Farmworker housing	SUP		P	P	P	
Feed sales	P		P	P		
Fertilizer manufacture					DDR	
Firearm and ammunition sales			SUP			Refer to Chapter 16, Division 19
	CM	BRP	M-L	M-1	M-2	Notes
Fish smoking, processing, curing, or canning				DDR	DDR	
Florists	P	P				
Freight classification yard, including truck and bus storage and maintenance				DDR	P	
Furniture manufacture and assembly	P		P	P	P	
Furniture upholstery shops	P		P	P		
Garbage, offal, or dead animal reduction or dumping					P	
Garment manufacturing		P	P	P	P	
Gas bulk storage, manufacturing, and distribution of flammable liquids and all gases					DDR	
General office, including legal, professional, medical, consulting, or similar	P	P				
Indoor firearm range			SUP			Refer to Chapter 16, Division 20
Iron, steel, brass, or copper foundry or fabrication plant				SUP	DDR	
Kennels and animal boarding	DDR		DDR	DDR	DDR	
Kennel day care	P		P	P	P	
Laboratories, research only		P	P			
Laundry, commercial	P		P	P	P	
Light metal fabrication (for example, sheet metal, wrought iron, and the like)	P		P	P	P	
Lumber yards with incidental sales of building and hardware supplies (outside storage)	SUP			SUP	P	
Machine shops	P		P	P	P	
Manufacture and assembly of electrical and electronic instruments, devices, and components	P	P	P	P	P	
Manufacturing and maintenance of electric neon signs	P		P	P	P	
Manufacturing, compounding assembly, or treatment of			P	P	P	

articles or merchandise from prepared materials such as, but not limited to, canvas, cloth, stones, wood products, and leather						
Manufacturing, compounding, processing, packaging, or treatment of food products such as, but not limited to, bakery, dairy, fruits and vegetables, and honey			P	P	P	
Marine equipment sales with incidental repair and service	P		P	P	P	
Medical product sales	P	P	P			
Medical: hospitals and medical centers		SUP				
Metals recycling and storage, including sales				SUP	DDR	
	CM	BRP	M-L	M-1	M-2	Notes
Mini-warehouses and self-storage facilities	SUP		SUP	SUP	SUP	Refer to Resolution No. 6446
Mobile home sales and display	DDR		DDR	DDR	DDR	
Motels, hotels, and convention facilities	SUP	SUP				
<u>Multifamily Residential uses up to 30 dwelling units per acre on parcels identified in the AHD additive zone, subject to the provisions in section 16-420.</u>		<u>SUP</u>				
Off-site non-accessory signs or billboards					SUP	Refer to section 16-608(G)
Oilcloth or linoleum manufacture					P	
Outdoor storage or assembly as a primary use					SUP	
Outdoor storage, incidental/accessory to uses otherwise permitted			DDR	DDR	DDR	
Paint, oil, shellac, turpentine, and varnish manufacture					DDR	
Paper and pulp manufacture					DDR	
Pawnshops	SUP					
Petroleum bulk plants and distribution				SUP	DDR	
Petroleum refining					DDR	
Photographic studios and services	P	P	P			
Planning mills				SUP	DDR	
Plastic manufacture				P	P	
Plumbing supply	P		P	P		
Printing shop, lithographing, photocopying, blueprinting, and publishing	P	P	P	P	P	
Product assembly plants and production facilities primarily engaged in final or partial assembling of	P	P	P	P	P	

packaging of premanufactured, treated, or fabricated components, materials, or products						
Public service uses - communications, fire and police, water, and other governmental or public facilities	DDR	DDR	DDR	DDR	DDR	
Radio or television broadcasting station	P	P	P	P	P	
Railroad support services				SUP	DDR	
Recycling collection: collection recycling facility for the acceptance of materials from the public including a bulk or single-feed reverse vending machine, a kiosk unit, or a permanent building				DDR	DDR	
Recycling mobile unit: mobile recycling unit used for the collection of recycled materials including the bins, boxes, or containers for the collection of recyclable materials	DDR		DDR	DDR	DDR	
Recycling processing facility: processing facility for ferrous and non-ferrous materials including the preparation of material for efficient shipment which includes baling, briquetting, flattening, grinding, crushing, mechanical sorting, shredding, cleaning, and re-manufacturing. Outdoor bin storage allowed for the collection of recycled materials				SUP	SUP	
	CM	BRP	M-L	M-1	M-2	Notes
Refrigeration and air conditioning repair and service	P		P	P	P	
Research and development, experimental or developmental laboratories		P	P	P	P	
Research, development, and clinical laboratories and uses including associated incidental and outpatient clinics		P				
Restaurants and delicatessens	P	P	P	DDR	DDR	
Rock crusher or distribution of rock, sand, or gravel					DDR	
Sale of building and hardware supplies within a building	P		P	P	P	
Specialized commercial retail centers oriented toward major transportation elements such as freeways, expressways, and other major transportation corridors. Specialized commercial uses include promotional, discount, factory outlet, and off-price shopping centers, as well as centers that are tourist-oriented or oriented to other specialized markets. Specialized commercial uses may also include general commercial uses in special or unique settings		SUP				
Stationery and office supplies	P	P				
Supportive housing	SUP					
Taxidermist	P		P	P		
Textiles manufacturing			P	P	P	

Trade schools, public and private schools and colleges, dance, and performing arts studios	P	P	DDR			
Transitional housing	SUP					
Vehicle assembly				SUP	DDR	
Vehicle and equipment dismantling and recycling, including sale of parts and vehicles					SUP	
Vehicle rental agencies	DDR	DDR	DDR			
Vehicle repair, including engine overhaul, body and fender work, transmission, radiator repair, painting, and upholstery	P		P	P	P	
Vehicle service stations	SUP	SUP	SUP	SUP	DDR	
Vehicle storage				SUP	SUP	
Veterinarians with on-site kennels	DDR		DDR	DDR	DDR	
Veterinarians with no on-site kennels	P		P	P	P	
Welding shops			P	P	P	
Wine production facility			SUP	P	P	
Wine tasting with or without cafes		SUP	SUP	SUP		

Section 2. If any section, sentence, clause or phrase of this Ordinance is determined to be invalid, illegal or unconstitutional by a decision or order of any court of competent jurisdiction, then decision or order shall not affect the validity and enforceability of the remaining portions of this Ordinance. The City Council declares that it would have passed and adopted this Ordinance, and each section, sentence, subsection, clause, phrase, part or portion thereof, regardless of the fact that any one or more sections, sentences, subsections, clauses, phrases, be declared invalid or unconstitutional.

Section 3. Cumulative Ordinance. Nothing in this Ordinance shall be interpreted to allow any land use which is not expressly listed as permitted or conditionally permitted within the City's Zoning Code.

Section 4. Exempt from CEQA. The City Council determines and finds that the adoption of this Ordinance is exempt from review under the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and (3) and 15061(b)(3) of the Guidelines to the California Environmental Quality Act because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Therefore, CEQA does not apply to this action.

Section 5. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this Ordinance, and a certified copy the Ordinance was posted in the Office of the City Clerk a minimum of five days before the City Council's adoption of the Ordinance.

Section 6. The City Clerk shall certify as to the adoption of this Ordinance and shall cause summary thereof to be published within fifteen calendar (15) days of the adoption and shall post a certified copy of this Ordinance, including for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on October 5, 2021, to become effective thirty (30) days thereafter.

PASSED AND ADOPTED this 5th day of October, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

John Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

Attachment 4

Zoning Text Amendment to OCC Section 16-410 Density Bonus

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING THE DENSITY BONUS ORDINANCE APPROVAL AUTHORITY IN DIVISION 7A OF ARTICLE IV OF CHAPTER 16 OF THE OXNARD CITY CODE (OCC) SECTIONS 16-410B, 16-410-F AND 16-410-R, RELATED TO THE AMENDMENT AND ADOPTION OF THE 2021-2029 HOUSING ELEMENT. FILED BY CITY OF OXNARD, COMMUNITY DEVELOPMENT DEPARTMENT, 214 SOUTH C STREET, OXNARD, CA, 93030.

WHEREAS, the City Council of the City of Oxnard has considered Zone Text Amendment (ZTA) PZ No. 21-580-03, filed by the City of Oxnard Community Development Department, to amend Chapter 16 of the Oxnard City Code (OCC) pertaining to approval authority for the City's Density Bonus. The proposed modification is to allow Density Bonus permit approval by the approval authority authorized to approve the associated discretionary or ministerial permit approval for the underlying development permit in OCC Chapter 16, Article IV, Section 16-410B (Definitions), 16-410F (Content of Application), and 16-410R (Determination on Density Bonus and Affordable Housing Incentive Program Requests); and

WHEREAS, the Planning Commission held a public hearing on September 2, 2021 to review and provide input on the 2021-2029 Final Housing Element, Staff's recommended text and map changes to the General Plan Land Use Element, Draft amendments to Chapter 16 of the Oxnard City Code and recommended zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element; and

WHEREAS, the Planning Commission held a public hearing on September 16, 2021 to consider approving resolutions recommending that the City Council of the City of Oxnard amend the 2030 General Plan by adopting the 2021-2029 Final Housing Element Update and incorporating it as Chapter 8 of the 2030 General Plan (General Plan Amendment PZ No. 20-620-03), text and map changes to the General Plan Land Use Element (General Plan Land Use Element/Text and Map Amendment Nos. PZ 21-620-02 and PZ 21-620-03), amendments to Chapter 16 of the Oxnard City Code (Zoning Code Text Amendments No. PZ 21-580-03), and zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element (Zoning Map Amendments No. PZ 21-580-04); and

WHEREAS, the Planning Commission received written and verbal comments from the public; and

WHEREAS, The City prepared an Initial Study - Mitigated Negative Declaration (IS/MND - No. 2021-01) for the proposed 2021-2029 Housing Element and related actions in accordance with CEQA Guidelines, Section 15070; and

WHEREAS, the Planning Commission adopt Resolution 2021-26 recommending that the City Council approve Planning & Zoning Permit No. 21-580-03 (Zone Text Amendment) adding a definition of Approval Authority and authorizing Density Bonus permit approval by the approval authority authorized to approve the

associated discretionary or ministerial permit for the underlying development permit is necessary for implementation of the City's housing element; and

WHEREAS, on October 5, 2021, the City Council of the City of Oxnard conducted a duly noticed public hearing to consider the Applicant's request to approve Planning and Zoning Permit No. 21-580-03 (Zone Text Amendment) in accordance with the OCC, and

WHEREAS, the City Council received written and verbal comments from the public; and

WHEREAS, the City Council finds the proposed Zoning Text Amendment is in the public interest and reflects the input from residents, stakeholders in the community, and decision-makers. There are no changes recommended under the proposed ZTA that would reduce or compromise existing standards that protect the health, safety or general welfare of the City; and

WHEREAS, the proposed ZTA does not involve any direct physical changes to the environment. There are no changes in landforms or an intensification of land uses as a part of the proposed ZTA and all public services for existing land uses will remain as-is, with no changes and no diminishment of service or safety; and

WHEREAS, the proposed ZTA to Chapter 16 of the OCC would establish specific provisions consistent with the action items and policy directives in the 2030 General Plan; and

WHEREAS, the adoption of ZTA to City's density bonus ordinance would facilitate 'by-right' development reviewed through ministerial Site Plan Review, remove a code inconsistency that presently requires all housing projects seeking Density Bonus to be reviewed by Planning Commission (even when the underlying permit only requires Director approval), and improve project processing efficiencies; and

WHEREAS, the City Council determined that this action is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15060(c)(2) and (3) and 15061(b)(3) as this ZTA is a regulatory action which will not result in direct or reasonably foreseeable indirect physical change in the environment and when it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment are not subject to CEQA; and

WHEREAS, it is in the public interest, consistent with the 2030 General Plan.

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

Section 1. Oxnard City Code Chapter 16, Article IV, Division 7A entitled "Density Bonus and Related Incentives and Concessions Program", sections 16-410B, 16-410F and 16-410R are amended to read as follows (**Only underlined portions are to be added**):

DIVISION 7A. DENSITY BONUS AND RELATED INCENTIVES AND CONCESSIONS PROGRAM

SEC. 16-410B. DEFINITIONS.

In addition to the definitions in section 16-10, the following definitions apply to this division and shall control over any conflicting definitions in section 16-10. State law definitions, as they may be amended from time to time, control over the definitions in this section. Where the definitions are provided by State law, the citation to the statute follows.

(A) AFFORDABLE HOUSING BENEFITS - One or more of the following:

- (1) A density bonus pursuant to section [16-410H](#);
- (2) An incentive pursuant to section [16-410L](#);
- (3) A development standard waiver or modification pursuant to section [16-410O](#); and
- (4) A parking standard modification pursuant to section [16-410P](#).

(B) AFFORDABLE HOUSING COST - The definition set forth in Cal. Health and Safety Code, Section 50052.5. (Cal. Gov't Code, Section 65915(c)(2))

(C) AFFORDABLE HOUSING DEVELOPER - The applicant or permittee of a qualified housing development and its assignees or successors in interest.

(D) AFFORDABLE RENT - The definition set forth in Cal. Health and Safety Code, Section 50053. (Cal. Gov't Code, Section 65915(c)(1))

(E) AFFORDABLE UNIT - A residential dwelling unit that is guaranteed by the affordable housing developer to be rented or sold in accordance with the requirements of this division to one of the following:

- (1) A very low income household;
- (2) A low income household; or
- (3) A moderate income household within a common interest development (Cal. Gov't Code, Section 65915(c)(1)-(c)(2)).

(F) APPROVAL AUTHORITY - the person or body within the City who is authorized to provide Discretionary Approval or Ministerial Approval of a Housing Development. If multiple persons or approval bodies are authorized to make one or more such approvals, then the person or body with the highest authority shall be deemed the Approval Authority.

(G) CHILD CARE FACILITY - A child day care facility other than a family day care home, including but not limited to infant centers, preschools, extended day care facilities, and school age child care centers (Cal. Gov't Code, Section 65915(h)(4)).

(H) CITY - The City of Oxnard or its designee.

(I) COMMON INTEREST DEVELOPMENT - Any of the following: a community apartment project, a condominium project, a planned development, or a stock cooperative pursuant to Cal. Civil Code, Section 4100. All common interest development units must be offered to the public for purchase (Cal. Gov't Code, Section 65915(b)(1)(D)).

(I) CONDOMINIUM CONVERSION PROJECT - A residential project in which the applicant proposes to convert apartment units to condominiums pursuant to Cal. Gov't Code, Section 65915.5(a).

(J) DENSITY BONUS - Except as used in section [16-410T](#), Condominium Conversion Projects, a density increase over the otherwise maximum allowable residential density as of the date of application to the city for a qualified housing development. (Cal Gov't Code, Section 65915(f)) As

used in section [16-410T](#), "density bonus" shall be defined as set forth in section [16-410B](#). (Cal. Gov't Code, Section 65915.5(b))

(K) DENSITY BONUS UNITS - Dwelling units granted pursuant to section [16-410H](#) which exceed the otherwise maximum allowable residential density.

(L) DEVELOPMENT STANDARD - A site or construction condition, including, but not limited to, a height limitation, a setback requirement, a floor area ratio, an on-site open-space requirement, or a parking ratio, that applies to a residential development pursuant to the zoning ordinance, the general plan, specific plan or other city condition, law, policy, resolution, or regulation (Cal. Gov't Code, Section 65915(o)(l)).

(M) HOUSING DEVELOPMENT - A development project of five or more residential units, including mixed-use developments. This also includes a subdivision or common interest development that is approved by the city and consists of residential units or unimproved residential lots and either a project to substantially rehabilitate and convert an existing commercial building to residential use or the substantial rehabilitation of an existing multifamily dwelling where the result of the rehabilitation would be a net increase in available residential units. (Cal. Gov't Code, Section 65915(i))

(N) HOUSEHOLD INCOME CATEGORY DEFINITIONS

(1) VERY LOW INCOME HOUSEHOLD - A household whose income does not exceed 50% of the county's median household income as defined in Cal. Health and Safety Code, Section 50105. (Cal. Gov't Code, Section 65915(b)(1)(B))

(2) LOW INCOME HOUSEHOLD - A household whose income does not exceed 80% of the county's median household income as defined in Cal. Health and Safety Code, Section 50079.5. (Cal. Gov't Code, Section 65915(b)(1)(A))

(3) MODERATE INCOME HOUSEHOLD - Persons or families whose income does not exceed 120% of the county's median household income as defined in Cal. Health and Safety Code, Section 50093. (Cal. Gov't Code, Section 65915(b)(1)(D))

(O) INCENTIVE - "Incentives and concessions" as that phrase is used in Cal. Gov't Code, Section 65915(k).

(P) MARKET-RATE UNIT - A dwelling unit that is not an affordable unit.

(Q) MAXIMUM ALLOWABLE RESIDENTIAL DENSITY - The density allowed under the applicable zoning ordinance and the land use element of the general plan, or if a range of density is permitted, means the maximum allowable density for the specific zoning range and land use element of the general plan applicable to the project. Where the density allowed under the zoning ordinance is inconsistent with the density allowed under the land use element of the general plan, the general plan density shall prevail. (Cal. Gov't Code, Section 65915(d)(2))

(R) MINIMUM AFFORDABLE HOUSING COMPONENT - A housing development project which includes a minimum of any of the following:

(1) VERY LOW INCOME MINIMUM AFFORDABLE HOUSING COMPONENT - Provides at least 5% of the total units for very low income household residents (Cal. Gov't Code, Section 65915(b)(1)(B)); or

(2) LOW INCOME MINIMUM AFFORDABLE HOUSING COMPONENT - Provides at least 10% of the total units for low income households (Cal. Gov't Code, Section 65915(b)(1)(A)); or

(3) MODERATE INCOME MINIMUM AFFORDABLE HOUSING COMPONENT - Provides at least 10% of the total dwelling units in a common interest development for moderate income households (Cal. Gov't Code, Section 65915(b)(1)(D)).

(4) A SENIOR CITIZEN HOUSING DEVELOPMENT - As that term is defined in section [16-410B](#). (Cal. Gov't Code, Section 65915(b)(1)(C))

(5) Ten percent of the total units of a housing development for transitional foster youth, as defined in Cal. Education Code, Section 66025.9, or disabled veterans, as defined in Cal. Gov't Code, Section 18541, or homeless persons, as defined in the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 *et seq.*). The units described in this division (R)(5) shall be subject to a recorded affordability restriction of 55 years and shall be provided at the same affordability level as very low income units. (Cal. Gov't Code, Section 65915(b)(1)(E))

(S) OTHER INCENTIVES OF EQUIVALENT FINANCIAL VALUE - The reduction or waiver of requirements which the city might otherwise apply as conditions of condominium conversion approval, but shall not be construed to require the city to provide cash transfer payments or other monetary compensation. (Cal. Gov't Code, Section 65915.5(c))

(T) QUALIFIED HOUSING DEVELOPMENT - A housing development that meets the requirements of section 16-410C for density bonus.

(U) QUALIFIED LAND - Land offered for donation in accordance with section [16-410K](#) that meets the criteria set forth in Section 16-410K.

(V) SENIOR CITIZEN HOUSING DEVELOPMENT - A residential development as defined in Cal. Civil Code, Sections 51.3 and 51.12, or a mobilehome park that limits residency based on age requirements for housing for older persons pursuant to Cal. Civil Code, Sections 798.76 or 799.5. (Cal. Gov't Code, Section 65915(b)(1)(C))

(W) SENIOR CITIZEN HOUSING DEVELOPMENT UNIT - A residential dwelling unit within a senior citizen housing development that is available to, and occupied by, a senior citizen as defined in Cal. Civil Code, Section 51.3. (Cal. Gov't Code, Section 65915(b)(1)(C))

(X) SPECIFIC, ADVERSE IMPACT - A significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application for the housing development was deemed complete. Inconsistency with the zoning ordinance or general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety. (Cal. Gov't Code, Section 65589.5(d)(2))

(Y) TOTAL UNITS AND TOTAL DWELLING UNITS - Dwelling units other than density bonus units. (Cal. Gov't Code, Section 65915(b)(3))

(Z) ZONING ORDINANCE - Chapter 16 and 17 of the City of Oxnard Municipal Code.
(Ord. No. 2912)

SEC. 16-410F. CONTENT OF APPLICATION.

(A) The application for a density bonus permit shall include the following information:

(1) A description of the project, including the number of dwelling units, the number of affordable units and level of affordability, and the location of the affordable units;

(2) A description of the density bonus and the incentives or concessions requested, if any, in accordance with sections [16-410H](#) thru [16-410M](#) (Cal. Gov't Code, Section 65915(b)(2)(d)(I));

(3) For parking standard modification requests, that the requirements of section [16-426](#) are met (Cal. Gov't Code, Section 65915(p));

(4) The location, design, and phasing criteria required by section [16-410Q](#), including any proposed development standard(s) modifications or waivers pursuant to section [16-410Q](#);

(5) Any proposal for the waiver or reduction of development standards which waiver or reduction is required to allow the city to avoid physically precluding the construction of a development meeting the criteria of Cal. Gov't Code, Section 65915(b) at the densities or with the concessions or incentives permitted by the statute;

(6) The proposed method of ensuring the continued affordability of all low, very low rental units, or senior units, or child care facilities, that qualified the applicant for the award of the density bonus for at least 55 years, as required by Cal. Gov't Code, Section 65915(c)(1); and

(7) Other information reasonably requested by city staff needed to establish eligibility for a requested density bonus, incentives or concessions, or to demonstrate that the incentive meets the definition of identifiable and actual cost reductions to provide for affordable housing costs or affordable rents.

(B) For the application for a density bonus permit for the donation of qualified land pursuant to section 16-410K, the application must show the location of the qualified land in addition to including sufficient information to establish that each requirement of that section has been met. (Cal. Gov't Code, 65915(g)(2))

(C) The application for a density bonus permit for a housing development that conforms to the requirements of section [16-410I](#) and/or section [16-410L](#). (Cal. Gov't Code, Section 65915(b)) and includes a child care facility that will be located on the premises of, as part of, or adjacent to, the project, shall show the location and square footage of the child care facility in addition to including sufficient information as how the applicant proposes to regulate attendance at the child care facility to conform to the requirements of Cal. Gov't Code, Section 65915(h)(2)(B).

(D) An application for a density bonus permit will not be processed until all of the provisions of this Division 7A are complied with and shall be processed concurrently with other required entitlements for which the affordable housing benefit is sought.

(E) Approval of a density bonus permit, incentives, concessions, or waivers shall be made by the Approval Authority within the City that is authorized to approve the associated Discretionary Approval or Ministerial Approval for the underlying development permit for the housing development. occur at the planning commission, unless the city council makes the final determination for the project. The approval of the density bonus application is nondiscretionary unless the city adopts written findings justifying the denial of the density bonus. The Approval Authority's decision shall only be appealable if the permit is denied. An appeal shall be granted if the Approval Authority's decision does not include written findings or if the written findings do not justify the denial consistent with state or local law.

SEC. 16-410R. DETERMINATION ON DENSITY BONUS AND AFFORDABLE HOUSING INCENTIVE PROGRAM REQUESTS.

The Approval Authority on the underlying qualified housing development application is authorized to approve or deny an application for an affordable housing benefit in accordance with this Division 7A.

(A) Affordable housing benefit determinations - An application for an affordable housing benefit shall be granted if the requirements of this Division 7A are satisfied unless:

(1) The application is for an incentive for which a finding is made in accordance with section 16-410N; or

(2) The underlying application for the qualified housing development is not approved independent of and without consideration of the application for the affordable housing benefit; or

(3) The housing development is proposed on any property that includes a parcel or parcels on which rental dwelling units are or, if the dwelling units have been vacated or demolished in the five-year period preceding the application, have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income; or occupied by lower or very low income households, unless the proposed housing development replaces those units, and either of the following applies:

(a) The proposed housing development, inclusive of the units replaced pursuant to this division (A)(3), contains affordable units at the percentages set forth under State law; or

(b) Each unit in the development, exclusive of a manager's unit or units, is affordable to, and occupied by, either a lower or very low income household.

(4) For proposed projects within the coastal zone, the proposed project cannot feasibly be accommodated on the site in a manner that is in conformity with the California Coastal Act.

(B) Affordable housing benefit compliance provisions - To ensure compliance with this Division 7A and State law, approval of an application for an affordable housing benefit may be subject to, without limitation:

(1) The imposition of conditions of approval to the qualified housing development, including imposition of fees necessary to monitor and enforce the provisions of this Division 7A;

(2) An affordable housing agreement and, if applicable, an equity sharing agreement pursuant to section 16-410S; and

(3) Recorded deed restriction implementing conditions of approval and/or contractual or legally mandated provisions.

(C) Appeals -

~~(1) If the decision to approve or deny an application for an affordable housing benefit is made by the planning commission, then an appeal may be filed consistent with the procedures of section 16-545.~~

—(2)— If the determination of the underlying application for the qualified housing development is ~~also~~ appealed along with the decision of the affordable housing benefit, then the entire project shall be controlled by the appeal procedures applicable to the underlying application.

(Ord. No. 2912)

Section 2. If any section, sentence, clause or phrase of this Ordinance is determined to be invalid, illegal or unconstitutional by a decision or order of any court of competent jurisdiction, then decision or order shall not affect the validity and enforceability of the remaining portions of this Ordinance. The City Council declares that it would have passed and adopted this Ordinance, and each section, sentence, subsection, clause, phrase, part or portion thereof, regardless of the fact that any one or more sections, sentences, subsections, clauses, phrases, be declared invalid or unconstitutional.

Section 3. Cumulative Ordinance. Nothing in this Ordinance shall be interpreted to allow any land use which is not expressly listed as permitted or conditionally permitted within the City's Zoning Code.

Section 4. Exempt from CEQA. The City Council determines and finds that the adoption of this Ordinance is exempt from review under the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and (3) and 15061(b)(3) of the Guidelines to the California Environmental Quality Act because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Therefore, CEQA does not apply to this action.

Section 5. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this Ordinance, and a certified copy the Ordinance was posted in the Office of the City Clerk a minimum of five days before the City Council's adoption of the Ordinance.

Section 6. The City Clerk shall certify as to the adoption of this Ordinance and shall cause summary thereof to be published within fifteen calendar (15) days of the adoption and shall post a certified copy of this Ordinance, including for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on October 5, 2021, to become effective thirty (30) days thereafter.

PASSED AND ADOPTED this 5th day of October, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

John Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

Attachment 5

Zoning Text Amendment

Creating OCC Section 16-523 Site Plan Review

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD CREATING A MINISTERIAL SITE PLAN REVIEW PROCESS IN DIVISION 2A OF ARTICLE VII OF CHAPTER 16 OF THE OXNARD CITY CODE (OCC) SECTIONS 16-523 THROUGH 16-523.12, RELATED TO THE AMENDMENT AND ADOPTION OF THE 2021-2029 HOUSING ELEMENT. FILED BY CITY OF OXNARD, COMMUNITY DEVELOPMENT DEPARTMENT, 214 SOUTH C STREET, OXNARD, CA, 93030.

WHEREAS, the City Council of the City of Oxnard has considered Zone Text Amendment (ZTA) PZ No. 21-580-03, filed by the City of Oxnard Community Development Department, to amend Chapter 16 of the Oxnard City Code (OCC) creating a ministerial Site Plan Review (SPR) process to implement the 2021-2029 Housing Element. To comply with State law, the proposed ordinance provides a process for conducting a ministerial (non-discretionary) review of by-right development in OCC Chapter 16, Article VII, Section sections 16-523 through 16-523.12; and

WHEREAS, the Planning Commission held a public hearing on September 2, 2021 to review and provide input on the 2021-2029 Final Housing Element, Staff's recommended text and map changes to the General Plan Land Use Element, Draft amendments to Chapter 16 of the Oxnard City Code and recommended zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element; and

WHEREAS, the Planning Commission held a public hearing on September 16, 2021 to consider approving resolutions recommending that the City Council of the City of Oxnard amend the 2030 General Plan by adopting the 2021-2029 Final Housing Element Update and incorporating it as Chapter 8 of the 2030 General Plan (General Plan Amendment PZ No. 20-620-03), text and map changes to the General Plan Land Use Element (General Plan Land Use Element/Text and Map Amendment Nos. PZ 21-620-02 and PZ 21-620-03), amendments to Chapter 16 of the Oxnard City Code (Zoning Code Text Amendments No. PZ 21-580-03), and zoning map amendments to facilitate construction of housing units as stipulated in the Final Housing Element (Zoning Map Amendments No. PZ 21-580-04); and

WHEREAS, the Planning Commission received written and verbal comments from the public; and

WHEREAS, The City prepared an Initial Study - Mitigated Negative Declaration (IS/MND - No. 2021-01) for the proposed 2021-2029 Housing Element and related actions in accordance with CEQA Guidelines, Section 15070; and

WHEREAS, the Planning Commission adopt Resolution 2021-26 recommending that the City Council approve Planning & Zoning Permit No. 21-580-03 (Zone Text Amendment) for implementation of the City's housing element; and

WHEREAS, on October 5, 2021, the City Council of the City of Oxnard conducted a duly noticed public hearing to consider the Applicant's request to approve Planning and Zoning Permit No. 21-580-03 (Zone Text Amendment) in accordance with the OCC, and

WHEREAS, the City Council received written and verbal comments from the public; and

WHEREAS, the City Council finds proposed Zoning Text Amendment is in the public interest and reflects the input from residents, stakeholders in the community, and decision-makers. There are no changes recommended under the proposed ZTA that would reduce or compromise existing standards that protect the health, safety or general welfare of the City; and

WHEREAS, the proposed ZTA does not involve any direct physical changes to the environment. There are no changes in landforms as a part of the proposed ZTA and all public services for existing land uses will remain as-is, with no changes and no diminishment of service or safety; and

WHEREAS, the proposed ZTA to Chapter 16 of the OCC would establish specific provisions consistent with the action items and policy directives in the 2030 General Plan, as amended under PZ Permit No. 20-620-03, General Plan Amendment replacing in its entirety the current Chapter 8 (2013-2021 Housing Element) with the 2021-2029 Housing Element and PZ No. 21-620-02, update to General Plan Land Use Element (Chapter 3) text by amending the General Commercial and Business Research Park land use descriptions to allow up to 30 dwelling units with 20% lower income units per acre when identified by a zoning suffix of "-AHP" (Affordable Housing Permitted) or "-AHD" (Affordable Housing Discretionary); and

WHEREAS, the adoption of ZTA to City's General Commercial zone would facilitate by-right development in the Affordable Housing Permitted (AHP) Additive Zones at the default density of 30 du/acre, provided that a minimum of 20% of units are affordable to lower income households, per State requirements; and

WHEREAS, the City Council determined that this action is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15060(c)(2) and (3) and 15061(b)(3) as this ZTA is a regulatory action which will not result in direct or reasonably foreseeable indirect physical change in the environment and when it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment are not subject to CEQA; and

WHEREAS, it is in the public interest, consistent with the 2030 General Plan, to establish a process for ministerial review of development relating to the provision of affordable housing in specific zones in the City.

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

Section 1. Oxnard City Code Chapter 16, Article VII, Division 2A entitled "Site Plan Review Permit", sections 16-523 through 16-523.12 are amended to read, as follows:

"DIVISION 2A. SITE PLAN REVIEW PERMIT

16-523. Purpose and intent

16-523.1 Review Authority

16-523.2 Procedure for Site Plan Review

[16-523.3 Review and Decision](#)

[16-523.4 Required Findings](#)

[16-523.5 Notice of Action](#)

[16-523.6 Effective Date of Decision](#)

[16-523.7 Expiration Date and Extension](#)

[16-523.8 Application Fee](#)

[16-523.9 Appeals](#)

[16-523.10 Modification to Site Plan Review Permit](#)

[16-523.11 As-Built Development](#)

[16-523.12 CEQA](#)

ARTICLE VII. PERMIT PROCEDURES

DIVISION 2A. SITE PLAN REVIEW

SEC. 16-523. PURPOSE AND INTENT.

This division establishes the procedures for conducting a non-discretionary ministerial Site Plan Review for certain development applications, as identified in this chapter. This process requires the Director to verify that certain new or expanded uses, activities, structures, or development of land complies with all applicable ordinances of the City.

SEC. 16-523.1. REVIEW AUTHORITY

The Community Development Director ("Director") is the review authority for an application that requires Site Plan Review. The Director may approve or deny the application. The Director may refer an application to another Review Authority for a decision on the non-discretionary Site Plan Review.

SEC. 16-523.2. PROCEDURE FOR SITE PLAN REVIEW.

(A) Whenever this chapter provides that a particular use or development may be permitted by Site Plan Review, a Site Plan Review permit shall be issued by the Community Development Department. A Site Plan Review permit may also be used for developments where the state has mandated that the City's approval must be ministerial.

(B) An application for a Site Plan Review Permit may be filed by:

- (1) The owner(s) of the subject property.
- (2) An authorized agent representing the property owner(s), or
- (3) The City.

(C) Each application for a Site Plan Review Permit or modification to a Site Plan Review Permit must be filed with the Director on a City application form, together with required fees and/or deposits, and all other information and materials as identified in the City's submittal checklist. The City may ask

an applicant to clarify, or provide additional materials to address questions or concerns during the review process.

(D) The application shall be reviewed by the Development Advisory Committee for consistency with applicable regulations and standards. The intent of this review is to provide interdepartmental perspective and coordination prior to project approval with the goal of streamlining the building permit process. This review is non-discretionary, though the Committee may provide conditions of approval to ensure compliance with applicable regulations and standards.

(E) The applicant shall be informed in writing within 30 calendar days of application submittal or as required by the Government Code, that either the application is complete and has been accepted for processing, or that the application is incomplete and that additional information, specified in writing, shall be provided before it can be accepted for processing.

(F) If the applicant does not complete their application within 90 days after notification that the application is incomplete, the application shall be deemed withdrawn, unless a written request for extension is filed by the applicant and granted for good cause by the Director for a period not to exceed an additional 90 days. If an extension is not granted, or if the extension expires, the application shall be considered withdrawn. A courtesy letter from the City should be sent to the applicant documenting the withdrawal. A new application, including fees, plans, exhibits, and other materials that will be required to commence processing of any development project on the same property.

(G) All Site Plan Review permits shall be subject to review to ensure compliance with all applicable objective standards. The review shall be conducted by the Director.

(H) No public notifications or public meetings or hearings shall be required for ministerial Site Plan Review Permits.

(I) Where a Site Plan Review permit is processed concurrently with a required discretionary permit, the Review Authority with jurisdiction over the discretionary permit shall also have review authority over the Site Plan Review permit. However, the review of the Site Plan Review permit shall remain ministerial pursuant to the provisions of this section.

SEC. 16-523.3. REVIEW AND DECISION.

The Director must determine whether the proposed use, activity, building, alteration, or addition, is permitted and conforms to all the applicable regulations and standards of this Chapter, other applicable regulations and standards. A Site Plan Review permit shall only be issued after the Director makes the required findings in section 16-523.4. and other applicable findings required under this chapter.

SEC. 16-523.4. REQUIRED FINDINGS.

The Review Authority must make the following findings:

(A) The project is consistent with the applicable General Plan policies and is in conformance with applicable zoning regulations contained in this chapter and other adopted standards.

(B) There are adequate infrastructure and public services available to serve the proposed development, including sewerage, water, fire and police protection, storm drainage facilities, and legal access to the lot.

(C) The proposed development is on a legally created lot.

SEC. 16-523.5. NOTICE OF ACTION.

After taking action on an application, the Director shall notify the applicant of the decision. The decision may be in the form of a letter or in the form of a stamp, signature, or other official notation or documentation on the site plan. The Site Plan Review permit will be identified by the Community Development Department on the City's Development Project List.

SEC. 16-523.6. EFFECTIVE DATE OF DECISION.

The decision is effective upon issuance of Notice of Action.

SEC. 16-523.7. EXPIRATION DATE AND EXTENSION.

(A) A Site Plan review shall expire **24 36** months from the date of issuance if the use, building, structure, or other improvements for which the permit has been issued has not been established or commenced in compliance with the issued permit or unless a time extension is approved. If the approved application is not used within the time limit, the approval becomes null and void.

(B) Notwithstanding Subsection A, above, where an application, including required fees, requesting an extension is timely filed prior to such expiration date, the Director may approve a one-time extension of the time limit in Subsection A, above, for a period of not to exceed one year. In considering a time extension, the Review Authority must make the following findings:

- (1) The granting of the extension must be based upon a finding of good cause.
- (2) All original findings for approval can still be made.

SEC. 16-523.8. APPLICATION FEE.

(A) Fees for filing an application for a Site Plan Review permit shall be the same as the fees for a Development Design Review Permit and Development Advisory Committee fees set by resolution of the City Council.

SEC. 16-523.9. APPEALS.

The Director's decision to approve a Site Plan Review is final and is not subject to appeal, except as follows: An application for a Site Plan Review Permit shall only be appealable if the matter is denied with written findings justifying the denial. The denial may be appealed to the Hearing Officer within ten days of the date of the issuance of the written decision. An appeal shall be granted if the Director's decision does not include written findings or if the written findings do not justify the denial consistent with state or local law.

SEC. 16-523.10. -MODIFICATIONS TO SITE PLAN REVIEW PERMITS.

(A) **Minor Modification:** Minor changes to an approved Site Plan Review permit that substantially conform to the approved or issued permit are eligible for review as a Minor Modification. A minor modification may allow for an increase or decrease of the following elements of the approved development, by no more than 10 percent:

- (1) Approved building height
- (2) Approved setback distances

- (3) Landscape coverage
- (4) Building floor area
- (5) Site building coverage
- (6) Other approved numerical elements

In no case may the increase or decrease be below the minimum or exceed maximum standards established by the City Code.

(B) Modifications to building elevations may be considered under a Minor Modification, provided that modified elevations comply with applicable objective design standards and applicable zoning regulations contained in this chapter and other adopted standards.

(C) An application for a Minor Modification shall be filed with the Director. Three copies of the site plan, elevation and landscape plan, if applicable, shall be submitted with a letter outlining the requested modification(s).

(D) Fees for filing an application for a Minor Modification shall be set by resolution of the city council.

(E) Upon review of the application for a Minor Modification, the Director shall issue a written decision approving, conditionally approving or denying the application within the time period prescribed by State law.

(F) The Director's decision to approve a Minor Modification to a Site Plan Review is final and is not subject to appeal, except as follows: An application for a minor modification shall only be appealable if the matter is denied with written findings justifying the denial. The denial may be appealed to the Hearing Officer within ten days of the date of the issuance of the written decision. An appeal shall be granted if the Director's decision does not include written findings or if the written findings do not justify the denial consistent with state or local law.

(G) **Major Modification:** Changes to an approved Site Plan Review permit that do not qualify as Minor Modifications under Subsection A or B shall be reviewed under a new Site Plan Review application.

SEC. 16-523.11. AS-BUILT DEVELOPMENT.

Applications for legal as-built development without an effectuated Site Plan Review permit that is considered nonconforming only due to the absence of a Site Plan Review permit, shall be processed in the same manner as a Minor Modification under Section 16-523.10. The Site Plan Review permit for the as-built development may allow for Minor Modification to the existing development pursuant to Section 16-523.10 as allowed under the Minor Modification process.

SEC. 16-523.12. CEQA

The Site Plan Review Permit is defined as ministerial within the meaning of CEQA and Cal. Public Resource Code 21080(b)(1). The Site Plan Review Permit review process applies a series of fixed standards and objective measurements and does not intend to involve the use of personal or subjective judgments in deciding whether or how the project should be carried out."

Section 2. If any section, sentence, clause or phrase of this Ordinance is determined to be invalid, illegal or unconstitutional by a decision or order of any court of competent jurisdiction, then decision or order shall not affect the validity and enforceability of the remaining portions of this Ordinance. The City Council declares that it would have passed and adopted this Ordinance, and each section, sentence, subsection, clause, phrase, part or portion thereof, regardless of the fact that any one or more sections, sentences, subsections, clauses, phrases, be declared invalid or unconstitutional.

Section 3. Cumulative Ordinance. Nothing in this Ordinance shall be interpreted to allow any land use which is not expressly listed as permitted or conditionally permitted within the City's Zoning Code.

Section 4. Exempt from CEQA. The City Council determines and finds that the adoption of this Ordinance is exempt from review under the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and (3) and 15061(b)(3) of the Guidelines to the California Environmental Quality Act because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Therefore, CEQA does not apply to this action.

Section 5. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this Ordinance, and a certified copy the Ordinance was posted in the Office of the City Clerk a minimum of five days before the City Council's adoption of the Ordinance.

Section 6. The City Clerk shall certify as to the adoption of this Ordinance and shall cause summary thereof to be published within fifteen calendar (15) days of the adoption and shall post a certified copy of this Ordinance, including for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on October 5, 2021, to become effective thirty (30) days thereafter.

PASSED AND ADOPTED this 5th day of October, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

John Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney



FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

INFORMATION/CONSENT AGENDA AGENDA ITEM NO. L.5

DATE: October 19, 2021

TO: Finance & Governance Committee

FROM: Alexander Hamilton, Fire Chief, (805) 385-7700, alexander.hamilton@oxnard.org

SUBJECT: Adjustment of State Surcharge Fees for Certified Unified Program Agency (CUPA) Services and Permits.

RECOMMENDATION

That City Council adopt a resolution to adjust the existing State General Oversight Surcharge fees. (Approved at Finance & Governance Committee on September 28, 2021 with a vote of 3-0.)

BACKGROUND

Californians are protected from hazardous waste and materials by a Unified Program that ensures consistency throughout the state in regard to administrative requirements, permits, inspections, and enforcement. CalEPA oversees the program as a whole, and certifies 83 local government agencies known as Certified Unified Program Agencies (CUPA) to implement the hazardous waste and materials standards set by five different state agencies. The Oxnard Fire Department is the local administrator for the CUPA program, which conducts inspections and provides oversight for businesses that store hazardous materials and generate hazardous waste. The CUPA is a special revenue fund requiring full cost recovery for services provided. Program costs and operating expenses are recovered through establishment of fees which includes the collection of the State General Oversight Surcharge fees as detailed under California Health & Safety Code, Division 20, Chapter 6.11, Section 25404 et seq.

On May 14, 2021, an increase to the Oversight surcharge was publicly noticed by Cal/EPA in the California Regulatory Notice Register for a 30-day comment period; the final notice was published on June 25, 2021. California Code of Regulations, Title 27, Section 15240 requires the Oxnard Fire Department and all other Unified Program agencies to begin collecting the new surcharge as part of their single fee system.

DISCUSSION

The existing State Oversight Surcharge as approved by Resolution No. 15,050 is \$49.00 per facility. Cal/EPA has adjusted the amount of this surcharge to \$84.00 per facility.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

The CUPA collects State Oversight Surcharge fees from regulated businesses and remits payment each quarter to the State, therefore no impact to the City budget is anticipated.

Prepared by: Nathan West, CUPA Coordinator

ATTACHMENTS

1. California Regulatory Notice Register 2021, No. 26-Z
2. Resolution
3. Exhibit A

another training topic. This addition need not be significant as the statute does not require a specific amount of time spent on this training topic. The cost of adding instruction on the RPPS to the existing training curriculum should be absorbable, and at no cost to the licensee. Additionally, a free online video-based curriculum for sexual and reproductive wellness in out-of-home care is available to licensees to fulfill the training requirements from SB 89.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

SMALL BUSINESS IMPACT STATEMENT

The CDSS has made an initial determination that these regulations pose no impact on small businesses. These regulations only impact the wellbeing of children and youth in out-of-home care in California and have no economic impact. This determination was made on the basis that businesses which currently offer training to group home administrators or licensees need only add another training topic to their curriculum. This addition need not be significant as the statute does not require a specific amount of time spent on this training topic. The cost of adding instruction on the RPPS to existing training curriculum should be absorbable, and at no cost to the licensee. Additionally, a free online video-based curriculum for sexual and reproductive wellness in out-of-home care is available to licensees to fulfill the training requirements included in these proposed regulations.

STATEMENT OF RESULTS OF ECONOMIC IMPACT ASSESSMENT

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California. The facilities impacted by the added training requirements in this regulations package will have negligible costs or savings, or increase or decrease in workload. The training topics will have an absorbable impact. The benefits of the regulatory action to the health and welfare of California residents, worker safety, and the state's environment are as follows:

- Potential decreases in pregnancies among youth
- Potential decreases in STIs among youth
- Increased access to healthcare services for youth

- Clearer reporting requirements for the employee about abuse and unusual events
- The state's environment is not affected by this regulatory action

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

In developing the regulatory action, no alternatives have been presented for the CDSS to consider or have otherwise been identified and brought to the attention of CDSS as being more effective in carrying out the purpose for which the regulations are proposed or would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

AUTHORITY AND REFERENCE CITATIONS

Authority: Sections 1501, 1507, 1522.41, 1530, 1531, and 1538.5, Health and Safety Code; Sections 16001.9, 16521.5, and 17730, Welfare and Institutions Code. References: Section 1522.44, Health and Safety Code; Section 11166, Penal Code; Sections 362.04, 362.05, 369, 727, 1522.44, 16001.9, 16501.1, 16521.5, and 19001.9, Welfare and Institutions Code; Section 51931, Education Code; 42 U.S. Code Section 671(a)(24); and Gender Recognition Act SB 179 (Ch. 853, Statutes of 2017).

GENERAL PUBLIC INTEREST

ENVIRONMENTAL PROTECTION AGENCY

UNIFIED PROGRAM STATE SURCHARGE INCREASE

Notice is hereby given that the Secretary for the California Environmental Protection Agency (CalEPA) is adjusting the Unified Program state surcharge according to the California Health and Safety Code, Division 20, Chapter 6.11, section 25404.5(b), and the California Code of Regulations, Title 27, Division 1, Subdivision 4, Chapter 1, Section 15240.

The Unified Program state surcharge is an assessment on each entity regulated under the Unified Program and funds the necessary and reasonable costs of all state agencies responsible for program implementation, ongoing maintenance and oversight of the Unified Program. An increase to the Oversight portion of the Unified Program state surcharge is needed to fund an impending \$1,000,000 structural deficit in the State Certified Unified Program Agency Account (SCUPA) and the cost of the CERS NextGen Project, projected to be \$14,118,000.

The Oversight portion of the State Surcharge is increased by \$27 for the CERS NextGen project and by \$8 to address the SCUPA Account structural deficit, raising the surcharge from the current \$49 to \$84 per regulated business annually.

The surcharge for the CERS NextGen project will be assessed over four years, beginning Fiscal Year 2021/2022. In Fiscal Year 2024/2025, CalEPA will adjust the Oversight Surcharge to cover costs for the ongoing maintenance and operations of CERS NextGen.

On May 14, 2021, CalEPA publicly noticed the State Surcharge increase in the California Regulatory Notice Register (Z-Register) for a 30-day comment period. CalEPA considered all applicable comments and is proceeding with the proposed state surcharges.

The revised state surcharge is considered effective immediately upon final publication in the California Regulatory Notice Register.

Adult Correctional Agency, California Department of Corrections, Department of the Youth Authority, Commission on Correctional Peace Officer Standards and Training, Board of Corrections, and the State Commission on Juvenile Justice, Crime and Delinquency Prevention. Penal Code (PC) Section 5050 provides that commencing July 1, 2005, any reference to the Director of Corrections refers to the Secretary of the CDCR. PC Section 5054 vests with the Secretary of the CDCR the supervision, management, and control of the state prisons, and the responsibility for the care, custody, treatment, training, discipline, and employment of persons confined therein. PC Section 5055 provides that commencing July 1, 2005, all powers/duties previously granted to and imposed upon the CDC shall be exercised by the Secretary of the CDCR. PC Section 5058 provides that the Director may prescribe and amend regulations for the administration of prisons.

CONTACT PERSON

Please direct any inquiries regarding this action to Ying Sun, Associate Director, Regulation and Policy Management Branch, California Department of Corrections and Rehabilitation, P.O. Box 942883, Sacramento, CA 94283-0001.

AVAILABILITY OF PETITION

The petition to amend regulations is available upon request directed to the Department's contact person.

SUMMARY OF PETITION

The Petitioner is petitioning to amend Board of Parole Hearings (BPH) access to tablet and service data. The Petitioner is concerned on whether and to what extent BPH has access to the data. The Petitioner indicated, California Department of Corrections and Rehabilitations (CDCR) recently signed a six (6) year contract with Global Tel Link (GTL) to provide tablets and tablet-based services to all inmates. The tablets and services are constantly recording everything an inmate does on his tablet. In addition to permanently storing all email, photos, video games, and video visits. GTL also records which books are read and for how long, what songs are listened to and how often, which games are played, and which movies are watched and more.

The Petitioner is concerned that making this data available to parole board is a double edge sword. On one hand, there is a very great danger that the board

RULEMAKING PETITION DECISION

DEPARTMENT OF CORRECTIONS AND REHABILITATION

PETITIONER:

Griselda C. Moore
1201 Fulton Ave #22
Sacramento, CA 95825

AUTHORITY

The authority granted by Government Code (GC) Section 12838.5 vests to the California Department of Corrections and Rehabilitation (CDCR) all the powers, functions, duties, responsibilities, obligations, liabilities, and jurisdiction of the abolished Youth and

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
ADJUSTING THE STATE GENERAL OVERSIGHT SURCHARGE AND UNDERGROUND
STORAGE TANK SURCHARGE FEES FOR THE CERTIFIED UNIFIED PROGRAM
AGENCY SERVICES AND PERMITS

WHEREAS, the Certified Unified Program Agency (“CUPA”) has the responsibility and authority to administer the requirements of Chapters 6.5, 6.67, 6.7, and 6.95 of Division 20 of the California Health & Safety Code; and

WHEREAS, the City Council examines the costs associated with such enforcement and sets fees for CUPA services and permits; and

WHEREAS, the California Environmental Protection Agency has published increased surcharge fees in the California Regulatory Notice Register on June 25, 2021; and

WHEREAS, pursuant to 27 CCR § 15240, sixty days following the publishing of final surcharge, the CUPA is required to collect the increased surcharge fees as part of its single fee system.

NOW, THEREFORE, the City Council of the City of Oxnard resolves that the revised surcharge fees set forth in Exhibit A, attached hereto and made a part hereof, are adopted as the fees for CUPA services and permits as of _____, 2021.

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

AYES:

NOES:

ABSENT:

John C. Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen Fischer, City Attorney

EXHIBIT A
FY 2021-2022
CUPA State Surcharge Fee Adjustment

FIRE/CERTIFIED UNIFIED PROGRAM AGENCY (CUPA)

Adjustment of existing annual State General Oversight Surcharge fee charged for each regulated facility.

Type of service	Current Fee	Additional fee	Adjusted fee
Surcharges			
State General Oversight/per site	\$49.00	\$35.00	\$84.00



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. L.6

DATE: October 19, 2021
TO: City Council
FROM: Jason Benites, Police Chief, (805) 385-7624, jason.benites@oxnardpd.org
SUBJECT: Increase in Reward Funds for Unsolved Homicide Cases.

RECOMMENDATION

That the City Council receive and file a report from the Oxnard Police Department on the increase of reward funds for unsolved homicide cases.
(The Public Safety Committee approved 3-0.)

BACKGROUND

Prior to July 1, 2021, the Oxnard Police Department offered a monetary award of \$10,000 for information leading to the identification, apprehension, and conviction of any person(s) in open homicide cases. As of the date of this report, the Oxnard Police Department has not paid out any reward funds under these circumstances.

On July 1, 2021, the Oxnard Police Department increased the reward to \$25,000. The amount of the reward was increased to help motivate witnesses from our community to come forward with information on unsolved homicide cases.

California Government Code section 53069.5 authorizes police agencies to offer and pay rewards for information leading to the identification and apprehension of any person whose willful misconduct results in the injury or death of any person. This section does not require a conviction prior to the distribution of the award. However, since the Rewards Program is discretionary, the Oxnard Police Department added the additional requirement of a conviction before the award of \$25,000 is distributed.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

This agenda item supports Public Safety strategy. The purpose of the Public Safety strategy is to restore and modernize the delivery of public safety services to provide for the safety of our neighborhoods and health of our community.

FINANCIAL IMPACT

For FY 2021-22, this funding, if needed during the fiscal year, can be absorbed from the Oxnard Police Department's General Fund Budget (101-2102).

For FY 2022-23 and beyond, the Oxnard Police Department will include \$25,000 for the Rewards Program in its annual budget request.

COMMITTEE OUTCOME

The Public Safety Committee approved 3-0 on September 14, 2021 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Sharon Giles, Police Commander

ATTACHMENTS

None



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

DATE: October 19, 2021

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Agreement A-8375 with Sancon Technologies, Inc., for On-Call Cured-in-Place Pipe Repair Services.

RECOMMENDATION

That the City Council approve and authorize the Mayor to execute Agreement A-8375 with Sancon Technologies, Inc., in the amount not to exceed \$450,000 for a three-year term ending November 1, 2024, for On-Call Cured in Place Pipe Repair Services for the Wastewater Division.

(As of the date of this City Council agenda being posted, there is not yet an outcome from the October 12, 2021 Public Works and Transportation Committee. Staff is available to answer any questions.)

BACKGROUND

The City's Wastewater Division operates and maintains over 400 miles of sewer pipe throughout the collection system, which conveys an average of 19 million gallons of wastewater per day. Pipe sizes range from 6-inch to 66-inch and are made up of vitrified clay and polyvinyl chloride (PVC) pipe. Pipes in the collection system are subject to failure due to age, cracks, and root intrusion. Pipe failure in the collection system can lead to sanitary sewer overflow, sinkholes, and undermining of nearby structures, and must be repaired immediately. Cured-in-place pipe (CIPP) repair is a common method of fixing pipe failures. CIPP lines the inside of a damaged pipe with a reinforced liner. This method of repair is trenchless and foregoes the need to excavate a street to perform restoration.

DISCUSSION

On July 29, 2021, the Public Works Department released a notice inviting bids PW 22-01 for On-Call Cured in Place Pipe Repair Services. The bid was posted to Vida Newspaper, publicpurchase.com, Dodge Data and Analytics, as well as the City's website. Bids closed on September 2, 2021, with a total of four (4) responsive bids received.

Vendor	Total Bid Price
Sancon Technologies, Inc.	\$13,413.00
Downstream Services, Inc.	\$16,025.22
Insituform Technologies, LLC	\$16,518.00
Southwest Pipeline and Trenchless Corp.	\$28,422.50

Sancon Technologies, Inc., was deemed the lowest responsive bidder by the Public Works Department. Prices are based on a per-foot basis.

Sancon Technologies, Inc., has agreed to the terms of the contract which will require them to:

Perform work on a task order basis

- Provide traffic control
- Pull all necessary permits
- Inspect and record pipes before and after work has been completed

Sancon Technologies, 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. The Public Works Department has also verified Sancon Technologies, Inc., has no safety violations with the federal Occupational Safety and Health Administration and verified registration with the California Department of Industrial Relations (DIR).

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

The total cost for this three-year agreement with Sancon Technologies, Inc., for On-Call Cured in Place Pipe Repair Services for the Wastewater Division shall not exceed \$450,000, with an estimated spending plan of \$100,000 in Fiscal Year 2021-22. This agreement will be funded with existing appropriations from the Wastewater Operating Fund 611 (account 611-6103-842-8209). The remaining contract balance will be requested in subsequent fiscal years.

On-Call Cured in Place Pipe Repair Spending Plan					
Division	FY 21-22	FY 22-23	FY 23-24	FY 24-25	TOTAL
Wastewater Collections	\$100,000	\$150,000	\$100,000	\$100,000	\$450,000

COMMITTEE OUTCOME

As of the date of this City Council agenda being posted, there is not yet an outcome from the October 12, 2021 Public Works and Transportation Committee. Staff is available to answer any questions.

Prepared by: Jan Hauser, Wastewater Division Manager

ATTACHMENTS

1. Agreement A-8375 Sancon Technologies PW 22-01

CHECKLIST FOR EXECUTION OF CONTRACT

The following documents are required of the successful Bidder within fourteen (14) Calendar Days of the City's delivery of the Contract to the Bidder:

- _____ Two (2) executed and notarized copies of the Contract
- _____ A Payment Bond in the amount of 100% of the not to exceed Contract Price (\$450,000), along with a copy of that Bond
- _____ A Performance Bond in the amount of 100% of the not to exceed Contract Price (\$450,000), along with a copy of that Bond
- _____ All certificates showing required insurance
- _____ A copy of the Contractor's City business license

Failure of the successful Bidder to provide all required documents in a complete and accurate manner within fourteen (14) Calendar Days of the City's delivery of the Contract may be grounds for the City to award the Contract to the next lowest responsible Bidder, and the successful Bidder's Bid security may be forfeited to the City as permitted by law.

In executing the above-listed documents, and all documents related to the Project, any Task, the Contract Documents or any Task Order in any way, the City requires the following:

- For a corporation or s-corporation, two signatures: (1) the Board President, CEO or Vice President, and (2) the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, two signatures, both of whom must be managers of the LLC; or
- For a partnership or limited partnership, the signatures of all partners.

If your entity 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 the Contractor.

**CITY OF OXNARD CONTRACT FOR
ON-CALL CURED IN PLACE PIPE (CIPP) REPAIR SERVICES
SPECIFICATION NO. PW 22-01**

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 SANCON TECHNOLOGIES, INC. ("Contractor"). Contractor's license number is 774055.

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 the General and 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 Cured In Place Pipe (CIPP) Repair Services, Specification No. PW 22-01 ("Project"), as described in this Contract and in the Contract Documents, throughout the Contract Term. The Bid Sheets from the Contractor's Bid Response are attached hereto as "Exhibit A" and incorporated herein by this reference. The Special Provisions from the Contract Documents are attached hereto as "Exhibit B" and incorporated herein by this reference.
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 and included in the attached Exhibit A, which in any case shall not exceed four hundred fifty thousand dollars (\$450,000) during the three (3) year Contract Term.
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

SANCON TECHNOLOGIES, INC.

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

Charles B. Parsons, President² _____ Date _____

Gary E. Drew, Secretary _____ 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-G

**INSURANCE REQUIREMENTS FOR CONSTRUCTION PROJECTS
(WITHOUT BUILDER'S RISK REQUIREMENT)**

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

a. Commercial General Liability Insurance, including Contractual Liability, in an amount not less than \$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;

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

c. If architectural, engineering, or electrical work will be performed under the Contract, Professional Liability/Errors and Omissions Insurance appropriate to the work being done in an amount not less than \$1,000,000, with neither Contractor nor listed subcontractors having less than \$500,000 individually. The Professional Liability/Errors and Omissions Insurance must be project specific with at least a one year extended reporting period, or longer upon request.

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

2. Contractor shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-G. 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. PW 22-01
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007

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

4. Contractor agrees that the Commercial General Liability and Business Automobile Liability Insurance policies shall be endorsed to name **City, its City Council, officers, agents, employees or volunteers as additional insureds as respects: liability arising out of activities performed by or on behalf of Contractor; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired or borrowed by Contractor.** The coverage shall contain no special limitations on the scope of protection afforded to **City, its City Council, officers, agents, employees or volunteers.** The General Liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-G 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, agents, employees or volunteers.** The insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

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

Agreement No. A-8375

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

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS

Certificates of Insurance

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

Endorsement Forms

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

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER: Insurance Broker Name Here

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: SANCON TECHNOLOGIES, INC.

Insurer A: SPECIFY COMPANY NAME IN THIS SPACE

Insurer B: SPECIFY COMPANY NAME IN THIS SPACE

COVERAGES

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☒ OCCUR. ☒ OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$2,000,000 PRODUCTS COMP/OP AGG. \$2,000,000 PERSONAL & ADV. INJURY \$2,000,000 EACH OCCURRENCE \$2,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER 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				Minimum coverage \$1,000,000 Each consultant/ \$500,000 & listed sub-consultant

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

CERTIFICATE HOLDER

CITY OF OXNARD
Attn: Insurance Compliance
Reference No. PW 22-01
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

POLICY INFORMATION:
Insurance Company: _____
Policy No.: _____
Policy Period: (from) _____ (to) _____
LOSS ADJUSTMENT EXPENSE ☐ Included in Limits
☐ In Addition to Limits

Telephone: _____

NAMED INSURED
SANCON TECHNOLOGIES, INC.

☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____
with an Aggregate of \$ _____ applies to _____
coverage. ☐ Per Occurrence ☐ Per Claim (which)

SAMPLE

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
☐ _____
☐ _____

CLAIMS: Underwriters representative for claims pursuant to this insurance.

Name: _____
Address: _____
Telephone: (_____)

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

1. **INSURED.** The City, its City Council, officers, agents, employees or 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 City Council, officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insureds scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its City Council, officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.
3. **SEVERABILITY OF INTEREST.** This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.
4. **CANCELLATION NOTICE.** With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.
5. **PROVISIONS REGARDING THE INSURED'S DUTIES.** Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.
6. **SCOPE OF COVERAGE.** This policy, if primary, affords coverage at least as broad as:
 - a. Insurance Services Office Commercial General Liability Coverage, occurrence form CG0001; or
 - b. If excess, affords coverage which is at least as broad as the primary insurance form CG0001.

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. PW 22-01

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 _____

**AUTOMOBILE LIABILITY SPECIAL ENDORSEMENT
FOR THE CITY OF OXNARD (the City)**

SUBMIT IN DUPLICATE

ENDORSEMENT NO. _____ ISSUE DATE (MM/DD/YY) _____

PRODUCER

POLICY INFORMATION:

Insurance Company:

Policy No.:

Policy Period: (from) _____ (to) _____

LOSS ADJUSTMENT EXPENSE ☐ Included in Limits
☐ In Addition to Limits

Telephone: _____

NAMED INSURED
SANCON TECHNOLOGIES, INC.

☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____
with an Aggregate of \$ _____ applies to _____
coverage. ☐ Per Occurrence ☐ Per Claim (which)

SAMPLE

APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ☐ in which case only the following specific agreements and permits with the City are covered:

CITY AGREEMENTS/PERMITS

TYPE OF INSURANCE

- ☐ COMMERCIAL AUTO POLICY
☐ BUSINESS AUTO POLICY
☐ OTHER

OTHER PROVISIONS

LIMIT OF LIABILITY

\$ _____ per accident, for bodily injury and property damage.

CLAIMS: Underwriters representative for claims pursuant to this insurance.

Name: _____

Address: _____

Telephone: () _____

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

1. INSURED. The City, its City Council, officers, agents, employees or 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 City Council, officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insureds scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its City Council, officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.

3. SEVERABILITY OF INTEREST. This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.

4. CANCELLATION NOTICE. With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.

5. PROVISIONS REGARDING THE INSURED'S DUTIES. Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.

6. SCOPE OF COVERAGE. This policy, if primary, affords coverage at least as broad as:

a. Insurance Services Office Automobile Liability Coverage, "occurrence" form CA0001, code ("any auto"); or

b. If excess, affords coverage which is at least as broad as the primary insurance form referenced in the preceding section (1).

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

ENDORSEMENT HOLDER

CITY OF OXNARD

Attn: Insurance Compliance

Reference No. PW 22-01

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 _____

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 SANCON TECHNOLOGIES, INC., 5841 Engineer Drive, Huntington Beach, CA 92649 ("Principal")
(Name and address of Contractor)

a contract (the "Contract") for the Work described as On-Call Cured In Place Pipe (CIPP) Repair Services, Specification No. PW 22-01 (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 four hundred fifty thousand dollars (\$450,000), this amount being not less than one 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 SANCON TECHNOLOGIES, INC.,
5841 Engineer Drive, Huntington Beach, CA 92649 ("Principal")
(Name and address of Contractor)

a contract (the "Contract") for the Work described as On-Call Cured In Place Pipe (CIPP) Repair Services, Specification No. PW 22-01 (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 four hundred fifty thousand dollars (\$450,000), this amount being not less than one 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.

EXHIBIT A**CITY OF OXNARD****BID SHEETS FOR ON-CALL CURED IN PLACE PIPE (CIPP) REPAIR SERVICES
SPECIFICATION NO. PW 22-01 [PROJECT]**Bidder's Name: SANCON TECHNOLOGIES, Inc.

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the three (3) year, not to exceed four hundred fifty thousand dollar (\$450,000) Contract to furnish all labor, materials, equipment, traffic control, public convenience and safety, mobilization, demobilization, and other incidental and appurtenant Work 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 unit prices:

ITEM NO.	DESCRIPTION	UNIT of MEASURE	EVALUATION QUANTITY	UNIT PRICE
1.	Pre Lining Video for 8-inch CIPP Lining	Linear Foot	1	\$ 15.00
2.	Pre Lining Video for 10-inch CIPP Lining	Linear Foot	1	\$ 15.00
3.	Pre Lining Video for 12-inch CIPP Lining	Linear Foot	1	\$ 15.00
4.	Pre Lining Video for 15-inch CIPP Lining	Linear Foot	1	\$ 15.00
5.	Pre Lining Video for 18-inch CIPP Lining	Linear Foot	1	\$ 15.00
6.	Pre Lining Video for 24-inch CIPP Lining	Linear Foot	1	\$ 15.00
7.	Post Lining Video for 8-inch CIPP Lining	Linear Foot	1	\$ 5.00
8.	Post Lining Video for 10-inch CIPP Lining	Linear Foot	1	\$ 5.00
9.	Post Lining Video for 12-inch CIPP Lining	Linear Foot	1	\$ 5.00

ITEM NO.	DESCRIPTION	UNIT of MEASURE	EVALUATION QUANTITY	UNIT PRICE
10.	Post Lining Video for 15-inch CIPP Lining	Linear Foot	1	\$ 5.00
11.	Post Lining Video for 18-inch CIPP Lining	Linear Foot	1	\$ 5.00
12.	Post Lining Video for 24-inch CIPP Lining	Linear Foot	1	\$ 5.00
13.	8-inch CIPP short liner/point repair	Linear Foot	1	\$ 1,375.00
14.	10-inch CIPP short liner/point repair	Linear Foot	1	\$ 1,500.00
15.	12-inch CIPP short liner/point repair	Linear Foot	1	\$ 1,750.00
16.	15-inch CIPP short liner/point repair	Linear Foot	1	\$ 2,000.00
17.	18-inch CIPP short liner/point repair	Linear Foot	1	\$ 2,500.00
18.	24-inch CIPP short liner/point repair	Linear Foot	1	\$ 3,000.00
19.	8-inch CIPP lining	Linear Foot	1	\$ 59.00
20.	10-inch CIPP lining	Linear Foot	1	\$ 62.00
21.	12-inch CIPP lining	Linear Foot	1	\$ 74.00

ITEM NO.	DESCRIPTION	UNIT of MEASURE	EVALUATION QUANTITY	UNIT PRICE
22.	15-inch CIPP lining	Linear Foot	1	\$ 120.00
23.	18-inch CIPP lining	Linear Foot	1	\$ 136.00
24.	24-inch CIPP lining	Linear Foot	1	\$ 167.00
25.	Bypass pumping 6 inch to 12 inch diameter pipe at 1/2 full	Per Hour	1	\$ 100.00
26.	Bypass pumping 13 inch to 24 inch diameter pipe at 1/2 full	Per Hour	1	\$ 200.00
27.	Trenching	Linear Foot	1	\$ 250.00
BID TOTAL				\$ 13,413.00

NOTE: No adjustment in the Contract Unit Prices will be allowed. The cost of all labor, material, mobilization and demobilization, export of material, traffic control 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: \$ 13,413.00

BID PRICE IN WORDS: THIRTEEN THOUSAND FOUR HUNDRED THIRTEEN DOLLARS.

Bidder acknowledges receipt of all addenda

Addendum: #01
#02

Date Received: 8-30-21
8-30-21

Addendum: #03
#04

Date Received: 8-30-21
8-30-21

Bidder's Name (Company): SANCON TECHNOLOGIES, INC.
Signature: [Signature] Title: President
Print: Chuck Presiders Date: 8-30-21

EXHIBIT B

SPECIAL PROVISIONS

**ON-CALL CURED IN PLACE PIPE (CIPP) REPAIR SERVICES
SPECIFICATION NO. PW 22-01**

1000 LOCATION AND SCOPE OF WORK

The Contractor shall furnish all necessary labor, materials, equipment and other incidental and appurtenant Work to provide as needed Cured in Place Pipe ("CIPP") Repair, including Ultraviolet-Cured Fiberglass-Reinforced Cured-in-Place Pipe Liners (UV-CIPP) or equal, installed in accordance with the 2021 Greenbook and ASTM 2019-20 for pipeline rehabilitation, for the City of Oxnard Wastewater Collection System in locations throughout the City of Oxnard as directed by the Project Manager. The scope of Work shall include, but not be limited to:

- A. Provide all necessary traffic control, with plans approved by the City's Traffic Engineer.
- B. Provide sewer flow control as necessary.
- C. Provide bypass pumping including but not limited to the following:
 - a. Bypass pumping hourly rate shall include all labor, material, pumps, piping and associated equipment for primary pumping, plus 100% back up with the capability of pumping 6 inch – 12 inch diameter pipe at half full.
 - b. Bypass pumping hourly rate shall include all labor, material, pumps, piping and associated equipment for primary pumping, plus 100% back up with the capability of pumping 12 inch – 24 inch diameter pipe at half full.
- D. Provide trenching including excavation for bypass discharge, plating traffic control and restoration per City Standard.
- E. Clean section of pipe to be repaired prior to CIPP installation.
- F. Provide Closed Circuit Television Video (CCTV) before and after pipe lining operation to ensure proper installation/repair.
- G. Installation of cured in place sectional liners where defects in a section of pipe have been identified.
 - 1. Contractor shall ensure sectional liner material is fabricated from either a non-woven felt of fiberglass laminate, or a combination thereof, and shall use either a polyester resin, vinyl resin, or epoxy resin.
 - 2. Contractor shall ensure sectional liner material is fabricated to neatly fit the internal circumference of the host pipeline.
 - 3. Contractor shall ensure material or laminate shall overlap a minimum of 2-inches and cure monolithically.
- H. All lateral connections where the pipe liner was installed are to be reinstated immediately after the curing process.

1001 RESPONSE TIME AND SCHEDULE

Contractor must verbally respond to all requests for service within twenty (24) hours of telephone notification by the City. The scope of Work and schedule shall be mutually agreed to between City staff and Contractor and documented in a Task Order before work begins. Work under this category shall be planned and scheduled Monday through Friday excluding holidays, between the hours of 8:00 am and 5:00 pm unless otherwise agreed to by the City. All costs for labor, materials, tools, equipment, taxes, mobilization, demobilization, traffic control and all incidentals for these requests shall be included in the unit costs enumerated in the Bid Sheets.

1002 TRAFFIC CONTROL, PUBLIC CONVENIENCE AND SAFETY

1002-1 Scope of the Work

The Contractor shall provide, for the protection of the public, all necessary barricades, traffic cones, warning signs, flagmen, lights, and other safety devices in accordance with Section 12-3 of the SSS and the current requirements set forth in the MUTCD.

Contractor shall furnish, install, and maintain a trailer mounted, solar powered portable changeable message sign upon which varying electronically generated messages will be displayed to traffic, as specified in Section 5-7.10.3 of the General Provisions. Refer to SSS and/or MUTCD Guidelines for the use of portable changeable message signs in work zones.

Contractor shall also provide traffic control for the safety of crew working on this Project.

Additionally, the Contractor shall install temporary railing (type K) between any lanes carrying public traffic and any excavation, obstacle, or storage area when any of the following conditions exist:

A. Storage Areas:

Whenever material or equipment is stored within 12 feet of the lane and such storage is not otherwise prohibited by the specifications.

Except for installing, maintaining and removing traffic control devices, whenever Work is performed or equipment is operated in the following Work areas the Contractor shall close the adjacent traffic lane unless otherwise provided in the Specifications.

Approach speed of public traffic (Posted Limit Miles Per Hour)	Work Areas
Over 45	Within 6 feet of the traffic lane but not on a traffic lane
35 to 45	Within 3 feet of a traffic lane but not on a traffic lane

When traffic cones or delineators are used to delineate a temporary edge of traffic lane, the line of cones or delineators shall be considered to be the edge of traffic lane; however, the Contractor shall not reduce the width of an existing lane to less than 10 feet without written approval from the City Engineer. The lane closure provisions of this Section shall not apply if the Work area is protected by permanent or temporary railing or barrier.

The Contractor shall furnish the Oxnard Police Department with the written names and phone numbers of personnel to be contacted after hours for hazardous conditions to traffic that may require additional protective measures. Failure to respond to reasonable request for additional nighttime protection to traffic will result in the City causing the Work to be performed by others and costs withheld from moneys due. All traffic control devices shall meet the standards and be placed in accordance with the MUTCD for Construction and Maintenance Work Zones.

The City Inspector shall stop construction if traffic control devices are not placed in accordance with approved Plans. All warning devices used during hours of darkness shall be reflectorized. All damaged City owned traffic control devices within the vicinity shall be replaced in kind or better at the Contractor's expense.

1002-2 *Work To Be Accomplished*

The Contractor shall maintain the following requirements:

- A. Contractor shall submit traffic control plans for approval by the City Traffic Engineer one week prior to the pre-construction meeting. The traffic control plan must be approved by City prior to beginning construction. City-approved and stamped traffic control plans are required prior to issuance of an encroachment permit.
- B. Maintain minimum of one lane in each direction at all times. Maintain access to all existing business at all times.
- C. Traffic control plans must conform to the SSS and to the MUTCD.
- D. Working hours shall be from 8:30 AM to 3:30 PM within traffic lane and 8:00 AM to 5:00 PM outside the traffic lane. No interference with traffic at all other times.
- E. No lane closure beyond the Work areas.
- F. The Contractor shall provide steel covers when backfill operations of an excavation in the travelled way, whether transverse or longitudinal, cannot be properly completed within a Working Day. The steel plate shall be recessed by milling into the existing asphalt to set flush with the surface of the existing asphalt and must extend a minimum of 12 inches beyond the edges of the trench. Milling depth shall match thickness of the plate. Full depth cutting of the asphalt pavement section outside of trench is not permitted. The steel plate shall be anchored properly and the gap between the edge of the plate and the adjacent existing asphalt pavement must be filled with temporary asphalt.

Steel plate covers shall conform to SSPWC Table 5-7.8.

The City Inspector shall stop construction if traffic control devices are not placed in accordance with approved Plans. All warning devices used during hours of darkness shall be reflectorized. All damaged City owned traffic control devices shall be replaced in kind or better at the Contractor's expense.

1002-3 *Permits*

Contractor shall notify and coordinate Work with other agencies i.e., Caltrans, Railroads, Ventura County and other adjacent Cities, in advance of the start of any work that will require the temporary closure of access and/or encroachment to their Right of Way.

The Contractor will be required to obtain all necessary permits to perform work within the State's right-of-way/Railroad right-of-way and shall bear all cost for fees and no additional cost to the City.

The Contractor is also responsible for all permit conditions and shall comply with all the requirements set forth in the approved permit including implementation of traffic control plans, installation of construction area signage, working hours, assigning flaggers, etc. and shall bear all cost for fees and no additional cost to the City.

District Encroachment Permit Office Contact Information:

District 07

100 South Main Street, Suite 100

Los Angeles, CA 90012

(213) 897-3631

Union Pacific Rail Road Contact Information:

Javier R. Sanchez - Manager Track Maintenance

340 Guadalupe St

Guadalupe, CA 93434

OFFICE: 402-233-1711

MOBILE: 805-249-0959

FAX: 805-343-6871

E-mail: jrsanche@up.com

1003 PAYMENT

Payment for performing the Work shall be made on the unit cost basis detailed in the Bid Sheets.

The unit cost for all activities described in the Bid Sheets shall include full compensation for furnishing all labor, materials, tools, equipment, taxes, mobilization, demobilization, traffic control and all incidentals to complete all the activities involved with the delivery of these services, and no additional payment will be made therefore.

Prior to starting Work, all Work will be pre-approved by a Task Order issued by the Project Manager specifying the total quantity of each item comprising the Work. A separate invoice is required for each Task Order issued pursuant to the Contract. When billing for Work, the Contractor shall use the appropriate unit costs pursuant to the Bid Sheets, multiplied by the total quantities specified in the Task Order. For example, if the Task Order specifies 200 LF of "Pre Lining Video for 8" CIPP Lining", the total cost billed for that item shall be the unit cost stated in Bid Item No. 1, multiplied by 200 LF.

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



CITY COUNCIL AGENDA REPORT

PUBLIC HEARINGS AGENDA ITEM NO. M.1

DATE: October 19, 2021

TO: City Council

FROM: Brian Yanez, Assistant Public Works Director, (805) 200-5412, brian.yanez@oxnard.org

SUBJECT: 2020 Urban Water Management Plan and Water Shortage Contingency Plan. (10/10/30)

RECOMMENDATION

That the City Council:

1. Receive a presentation and hold a Public Hearing to receive public comments on the 2020 Urban Water Management Plan and Water Shortage Contingency Plan; and
2. Adopt a Resolution to approve the 2020 Urban Water Management Plan and Water Shortage Contingency Plan and authorize City staff to file the plans with the State of California. (Public Works and Transportation Committee approved 3-0).

(Presentation will be live upon consultant's request.)

BACKGROUND

In 1983, the California Legislature enacted the Urban Water Management Planning Act requiring water suppliers to submit an Urban Water Management Plan (UWMP) every five years that demonstrates water supply reliability in normal, single dry, and multiple dry years. The UWMP is used to support long-term resource planning and water supply sustainability and is required for the City of Oxnard (City) to be considered for future grant funding opportunities and to receive drought assistance from the State.

The UWMP integrates local and regional land use planning, regional water supply, infrastructure, and demand management projects, as well as statewide issues of concern like climate change and regulatory revisions. The UWMP gathers, characterizes, and synthesizes water-related information from numerous sources into a plan with local, regional, and statewide practical utility.

Specifically, the UWMP must address the following areas:

- Assess the reliability of water sources over a 20-year planning time frame through 2040
- Describe demand management measures and water shortage contingency plan
- Report compliance toward meeting a targeted 20 percent reduction in per-capita urban water consumption by the year 2020
- Discuss the use and planned use of recycled water
- Implement conservation and efficient use of urban water supplies

The 2015 UWMP was approved and adopted by the City Council in June 2016.

The 2020 UWMP and WSCP original due date to the State of California's Department of Water Resources (DWR) was

July 1, 2021. There were various factors that delayed the City's submission of the 2020 UWMP and WSCP: (1) the UWMP guidebook from the State was not released until March 2021; (2) the finalization of the City's Water Resource Management Plan was not completed until mid-May 2021, which provided various data required for the UWMP. (There is no real penalty for a delayed submission unless funding applications are being reviewed by DWR close to the deadline.) By adopting the updated UWMP and WSCP, the Council certifies that the City is responsibly managing its water resources for current and future needs.

DISCUSSION

The 2020 UWMP was prepared in compliance with the California Water Code (CWC), §10610-10657 and §10608 with the assistance of the City's consultant, Water Systems Consulting, Inc. The UWMP describes and evaluates projected water demands through 2045, water supplies, water resource development programs, and conservation measures in the City of Oxnard's service area. Since Oxnard is an urban water supplier that receives imported water from the Sacramento-San Joaquin Delta (Delta), it is also required to demonstrate consistency with Delta Plan Policy WR P1, Reduce Reliance on the Delta Through Improved Regional Water Self-Reliance (Cal. Code Regs., tit. 23, §5003). Appendix B has been prepared to satisfy the requirement to demonstrate reduced reliance on the Delta. This appendix is included in the 2020 UWMP and will also be included as an addendum to Oxnard's 2015 UWMP. In addition to this, California Water Code, CWC §10632 now requires that water suppliers adopt a Water Shortage Contingency Plan (WSCP) separately from the 2020 UWMP. The WSCP is included as Appendix A to the 2020 UWMP, and will be adopted at the same time as the UWMP and may be updated as required by State mandates.

The State of California requires the City to comply with two (2) demand management-related requirements: 1) Senate Bill X7-7, adopted in 2009, and 2) Demand Management Measures. Senate Bill X7-7, better known as the "20% x 2020 Act," required a statewide 20% reduction in urban per capita water usage on or before December 31, 2020, and set an interim target reduction for each individual water purveyor, including the City of Oxnard, to be met by December 31, 2015. Through the implementation of the programs and projects contained in the Council-adopted Water Conservation Master Plan, the City was able to meet its 2015 interim target of 139 gallons per capita per day (GPCD) and its 2020 target of 140 GPCD. Demand Management Measures are activities, utility practices and incentives that promote water conservation, and are mandatory for a UWMP to be deemed complete. The City was able to comply with the Demand Management Measures requirements through the implementation of the programs and projects contained in the Council-adopted and funded Water Conservation Master Plan.

In May 2018, the State of California signed into law Senate Bill 606 and Assembly Bill 1668 mandating additional water use goals. Water agencies will be required to calculate a water efficiency standard for their entire service area annually based on indoor residential water use, outdoor water use, and commercial, industrial and institutional irrigation. These efficiency standards are under development. However, the City prepared demand projections to align with the preliminary State's guidance for efficiency standards. The City will be utilizing the WaterView water conservation software program that uses per-parcel Geographic Information System (GIS) mapping of landscape measurements and census data and combines City water customer consumption use. Additionally, the City is planning to implement an Automated Metering Infrastructure that will allow customers to better manage their water consumption with advanced data that will be readily available to them. The City has invested in expanding water conservation staff that are creating education outreach and programs to reach our community, by emphasizing that water conservation is an Oxnard way of life. Lastly, the City's Water Conservation Ordinance provides a tool to incrementally impose voluntary and mandatory conservation measures should more aggressive demand management be required during extended droughts or emergency conditions.

In the UWMP appendix is the WSCP which is a strategic plan that the City uses to prepare for and respond to foreseeable and unforeseeable water shortages. A water shortage occurs when water supply available is insufficient to meet the normally expected customer water use at a given point in time. A shortage may occur due to a number of reasons, such as water supply quality changes, climate change, drought, regional power outages, or catastrophic events (e.g., earthquake). Additionally, the State may declare a statewide drought emergency and mandate that water suppliers reduce demands, as occurred in 2014. The WSCP serves as the operating manual that the City will use to prevent catastrophic service disruptions through proactive, rather than reactive, mitigation of water shortages. The WSCP includes a plan to prepare an Annual Water Supply and Demand Assessment required to be submitted to DWR starting in July 2022. The WSCP must be updated based on new requirements every five years and will be adopted as a current update for submission to the DWR.

The City has a diversified portfolio of water supplies, including City-produced local groundwater, local groundwater that it purchases from United Water Conservation District (UWCD), and imported surface water it purchases from Calleguas Municipal Water District (CMWD), a member agency of the Metropolitan Water District of Southern California, a State Water Project contractor.

Additionally, the City operates an Advanced Water Purification Facility that produces ultra-pure recycled water. The recycled water will be used for agricultural irrigation, industrial processes, and landscape irrigation, offsetting the potable water now used for these purposes. The City is currently working on an Aquifer Storage and Recovery (ASR) well demonstration project that will involve injecting then storing recycled water for a limited period and then tested for water quality standards. Once the water is proven to be safe, the State of California will allow it to be added to the City's potable water drinking system and will be an additional source of water for the City to utilize.

The City is also working with regulatory and resource agencies (California Department of Health Services, California Regional Water Quality Control Board, Fox Canyon Groundwater Management Agency (Fox Canyon GMA) to develop and permit facilities that will recharge groundwater aquifers, to the benefit of the region. Through regional cooperation and a diversified portfolio of water supplies, the City is able to meet its projected demands in different hydrologic conditions throughout the planning period.

The comprehensive nature of the UWMP and WSCP is the result of the City's active involvement in regional and statewide water and environmental planning, and due to ongoing input from the Fox Canyon GMA, UWCD, CMWD, Metropolitan Water District of Southern California, DWR, County of Ventura Watershed Protection District, Ventura County Local Agency Formation Commission (Ventura LAFCO), and neighboring cities and water agencies. Solving many of the most difficult water quality and water supply challenges will require continued cooperative efforts with multiple agencies. Copies of the 2020 UWMP and WSCP public draft were sent to: CMWD, Channel Islands Beach Community Services District, City of Camarillo, City of Port Hueneme, City of Ventura, Fox Canyon GMA, UWCD, and Watersheds Coalition of Ventura County. The UWMP and WSCP were also made available to the public via the City's website.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

No direct fiscal impact to the City's operating budget is expected as a result of this recommended adoption.

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on September 28, 2021 to approve the staff recommendation and to forward the item to Council.

Prepared by: Omar Castro, Water Division Manager

ATTACHMENTS

1. 2020 UWMP RESOLUTION
2. 2020 Urban Water Management Plan and Water Shortage Contingency Plan PLACEHOLDER
3. Presentation

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD, CALIFORNIA,
ADOPTING THE CITY'S 2020 URBAN WATER MANAGEMENT PLAN AND
WATER SHORTAGE CONTINGENCY PLAN

WHEREAS, the California Urban Water Management Planning Act, Water Code section 10610 *et seq.* (the Act), which the Legislature passed to actively pursue the efficient use of water by requiring urban water suppliers to develop urban water management plans (UWMPs), defines and “urban water supplier” as a supplier, either publicly or privately owned, providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre feet of water annually; and

WHEREAS, the Water Conservation Act of 2009, Water Code section 10608 *et seq.* (SBX7-7), which the Legislature passed to achieve a statewide 20-percent reduction in urban per capita water use on or before December 31, 2020, defines an “urban retail water supplier” as a water supplier, either publicly or privately owned, that directly provides potable municipal water to more than 3,000 end users or that supplies more than 3,000 acre-feet of potable water annually at retail for municipal purposes; and

WHEREAS, City of Oxnard (City) is an urban water supplier for purposes of the Act and an urban retail water supplier for the purposes of SBX7-7; and

WHEREAS, the Act required every urban water supplier to prepare a 2015 UWMP, and SBX7-7 required every urban retail water supplier to include in its 2015 UWMP the baseline daily per capita water use, urban water use target, interim urban water use target, and compliance daily per capita water use, along with the bases for determining those estimates, including references to supporting data; and

WHEREAS, City staff drafted, the City Council approved, and the City staff submitted to the California Department of Water Resources (DWR) the City's 2015 UWMP, as required; and

WHEREAS, the Act further requires each urban water supplier to update and submit its 2020 UWMP to the DWR by July 1, 2021; and

WHEREAS, SBX7-7, among other obligations, established requirements for urban retail water suppliers to report in their 2020 UWMPs their compliance with urban water use targets in accordance with the goals of SBX7-7 to reduce statewide daily per capita water use 10 percent by the year 2015 and 20 percent by the year 2020; and

WHEREAS, in accordance with applicable law, including the requirement of the Act and SBX7-7, the City has prepared its 2020 UWMP and has undertaken certain agency coordination, public notice, public involvement and outreach, public comment, and other procedures in this regard; and

WHEREAS, as authorized by section 10620(e) of the Act, the City has prepared its 2020 UWMP with its own staff, with the assistance of consulting professionals, and in cooperation with other governmental agencies. The City has utilized and relied upon industry standards and the expertise of industry professionals in preparing its 2020 UWMP. The City has also in part utilized and relied upon the 2020 Urban Water Management Plans Guidebook for Urban Water Suppliers (March 2021) and the DWR Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use (For the Consistent Implementation of the Water Conservation Act of 2009) (February 2016) in preparing its 2020 UWMP; and

WHEREAS, in accordance with applicable law, including Water Code sections 10608.26 and 10642 and Government Code section 6066, the City made its draft 2020 UWMP available for public inspection and caused to be published within the jurisdiction of the City two notices of public hearing regarding the City's 2020 UWMP, which publication dates included September 30, 2021 and October 7, 2021 in the Ventura County Star; and an additional publication in the Vida Newspaper in both English and Spanish on September 30, 2021 and October 7, 2021; and

WHEREAS, the City held its public hearing on October 19, 2021 in the City Council Chambers of the City, located at 305 West Third Street, Oxnard, California, regarding its 2020 UWMP, wherein, among other things, members of the public and other interested entities were provided with the opportunity to be heard in connection with the City's 2020 UWMP and the proposed adoption thereof; and

WHEREAS, pursuant to said public hearing on the City's 2020 UWMP, the City staff and City Council encourages the active involvement of the diverse social, cultural, and economic elements of the population within the City's service area with regard to the preparation and adoption of its 2020 UWMP, allowed input by members of the public and any other interested parties, regarding all aspects of the City's 2020 UWMP, allowed community input regarding the City's implementation plan for complying with SBX7-7, considered the economic impacts of the City's implementation plan for complying with SBX7-7, and affirmed its adoption of Method 3 under Water Code section 10608.20(b) for determining the City's urban water use targets; and

WHEREAS, the City Council has reviewed and considered the purposes and requirements of the Act and SBX7-7, the contents of the City's 2020 UWMP, the documentation contained in the administrative record in support of the City's 2020 UWMP, and all public and agency input received with regard to the City's 2020 UWMP, and the City Council has determined that the factual analyses and conclusions set forth in the City's 2020 UWMP are supported by substantial evidence.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF OXNARD AS FOLLOWS:

1. As it did in 2015, the City hereby adopts Method 3 under Water Code section 10608.20(b) for determining its urban water use targets. Method 3 states that the urban retail water supplier uses 95 percent of the applicable State hydrologic region target, as set forth in the State's 20x2020 Water Conservation Plan (February 2010)
2. The City Council hereby approves and adopts the City's 2020 UWMP and WSCP and orders that it be filed with the Clerk of the City.

3. The City Council hereby authorizes and directs the City's Public Works Director to incorporate non-substantive edits into the City's final 2020 UWMP and WSCP.
4. The City Council hereby authorizes the City's Public Works Director to include a copy of this Resolution in the City's 2020 UWMP and WSCP.
5. In accordance with Water Code section 10644(a), the City Council hereby authorizes and directs the City's Public Works Director to file within thirty (30) days of this Resolution's adoption date the City's 2020 UWMP and WSCP with the DWR, the California State Library, and all cities and counties within which the City provides water supplies.
6. The City Council hereby authorizes and directs the City's Public Works Director, in accordance with the Water Code section 10645, to make the City's 2020 UWMP and WSCP available for public review during normal business hours not later than thirty (3) days after filing a copy thereof with the DWR.
7. The City Council hereby authorizes and directs the City's Public Works Director, in accordance with Water Code section 10635(b), to provide that portion of the City's 2020 UWMP and WSCP prepared pursuant to Water Code section 10635(a) to all cities and counties within which the City provides water supplies not later than sixty (60) days after filing a copy thereof with the DWR.
8. The City Council hereby authorizes and directs the City's Public Works Director to implement the components of the City's 2020 UWMP in accordance with the Act and SBX7-7, including, but not limited to, the City's Water Conservation Programs and Water Shortage Contingency Plan.
9. The City Council hereby authorizes and directs the City's Public Works Director to recommend to the City Council additional steps necessary or appropriate to effectively carry out the implementation of the City's 2020 UWMP, the Act and SBX7-7.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Oxnard, State of California, held on the ____ day of October 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

John Zaragoza, Mayor

ATTEST:

APPROVED AS TO FORM

Rose Chaparro, City Clerk

Stephen M. Fischer, City Attorney

2020 Urban Water Management Plan and Water Shortage Contingency Plan

<https://www.oxnard.org/city-department/public-works/water/uwmp/>

City of Oxnard

Urban Water Management Plan

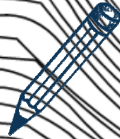
October 19, 2021



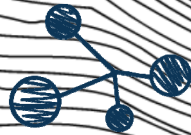
Agenda



Background



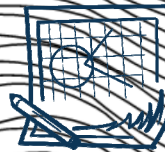
Elements



Water Use



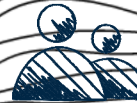
Water Supply



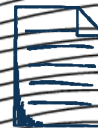
Water Reliability



**Demand Management
Measures**



**Water Shortage
Contingency Plan**



Conclusion

About Urban Water Management Plans (UWMPs)

- Required by the California Water Code
- Must be updated every 5 years and submitted to DWR
- Supports long-term water supply and drought planning
- Coordinated with local land use planning agencies
- Ensure supplies meet existing and projected demands over a 20-year horizon through 2040
- Provides framework for conservation and drought response
- Pre-requisite for certain loans and grants



Communication and Outreach

- UWMP Act requires coordination with other local agencies. The City notified development of the UWMP and coordinated, when possible, with the following agencies:
 - Calleguas Municipal Water District
 - United Water Conservation District
 - Port Hueneme Water Agency
 - County of Ventura, Ventura County Watershed Protection District, Ventura Local Agency Formation Commission, Ventura County Resource Management Agency
 - Metropolitan Water District of Southern California
 - Cities of Camarillo, Ventura, Port Hueneme
 - Fox Canyon Groundwater Management Agency
 - Channel Islands Beach Community Services District
 - Naval Base Ventura County

Communication and Outreach

- The City held a community meeting to provide information on the UWMP and answer any questions, held on July 28th, 2021
- Consistent with the UWMP Act, the City will publish public hearing notices in local newspapers for the October 19th City Council Meeting
- Access to the UWMP and Water Shortage contingency Plan (WSCP) is available at <https://www.oxnard.org/city-department/public-works/water/uwmp/>

Draft 2020 Urban Water Management Plan and Water Shortage Contingency Plan

Virtual Community Informational Meeting



What is the Urban Water Management Plan?
Urban Water Management Plans (UWMPs) are prepared by California's urban water suppliers every five years. The plans support long-term resource planning to ensure adequate supplies are available to meet existing and future water needs. The Oxnard UWMP describes and evaluates projected water demands, water supplies, water resource development programs, and water demand measures within the Oxnard service area.



What is the Water Shortage Contingency Plan?
The Water Shortage Contingency Plan (WSCP) is a document describing how a water supplier will respond to the various stages of a water shortage caused by a drought or some other event, such as a natural disaster or threats to the water system or sources.



How can you learn more about the Plans?
Learn more about the UWMP and the WSCP (the Plans) and register for the Community Informational meeting at OxnardWater.org. The Draft UWMP and WSCP will be available for review at OxnardWater.org in mid July 2021.

Virtual Meeting
Wednesday, July 28, 2021 | 6 pm – 8 pm
Presented by **Water Systems Consulting**

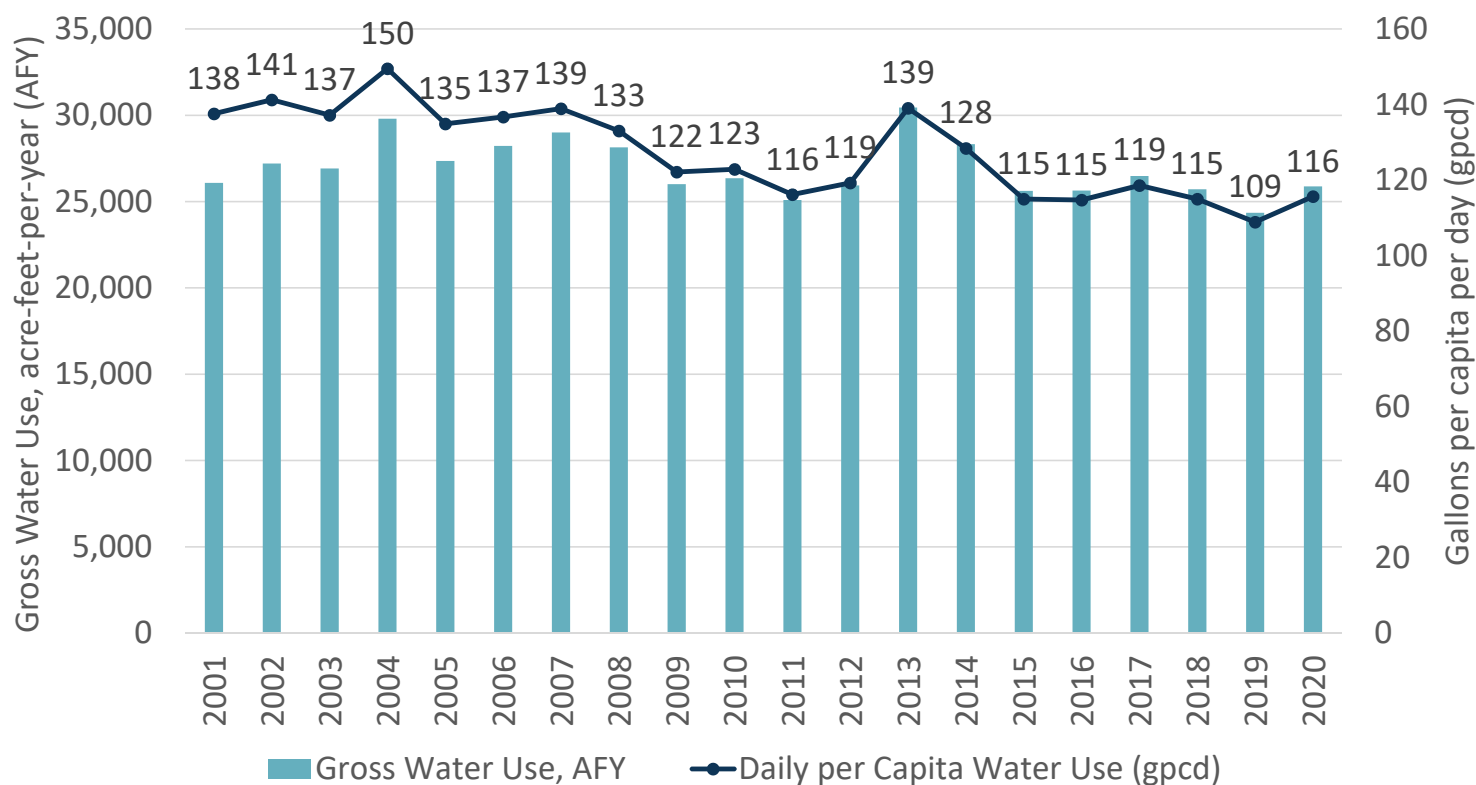
(805) 385-8154
OxnardWater.org



UWMP Elements

Introduction and Lay Description	Water Supply Characterization
Plan Preparation	Water Service Reliability and Drought Risk Assessment
System Description	Water Shortage Contingency Plan
Water Use Characterization	Demand Management Measures
Senate Bill x7-7 Baselines, Targets and 2020 Compliance	Plan Adoption, Submittal, and Implementation

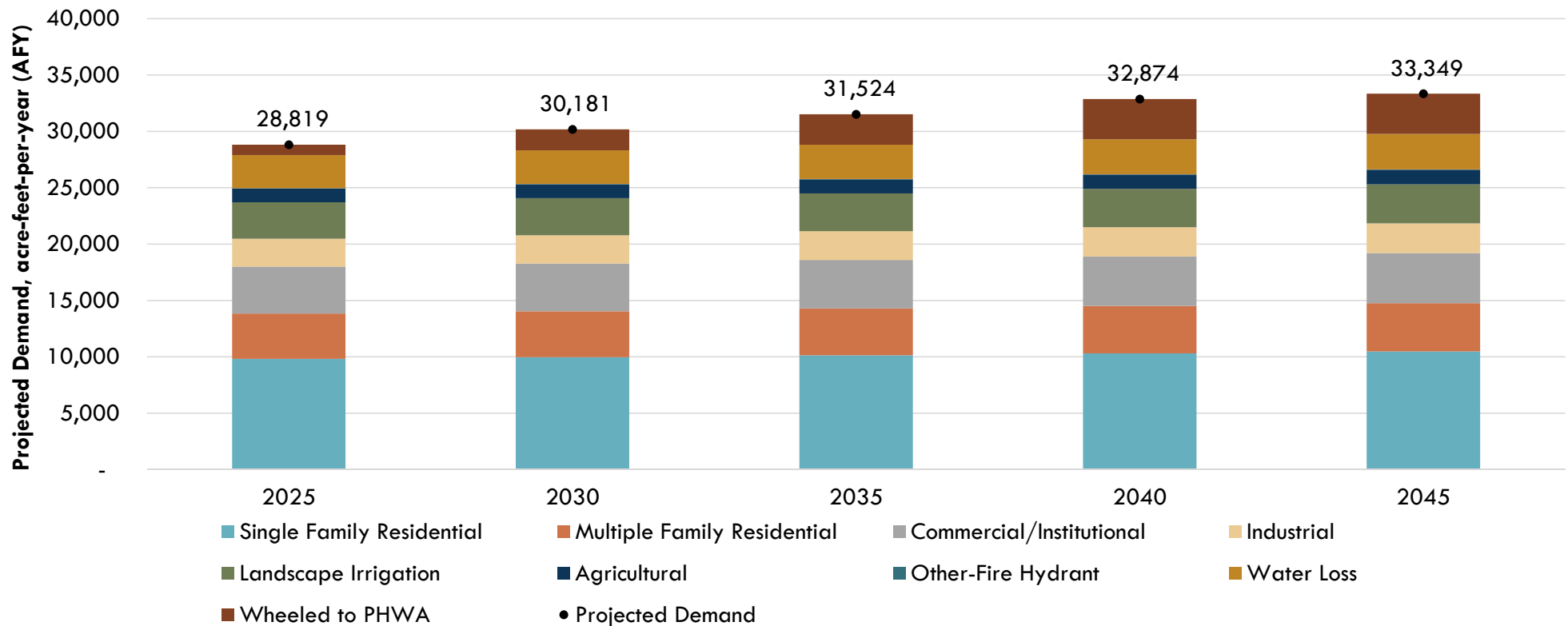
Water Use Characterization & SBx7-7 Compliance



2020 Target:
140 gallons per capita
per day (gpcd)

City Achieved Target?
YES

Water Use Characterization & SBx7-7 Compliance



Water Use Characterization & SBx7-7 Compliance

- Future demand assumptions:
 - 55 gallons per capita per day (GPCD) applied for indoor residential use
 - Irrigation assumed to be constant from 2020 through 2045 to account for increased irrigation efficiency and growth
 - Commercial, Industrial & Institutional (CII) demands remain constant through 2025 and increase by 13% by 2045
 - Water losses based on compliance with DWR performance standards and expect to reduce from 31.3 gallons per connection per day to 16.6 gallons per connection per day by 2030.
- High-level demand methodology is used to plan for sufficient supply to meet the population growth identified in the General Plan.
 - Does not project development-specific demand using demand per dwelling unit or per acre factors by land use type. These development-specific factors are included in the Public Works Integrated Master Plan.

Water Supply

Local Groundwater

- City extracts from the Oxnard Plain Groundwater Basin
- United Water Conservation District (United) extracts groundwater for the City further inland

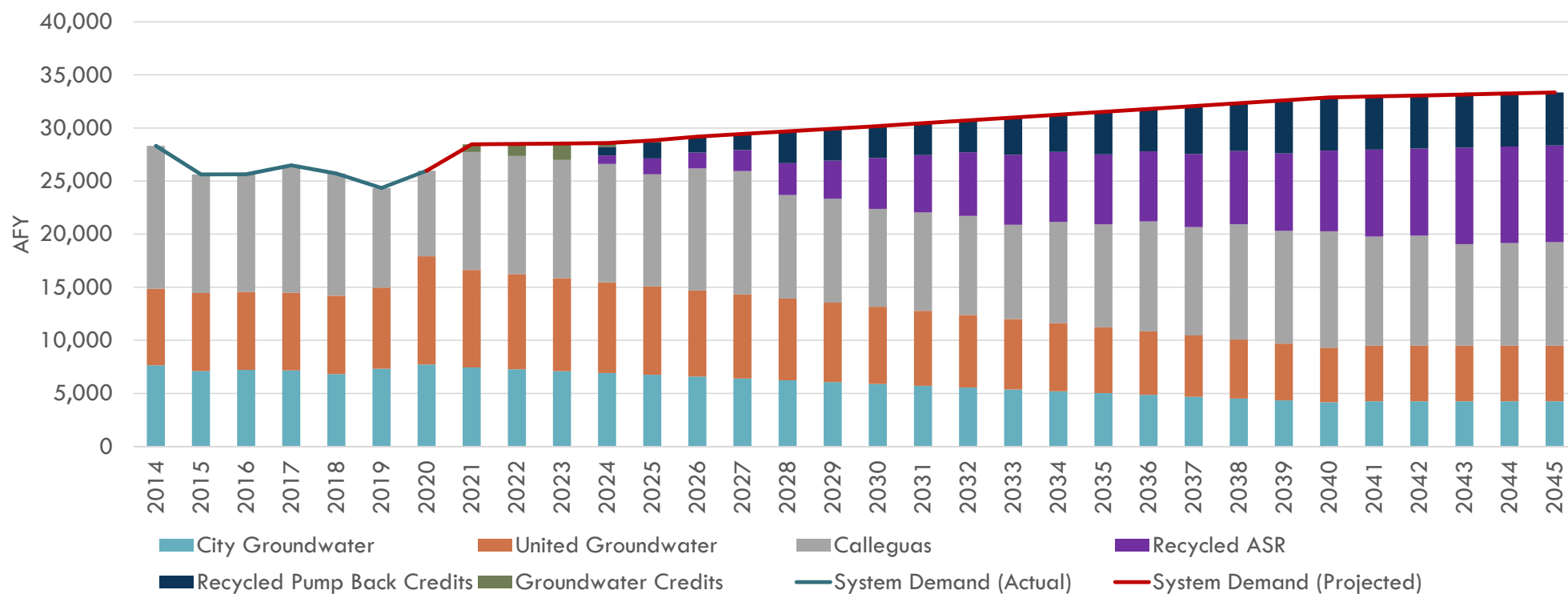
Imported Water

- City imports State Water Project (SWP) water through Calleguas Municipal Water District (Calleguas)

Recycled Water

- Produced at the Advanced Water Purification Facility (AWPF)
- Used for groundwater recharge and indirect potable reuse

Water Supply



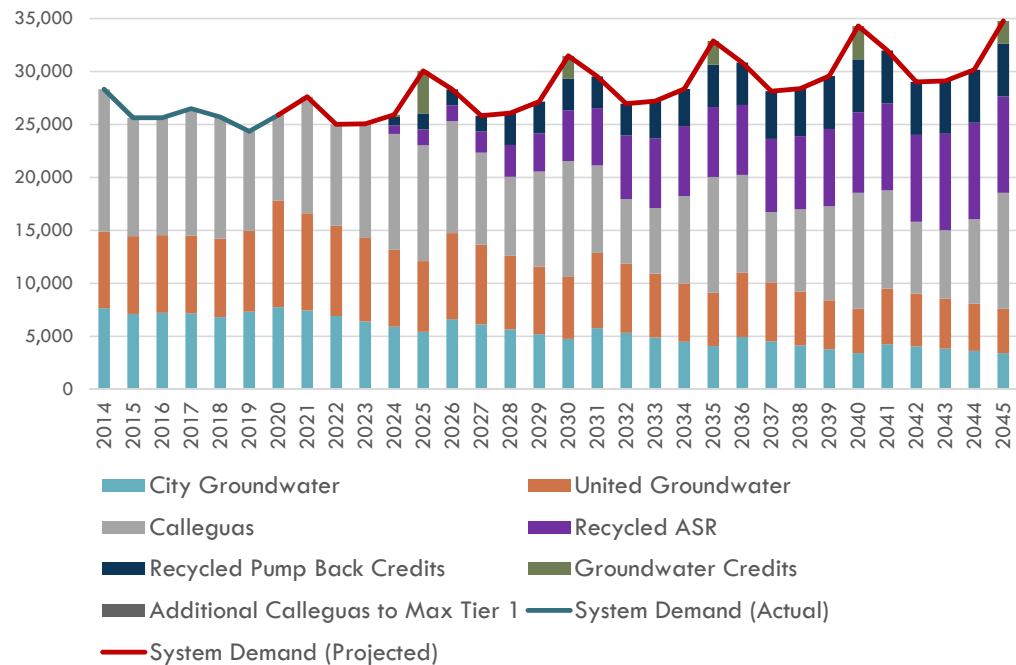
* All volumes in acre-feet-per-year (AFY). Aquifer storage and recover (ASR)

Water Reliability & Drought Risk Assessment

- City supplies meet demands in normal, single dry, and five-consecutive years of drought through 2045

		2025	2030	2035	2040	2045*
First Year	Supply Totals	30,055	31,475	32,876	34,284	34,779
	Demand Totals	30,055	31,475	32,876	34,284	34,779
	DIFFERENCE:	0	0	0	0	0
Second Year	Supply Totals	28,311	29,533	30,837	31,978	N/A
	Demand Totals	28,311	29,533	30,837	31,978	N/A
	DIFFERENCE:	0	0	0	0	N/A
Third Year	Supply Totals	25,830	26,954	28,135	29,014	N/A
	Demand Totals	25,830	26,954	28,135	29,014	N/A
	DIFFERENCE:	0	0	0	0	N/A
Fourth Year	Supply Totals	26,062	27,204	28,387	29,113	N/A
	Demand Totals	26,062	27,204	28,387	29,113	N/A
	DIFFERENCE:	0	0	0	0	N/A
Fifth Year	Supply Totals	27,150	28,350	29,573	30,165	N/A
	Demand Totals	27,150	28,350	29,573	30,165	N/A
	DIFFERENCE:	0	0	0	0	N/A

* No projections after 2045, so these cells are not applicable (N/A). All volumes in acre-feet-per-year (AFY).



Demand Management Measures (DMM)

DMM	Status
1. Water waste prevention ordinances	✓
2. Metering	✓
3. Conservation pricing	✓
4. Public education and outreach	✓
5. Real water loss management programs and systems	✓
6. Water conservation program and staffing support	✓
7. Other Demand Management Measures ➤ Residential Plumbing Retrofit ➤ Innovation Project ➤ School Education Programs ➤ Water Efficient Landscaping Resources and Water Conservation Demonstration Gardens ➤ Rebates	✓

Water Shortage Contingency Plan (WSCP) Elements

Water Supply Reliability Analysis	Legal Authority
Annual Water Supply and Demand Assessment Procedures	Financial Consequences of WSCP Implementation
Six Standard Shortage Stages	Monitoring and Reporting
Shortage Response Actions	WSCP Refinement Procedures
Communication Protocols	Special Water Features Distinctions
Compliance and Enforcement	Plan Adoption, Submittal, and Availability

Water Shortage Contingency Plan (WSCP)

- Provides flexible guidelines for the City Council, staff, and the public for identifying anticipated water shortages and response actions to allow for efficient management of any water shortage
- Six standard stages:

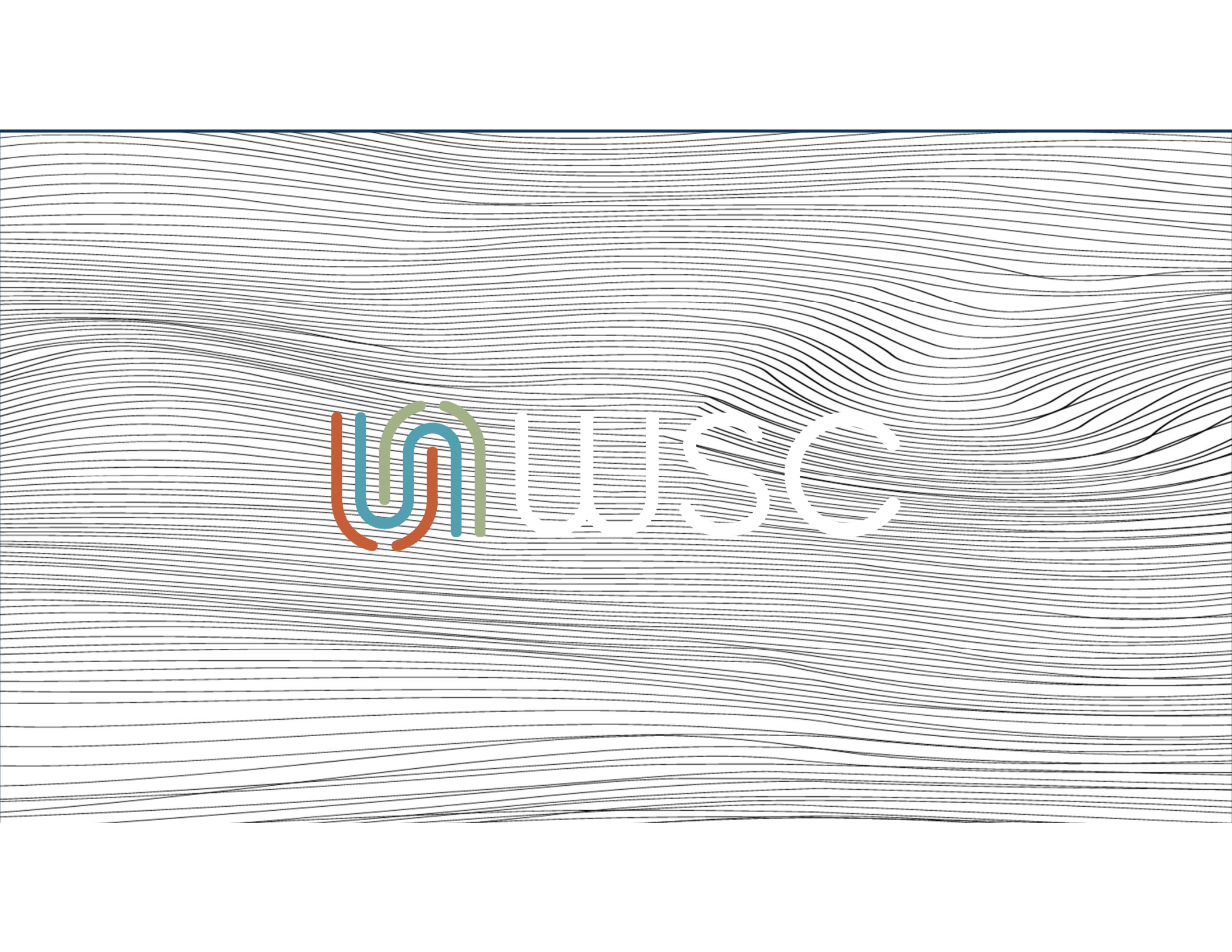
STAGE	SHORTAGE LEVEL
1	Up to 10%
2	10%-20%
3	20%-30%
4	30-40%
5	40%-50%
6	Greater than 50%

- WSCP is considered a standalone document and can be amended separately from the UWMP, if needed.

2020 UWMP Conclusions

- Supply is expected to meet current and projected demands through 2045 with continued water use efficiency and increased recycled water for indirect potable recharge
- 2020 SBx7-7 water use target compliance achieved
- The UWMP is anticipated to meet all DWR requirements

Questions?



un USC



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.1

DATE: October 19, 2021

TO: City Council

FROM: Betsy George, Chief Financial Officer, 805-200-5400, betsy.george@oxnard.org

SUBJECT: Authorize Issuance and Sale of Water Revenue Refunding Bonds, Series 2021, to Refinance Outstanding 2014 Bonds. (10/10/10)

RECOMMENDATION

That the City Council adopt a resolution authorizing the issuance and sale of Water Revenue Refunding Bonds, Series 2021, in an aggregate principal amount that shall not exceed \$25,000,000.00, to refinance outstanding bonds, authorizing execution of Indenture of Trust, Placement Agent Agreement, and related official actions. (Finance and Governance Committee approved 3-0).
(Presentation will be live upon Consultant's request)

BACKGROUND

In 2004, the City of Oxnard Financing Authority issued \$47,895,000 of Water Revenue Bonds, Series 2004 ("the 2004 Bonds"). The 2004 Bonds were issued to finance various improvements to the water system, including the early stages of the GREAT Program. The 2004 Bonds were issued for a thirty-year term at an all-in interest rate of 4.62%. In 2014, the City refinanced the 2004 Bonds at a lower interest rate of 3.8% to reduce its borrowing costs and capture savings.

Based on an offer provided by CapitalOne (the sole bondowner for the 2014 Bonds), the City can refinance the 2014 Bonds three years ahead of the first optional call date without incurring a penalty. If the City takes advantage of this offer, the first optional call date on the 2021 Refunding Bonds ("2021 Bonds") would be ten years from now (June 1, 2031).

After a series of negotiations, CapitalOne has offered an interest rate of 2.70%. Based on this rate, a refinancing of the 2014 Bonds results in approximately \$150,000 average annual cashflow savings in fiscal years 2022-23 through 2033-34, which sums to approximately \$1.9 million in aggregate cashflow savings. On a present value basis, this equates to \$1.63 million dollars, or approximately 6.8% of refunded par. This is well above the City's identified 3% minimum savings threshold for a bond refinancing, as outlined in the City's Debt Management Policy.

The City's bond financing team (NHA Advisors as municipal advisor and Best Best & Krieger as bond counsel) recommends taking advantage of low interest rates by refunding the 2014 Bonds. The initial term of the 2004 Water Revenue Bonds remains unchanged, full paydown of the debt will occur in 2034.

As part of this refinancing, City Council will approve the Indenture of Trust for the 2021 Bonds, a form of which is attached to this staff report. The purpose of this document is to formalize the role of Wells Fargo as the trustee for the City's 2021 Bonds and to identify key provisions of the 2021 Bonds. City Council will also approve the Placement Agent Agreement between the City and RBC Capital Markets LLC. This document sets the terms and conditions for the delivery of the Bonds by the City.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

FINANCIAL IMPACT

This refinancing provides an option for the City to reduce current debt service payment schedules in the Water Fund by approximately \$150,000 per year. FY 2021-22 Adopted budget has sufficient appropriations in the Water Fund to pay the debt service due during the current fiscal year on the original 2014 Bonds or the 2021 Bonds.

COMMITTEE OUTCOME

The Finance and Governance Committee approved 3-0 on September 28, 2021, to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Betsy George, Chief Financial Officer, Christian Sprunger, NHA Advisors

ATTACHMENTS

1. 1 Oxnard 2021 Water Revenue RBs - Resolution of the City Council (Revised.2)
2. 2 Oxnard 2021 Water Revenue RBs - Indenture of Trust
3. 3 Placement Agent Agreement - Oxnard Water Revenue Refunding Bonds 2021
4. Oxnard 2021 Water Refunding - CC Presentation for 10.19.21 Meeting

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD AUTHORIZING THE
ISSUANCE AND SALE OF WATER REVENUE REFUNDING BONDS, SERIES 2021 TO
REFINANCE OUTSTANDING BONDS, AUTHORIZING EXECUTION OF INDENTURE
OF TRUST, PLACEMENT AGENT AGREEMENT, AND RELATED OFFICIAL ACTIONS

WHEREAS, the City through the City of Oxnard Financing Authority (the “Authority”) caused to be issued its \$35,052,340 Water Revenue Bonds Series 2014 (the “2014 Bonds”), for the purpose of refunding the Authority’s \$47,895,000 Water Revenue Project Bonds, Series 2004; and

WHEREAS, the 2014 Bonds were issued by payments to be made under an Amended and Restated Installment Purchase Agreement, dated as of June 1, 2014, by and between the City and the Authority; and

WHEREAS, the City is authorized pursuant to the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of said Code (the “Bond Law”), to issue its revenue bonds for the purpose of refunding the outstanding indebtedness maturing June 1, 2023 and thereafter of the City which is payable from the revenues of the City’s waterworks system, and the City Council has determined that it is in the interests of the City at this time to provide for the issuance of its Water Revenue Refunding Bonds, Series 2021 (the “Bonds”) under the Bond Law to refund a portion of the 2014 Bonds; and

WHEREAS, the City has determined that the Bonds will be sold to Capital One Public Funding, LLC (the “Purchaser”), and there has been presented to the City a term sheet by and between the Purchaser and the City (the “Term Sheet”), whereby RBC Capital Markets, LLC (the “Placement Agent”) will privately place the Bonds with the Purchaser; and

WHEREAS, there has been presented to the City Council a Placement Agent Agreement (the “Placement Agent Agreement”) which sets forth the terms and conditions for the delivery of the Bonds by the City; and

WHEREAS, Section 5852.1 of the Government Code of the State of California (“Section 5852.1”) provides that the City Council obtain from an underwriter, financial advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the issuance of the Bonds, good faith estimates of: (a) the true interest cost of the Bonds, (b) the finance charge of the Bonds, meaning the sum of all fees and charges paid to third parties, (c) the amount of proceeds of the Bonds received less the finance charge described above and any reserves or capitalized interest paid or funded with proceeds of the Bonds and (d) the sum total of all debt service payments on the Bonds calculated to the final maturity of the Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Bonds; and

WHEREAS, in accordance with Section 5852.1, the City Council has obtained such good faith estimates from NHA Advisors, LLC, the City's municipal advisor, and such estimates are disclosed in Exhibit A attached hereto;

WHEREAS, the City Council wishes at this time to authorize all proceedings relating to the issuance and sale of the Bonds and all other agreements and documents relating thereto;

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

Section 1. Issuance of Bonds. The City Council hereby authorizes the issuance of the Bonds in an aggregate principal amount that shall not exceed \$25,000,000.00, under and pursuant to the Bond Law and an Indenture of Trust (the "Indenture") by and between the City and Wells Fargo Bank, National Association, as trustee, upon the terms and conditions established in the Term Sheet. The City Council hereby approves the Indenture in substantially the form on file with the City Clerk, together with any changes therein or additions thereto deemed advisable by the Mayor, the City Manager and/or the Chief Finance Officer (together the "Authorized Officers"), whose execution thereof shall be conclusive evidence of such approval. The Authorized Officers are hereby authorized and directed for and in the name and on behalf of the City to execute, and the City Clerk is hereby authorized and directed to attest, the final form of the Indenture. The good faith estimates required by Section 5852.1 relating to the Bonds are set forth in Exhibit A hereto.

The proceeds of the Bonds shall be applied to (i) cause the refund a portion of the 2014 Bonds and (ii) pay costs incurred in connection with the issuance of the Bonds, all in accordance with this Resolution and the Indenture.

Section 2. Placement Agent Agreement. The City Council hereby authorizes the execution and delivery of that certain Placement Agent Agreement, by and between the City and the Placement Agent, in substantially the form presented to the City Council, together with any changes therein or additions thereto deemed advisable by the Authorized Officers, whose execution thereof shall be conclusive evidence of such approval. The Authorized Officers are hereby authorized and directed for and in the name and on behalf of the City to execute, and the City Clerk is hereby authorized and directed to attest, the final form of the Placement Agent Agreement.

Section 3. Agreements with Consultants. The firm of Best Best & Krieger LLP is hereby designated as Bond Counsel and Disclosure Counsel for the Bonds, the firm NHA Advisors, LLC, is hereby designated as municipal advisor to the City for the Bonds (the "Municipal Advisor"), and RBC Capital Markets, LLC as the placement agent. The City Manager or the Finance Director of the City is hereby authorized and directed to execute and deliver agreements with such firms for their services related to the Bonds, each such agreement to be in the respective form on file with the City Clerk

Section 4. Modifications. The approval of the Indenture of Trust given by this resolution shall apply to any modification or amendment of any of said agreements which is agreed upon and approved by Bond Counsel and the Authorized Officers as being necessary to carry out the provisions thereof and the authorization and direction provided in this resolution.

Section 5. Official Actions. The Authorized Officers are each authorized and directed in the name and on behalf of the City to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the issuance and sale of the Bonds and any of the other transactions contemplated by the agreements and documents approved pursuant to this Resolution. Whenever in this resolution any officer of the City is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable. All actions heretofore taken by the Authorized Officers and employees of the City with respect to the issuance of the Bonds, or in connection with or related to any of the agreements or documents referred to herein, are hereby in all respects approved, confirmed and ratified.

Section 6. Certification. The City shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

Section 7. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED this ____ day of October, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John C. Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen Fischer, City Attorney

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the City by the Municipal Advisor.

Principal Amount. The Municipal Advisor has informed the City that, based on the financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is \$24,159,946 (the “Estimated Principal Amount”).

True Interest Cost of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 2.70%.

Finance Charge of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$128,000.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the City for the sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$24,031,946.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$28,973,698 (excluding any offsets from reserves or capitalized interest).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the

actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the financing plan or finance charges, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City, based on the timing of the need for proceeds of the Bonds and other factors. Market interest rates are affected by economic and other factors beyond the control of the City.

INDENTURE OF TRUST

By and between the

CITY OF OXNARD

and

**WELLS FARGO BANK, NATIONAL ASSOCIATION,
As Trustee**

Dated as of November 1, 2021

Relating to

**\$24,159,946.00
City of Oxnard
Water Revenue Refunding Bonds,
Series 2021**

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST, made and entered into as of November 1, 2021, by and between the CITY OF OXNARD, a municipal corporation organized and existing under the constitution and laws of the State of California (the “City”), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, with a corporate trust office in Los Angeles, California, and being qualified to accept and administer the trusts hereby created, as trustee (the “Trustee”),

WITNESSETH:

WHEREAS, the City through the City of Oxnard Financing Authority (the “Authority”) caused to be issued its \$35,052,340 Water Revenue Bonds Series 2014 (the “2014 Bonds”), for the purpose of refunding the Authority’s \$47,895,000 Water Revenue Project Bonds, Series 2004 (the “2004 Bonds”); and

WHEREAS, the 2014 Bonds were secured by payments to be made under an Amended and Restated Installment Purchase Agreement, dated as of June 1, 2014, by and between the City and the Authority (the “2014 Installment Purchase Agreement”); and

WHEREAS, the City, after due investigation and deliberation, has determined that it is in the interests of the City at this time to provide for the issuance of its water revenue refunding bonds under this Indenture for the purpose of refunding the 2014 Bonds maturing June 1, 2023 and thereafter, and to that end the City Council has heretofore adopted its Resolution No. _____, approving and authorizing the issuance of its City of Oxnard Water Revenue Refunding Bonds, Series 2021 (the “Bonds”) for such purposes;

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and of the interest and premium, if any, thereon, the City Council has authorized the execution and delivery of this Indenture;

WHEREAS, all of the Bonds will be secured by a pledge of the Net Water System Revenues, as defined herein, and certain other moneys and securities held by the City and the Trustee hereunder; and

WHEREAS, the City has determined that all acts and proceedings required by law necessary to make the Bonds, when executed by the City, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the City, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth, in accordance with its terms, have been done and taken; and the execution and delivery of this Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and premium (if any) on all Bonds at any time issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in

consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable considerations, the receipt whereof is hereby acknowledged, the City does hereby covenant and agree with the Trustee, for the benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS; AUTHORIZATION AND PURPOSE OF BONDS; EQUAL SECURITY

SECTION 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Indenture, of any Additional Obligations, of any instrument of the Bonds, and of any certificate, opinion, request or other documents herein mentioned, have the meanings herein specified.

“Additional Obligations” means Obligations other than the Bonds, which are either currently outstanding or issued pursuant to Section 3.05 hereof.

“Authority” means the City of Oxnard Financing Authority.

“Authorized Official” means the Mayor of the City, City Manager, and/or Chief Financial Officer, or any other officer of the City duly authorized by the City Council for that purpose.

“Bonds” means the City of Oxnard Water Revenue Refunding Bonds, Series 2021, issued and at any time Outstanding hereunder.

“Bond Counsel” means (a) Best Best & Krieger, LLP or (b) any attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“Bond Law” means Sections 53570 et seq. and 53580 et seq. of the California Government Code, as in effect on the Delivery Date.

“Bond Registration Books” means the books maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

“Business Day” means (1) any day other than a Saturday, Sunday or a day on which the Trustee is authorized by law to remain closed; (2) a day on which the New York Stock Exchange is authorized or obligated by law or executive order to be closed, or (3) a day on which commercial banks are authorized or obligated by law or executive order to be closed in the city in which the Designated Corporate Trust Office of the Trustee is located.

“Certificate of the City” means a certificate in writing signed by an Authorized Official, or by any other officer of the City duly authorized by the City Council for that purpose.

“City” means the City of Oxnard, a municipal corporation organized and existing under the laws of the State of California.

“City Bonds” means all revenue bonds or notes of the City authorized, executed, issued, and delivered under and pursuant to the laws of the State of California, the payments of which are made from the Net Water System Revenues and which are on a parity with the Bonds. The term “City Bonds” includes, but is not limited to, obligations in the form of bonds, notes, bond anticipation notes, and commercial paper.

“City Council” means the City Council of the City or any other legislative body of the City hereafter provided for pursuant to law.

“Consultant” means the consultant, consulting firm, engineer, architect, engineering firm, architectural firm, accountant, or accounting firm retained by the City to perform the acts and carry out the duties provided for such consultant in this Indenture. Such consultant, consulting firm, engineer, architect, engineering firm, architectural firm, accountant, or accounting firm shall be recognized within its profession for work of the character required.

“Contract Payments” means Debt Service on the Bonds due and payable under this Indenture or the installment or lease payments scheduled to be paid by the City under and pursuant to the Contracts.

“Contracts” means the Bonds and all contracts or leases of the City authorized and executed by the City under and pursuant to the laws of the State of California, the debt service, installment or lease payments under which are payable from the Net Water System Revenues on a parity with the Bonds.

“Costs of Issuance” means all expenses incurred in connection with the authorization, issuance, sale and delivery of the Bonds, including but not limited to compensation, fees and expenses of the City and the Trustee and their respective counsel, compensation to any financial consultants, legal fees and expenses, filing and recording costs, rating City fees, costs of preparation and reproduction of documents and costs of printing.

“Costs of Issuance Fund” means the account by that name established pursuant to Section 3.03.

“Debt Service” means, for any Fiscal Year or other period, the sum of (i) the interest payable during such Fiscal Year or 12-month period on all outstanding City Bonds, assuming that all outstanding City Bonds are retired as scheduled and that all outstanding term City Bonds are redeemed or paid from sinking account payments as scheduled (except to the extent that such interest is to be paid from the proceeds of sale of any City Bonds), (2) that portion of the principal amount of all outstanding City Bonds maturing on any principal payment date which falls in such Fiscal Year or 12-month period, (3) that portion of the principal amount of all outstanding term City Bonds required to be redeemed or paid on any redemption date which falls in such Fiscal Year or 12-month period, and (4) that portion of the Contract Payments required to be made in such Fiscal Year or 12-month period (except to the extent such interest is capitalized). For purposes of calculating Debt Service, the following assumptions shall be used:

provided that, as to any such City Bonds or Installment Payments bearing or comprising interest at other than a fixed rate, the rate of interest used to calculate Debt Service shall be the rate set forth in the applicable Qualified Swap, and if there is no

Qualified Swap in effect with respect thereto, the greatest of (a) the actual interest rate on such City Bonds or Contract Payments on the date of calculation, or if the indebtedness is not yet outstanding, the initial interest rate (if established and binding), (b) if the City Bonds or Contracts have been outstanding for at least twelve months, the average rate over the twelve calendar months immediately preceding the date of calculation, and (c) (i) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Code, the most recently published Bond Buyer “Revenue Bond Index” (or comparable index if no longer published) plus 50 basis points, or (ii) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities plus 50 basis points; provided, however, that for purposes of any portion of Sections 3.05 (Additional Obligations) and 5.12 (Amount of Rates and Charges) of the Installment Purchase Agreement, measuring actual Debt Service coverage during a test period, variable rate indebtedness shall be deemed to bear interest at the actual rate per annum applicable during the test period; and

provided further that, if any series or issue of such City Bonds or Contract Payments have twenty-five percent (25%) or more of the aggregate principal amount of such series or issue due in any one year, Debt Service shall be determined for the Fiscal Year or other 12-month period of determination as if the principal of and interest on such series or issue of such City Bonds or Contract Payments were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of twenty-five (25) years from the date of calculation; and

provided further that, as to any such City Bonds or Contract Payments or portions thereof bearing no interest but that are sold at a discount and which discount accretes with respect to such City Bonds or Contract Payments or portions thereof, such accreted discount shall be treated as interest in the calculation of Debt Service;

“Debt Service Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.03.

“Delivery Date” means November __, 2021, the date on which the Bonds are delivered to the Original Purchaser of the Bonds.

“Designated Corporate Trust Office” means the corporate trust office of the Trustee at the address set forth in Section 9.10, provided that for purposes of payment, cancellation, surrender, exchange and transfer of Bonds, such term means the corporate trust office of the Trustee in Minneapolis, Minnesota or such other or additional offices as may be designated by the Trustee from time to time.

“Event of Default” means any of the events described in Section 8.01.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Tax Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length

transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the City and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

“Fiscal Year” means the period commencing on July 1 of each year and terminating on the next succeeding June 30.

“Improvement” means any addition, extension, improvement, equipment, machinery or other facilities to or for the Water System.

“Indenture” means this Indenture of Trust, as originally executed or as it may from time to time be supplemented, modified or amended pursuant to the provisions hereof.

“Independent Certified Public Accountant” means any certified public accountant or firm of such accountants appointed and paid by the City, and who, or each of whom-

- (a) is in fact independent and not under domination of the City;
- (b) does not have any substantial identity of interest, direct or indirect, with the City; and
- (c) is not and no member of which is connected with the City as an officer or employee of the City, but who may be regularly retained to make annual or other audits of the books of or reports to the City.

“Information Services” means in accordance with then-current guidelines of the Securities and Exchange Commission, the Electronic Municipal Market Access System (referred to as “EMMA”), a facility of the Municipal Securities Rulemaking Board (at <http://emma.msrb.org>), or such service or services as the City may designate in a certificate delivered to the Trustee.

“Interest Account” means the account by that name established and held by the Trustee pursuant to Section 4.03.

“Interest Payment Date” means, with respect to the Bonds, June 1 and December 1 in each year, beginning June 1, 2022.

“Letter of Representation” means a letter substantially in the form attached hereto as Exhibit B delivered by each subsequent Qualified Purchaser of the Bond to the City to the effect, among other things, that such purchaser (a) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the Bond, (b) is acquiring

the Bond for its own account for deposit in its loan portfolio, and (c) has no present intention of selling, negotiating, transferring, or otherwise disposing of the Bond so purchased.

“Maintenance and Operation Costs” means (1) costs spent or incurred for maintenance and operation of the Water System calculated in accordance with generally accepted accounting principles applicable to governmental agencies, including, but not limited to, the reasonable expenses of management and repair and other expenses necessary to maintain and preserve the Water System in good repair and working order, and including administrative costs of the City that are charged directly or apportioned to the Water System, including, but not limited, to salaries and wages of employees, payments to the Public Employees Retirement System, overhead, insurance, taxes (if any), fees of auditors, accountants, attorneys or engineers and insurance premiums, and including all other reasonable and necessary costs of the City or charges (other than Debt Service payments) required to be paid by it to comply with the terms of the City Bonds, or any other Contract, other than Debt Service, or of any resolution or indenture authorizing the issuance of any City Bonds or Contracts, and (2) all payments under any contract for the purchase of water; but excluding in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles or other bookkeeping entries of a similar nature.

“Mandatory Sinking Account Payment” means the principal amount of Bonds required to be paid on each applicable June 1 pursuant to Section 2.02.

“Material Adverse Effect” means an event or occurrence that adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business, facilities or operations of the City, (b) the ability of the City to carry out its business in the manner conducted as of the date of this Indenture or to meet or perform its obligations under this Indenture on a timely basis, (c) the validity or enforceability of this Indenture, or (d) the exclusion of interest on the Bonds from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes.

“Maximum Annual Debt Service” means, at any point in time, with respect to City Bonds and Contracts then outstanding, the largest amount of Debt Service on the City Bonds and Contracts in the then current or any future Fiscal Year.

“Moody’s” means Moody’s Investors Service, a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors or assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating City, then the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating City selected by the City.

“Net Proceeds,” when used with reference to any insurance or condemnation award or sale of property, means the gross proceeds from the sale of property or insurance or condemnation award with respect to which that term is used remaining after payment of all expenses (including attorneys’ fees and any extraordinary expenses of the Trustee) incurred in the collection of such gross proceeds.

“Net Water System Revenues” means (i) for any Fiscal Year, the Water System Revenues for such Fiscal Year less the Maintenance and Operation Costs for such Fiscal Year, or (ii) in applying Section 3.05 hereof only, the Water System Revenues for the selected 12-month period less the Maintenance and Operation Costs for the same 12-month period.

“Obligations” means City Bonds and Contract Payments.

“Original Purchaser” means, in the case of the Bonds, collectively, Capital One Public Funding, and their successors and assigns.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 7.03) all Bonds theretofore executed, issued and delivered by the City under this Indenture except -

(a) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the City pursuant to this Indenture or any Contracts for Additional Obligations.

“Owner” or “Bond Owner” or “Bondowner”, when used with respect to any Bond, means the person in whose name such Bond is registered.

“Permitted Investments” means any of the following, but only to the extent that the same are acquired at Fair Market Value, which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

(a) direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America;

(b) obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including: (i) Export-Import Bank; (ii) Farm Credit System Financial Assistance Corporation, (iii) Farmers Home Administration; (iv) General Services Administration; (v) U.S. Maritime Administration; (vi) Small Business Administration; (vii) Government National Mortgage Association (GNMA); (viii) U.S. Department of Housing & Urban Development (PHA's); (ix) Federal Housing Administration and (x) Federal Financing Bank;

(c) senior debt obligations rated “Aa” by Moody’s and “AA” by S&P issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, senior debt obligations of other government-sponsored agencies, obligations of the Resolution Funding Corporation (REFCORP) and senior debt obligations of other government sponsored agencies;

(d) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks (including the Trustee and its affiliates) which have a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing no more than 360 days after the date of purchase, provided that ratings on holding companies are not considered as the rating of the bank;

(e) commercial paper which is rated, at the time of purchase, in the single highest classification, "P-1" by Moody's and "A-1+" by S&P, and which matures not more than 270 days after the date of purchase;

(f) investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P, including such funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services or for which the Trustee or an affiliate of the Trustee serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives and retains a fee for services provided to the fund, (ii) the Trustee collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee;

(g) pre-refunded municipal obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any City, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated, based upon an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's and S&P or any successors thereto; or (ii)(A) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (a) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (B) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate;

(h) investment agreements, supported by appropriate opinions of counsel, between the Trustee and a financial institution whose long-term debt has a minimum rating;

(i) the Local City Investment Fund maintained by the State of California.

The Trustee shall be entitled to assume that any investment which at the time of purchase is a Permitted Investment remains a Permitted Investment thereafter, absent actual receipt of written notice or actual knowledge of a responsible officer in the corporate trust department of the Trustee to the contrary. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of or investment in such Permitted Investments.

“Principal Account” means the account by that name established and held by the Trustee pursuant to Section 4.03.

“Qualified Purchaser” means either (i) an affiliate of the transferring Owner or (ii) a bank, insurance company, or other financial institution.

“Qualified Swap” means any financial arrangement (i) that is entered into by the City with an entity that is a Qualified Swap Provider at the time the arrangement is entered into; (ii) that provides that the City shall pay to such entity an amount based on the interest accruing at a fixed rate on an amount equal to the principal amount of the Bonds Outstanding, and that such entity shall pay to the City an amount based on the interest accruing on such principal amount at a variable rate of interest computed according to a formula set forth in such arrangement (which need not be the same as the actual rate of interest borne by the Bonds) or that one shall pay to the other any net amount due under such arrangement; and (iii) that has been designated in writing to the Trustee by the City as a Qualified Swap with respect to the Bonds.

“Qualified Swap Provider” means a financial institution whose senior long term debt obligations or an insurance provider whose claims-paying ability, or whose obligations under a Qualified Swap are guaranteed by a financial institution whose senior long term debt obligations or by an insurance provider whose claims-paying ability, are rated (at the time the subject Qualified Swap is entered into) not lower than Aa3 by Moody’s and AA- by S&P, or the equivalent thereof by any successor thereto.

“Record Date” means, with respect to the Bonds, the fifteenth (15th) calendar day of the month immediately preceding an Interest Payment Date, whether or not such day is a Business Day.

“S&P” means Standard & Poor’s Corporation, a corporation duly organized and existing under and by virtue of the laws of the State of New York, and its successors or assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating City, then the term “S&P” shall be deemed to refer to any other nationally recognized securities rating City selected by the City.

“Sinking Account” means the account by that name established and held by the Trustee pursuant to Section 4.03.

“State” means the State of California.

“Supplemental Indenture” means any supplement or amendment to this Indenture which complies with the provisions of Section 7.01 or 7.02.

“Tax Code” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Tax Code.

“Tax Regulations” means temporary and permanent regulations promulgated under the Tax Code.

“Trustee” means WELLS FARGO BANK, NATIONAL ASSOCIATION, appointed by the City to act as trustee hereunder pursuant to Section 6.01, and its assigns or any other corporation or association which may at any time be substituted in its place, as provided in Section 6.01.

“Revenue Fund” means the fund by that name held by the City as set forth in Section 4.02.

“Water Service” means the water distribution service provided by the City.

“Water System” means the whole and each and every part of the waterworks system serving the City, whether owned or operated by the City or another party, including the portion thereof existing on the date hereof, and including all additions, betterments, extensions, and improvements to such water system or any part thereof hereafter acquired or constructed.

“Water System Revenues” means all income, rents, rates, fees, charges, and other moneys derived from the ownership of or operation of the Water System, including, without limiting the generality of the foregoing, (1) all in lieu charges and groundwater augmentation charges (including investment earnings thereon) collected by or on behalf of the City, (2) all income, rents, rates, fees, charges, business interruption insurance proceeds, or other moneys derived by the City from the sale, furnishing, and supplying of the water, drainage or other services, facilities, and commodities sold, furnished, or supplied through the facilities of or in the conduct or operation of the business of the Water System, and (3) the earnings on and income derived from the investment of such income, rents, rates, fees, charges, proceeds, or other moneys, including City reserves; but excluding in all cases (a) customers’ deposits or any other deposits or advances subject to refund until such deposits or advances have become the property of the City, (b) proceeds of taxes or benefit assessments restricted by law to be used by the City to pay amounts due on bonds or other obligations hereafter incurred, and (c) connection fees and charges.

“Written Consent,” “Written Order,” “Written Request,” and “Written Requisition” mean, respectively, a written consent, order, request, or requisition signed by or on behalf of the City by the Mayor, the City Manager, the Chief Financial Officer, or by any person (whether or not a member of the City Council) who is specifically authorized by resolution of the City to sign or execute such a document on its behalf

“2014 Bonds” means the \$35,025,340 original principal amount City of Oxnard Financing Authority Water Revenue Refunding Bonds, Series 2014.

“2014 Indenture” means the Indenture of Trust, dated as of June 1, 2014, among the 2014 Trustee, the City, and the Authority.

“2014 Installment Purchase Agreement” means the Amended and Restated Installment Purchase Agreement, dated as of June 1, 2014, between the City and the Authority.

“2014 Trustee” means Wells Fargo Bank, National Association, as trustee under the 2014 Indenture.

SECTION 1.02 Rules of Construction. All references in this Indenture to “Articles,” “Sections,” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

SECTION 1.03 Authorization and Purpose of Bonds. The City has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines that all things, conditions, and acts required by law to exist, happen and/or be performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the City is now authorized, as an exercise of the municipal affairs power of the City as a municipal corporation under the constitution and laws of the State and pursuant to the Bond Law and each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture. Accordingly, the City hereby authorizes the issuance of the Bonds pursuant to the Bond Law and this Indenture for the purpose of providing funds to refund the 2014 Bonds and to pay Costs of Issuance of the Bonds.

SECTION 1.04 Equal Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract among the City, the Trustee and the Owners from time to time of the Bonds; and the covenants and agreements herein set forth to be performed on behalf of the City shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution or delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

ARTICLE II

ISSUANCE OF BONDS

SECTION 2.01 Terms of Bonds. The Bonds authorized to be issued by the City under and subject to the Bond Law and the terms of this Indenture shall be designated the “City of Oxnard Water Revenue Refunding Bonds, Series 2021”, and shall be issued in the original principal

amount of _____ Dollars (\$_____). The Bonds shall be issued in fully registered form without coupons in denominations of \$100,000 and integral multiples of \$1.00 in excess thereof, so long as no Bond shall have more than one maturity date. The Bonds shall mature on June 1, 2034 and shall bear interest at the rate of 2.70%.

Interest on the Bonds shall be payable on each Interest Payment Date to the person whose name appears on the Bond Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check or draft of the Trustee mailed by first class mail to the Owner or, at the option of any Owner of at least \$1,000,000 aggregate principal amount of the Bonds with respect to which written instructions have been filed with the Trustee prior to the Record Date, by wire transfer to an account within the United States of America, at the address of such Owner as it appears on the Bond Registration Books. In the event there exists a default in payment of interest due on such Interest Payment Date, such interest shall be payable on a payment date established by the Trustee to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered Owners of the Bonds not less than 15 days preceding such special record date. Principal of and premium (if any) on any Bond shall be paid upon presentation and surrender thereof at the Designated Corporate Trust Office of the Trustee. Both the principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

So long as all of the Bonds are owned by the Original Purchaser (or any subsequent Owner), (i) the Trustee shall pay principal of and interest on the Bonds when due by wire transfer in immediately available funds to the Original Purchaser (or such subsequent Owner) to an account within the United States of America in accordance with such wire transfer instructions as shall be filed by the Original Purchaser (or such subsequent Owner) with the Trustee from time to time, provided that with respect to the principal which is payable at maturity or upon redemption in full of the Bonds, the Owner shall present and surrender the Bonds at the Principal Office of the Trustee, (ii) payments of principal on the Bonds, pursuant to Sections 2.01 and 2.02 shall be made by wire transfer without the requirement for presentation and surrender of the Bonds by the Original Purchaser (or such subsequent Owner), and (iii) the Trustee shall not be required to give notice to the Original Purchaser (or such subsequent Owner) of the Mandatory Sinking Account redemption of the Bond under Section 2.02(a).

The Bonds shall be dated the Delivery Date and bear interest based on a 360-day year comprised of twelve 30-day months from the Interest Payment Date next preceding the date of authentication thereof, unless said date of authentication is an Interest Payment Date, in which event such interest is payable from such date of authentication, and unless said date of authentication is prior to May 15, 2022, in which event such interest is payable from the Delivery Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the date to which interest has previously been paid or made available for payment thereon in full.

SECTION 2.02 Terms of Redemption.

(a) **Mandatory Sinking Account Redemption.** The Bonds maturing on June 1, 2034 are subject to redemption prior to their stated maturity, in part, from Mandatory Sinking Account Payments, on each June 1, commencing June 1, 2022, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium. The principal amount of such Bonds to be so prepaid and the dates therefor shall be as follows:

Mandatory Sinking Account Payment Date (June 1)	<u>Principal Amount</u>
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034 (maturity)	

(b) **Optional Redemption.** The Bonds are subject to redemption on any Interest Payment Date on or after June 1, 2031, as a whole or, not more than once each calendar year, in part in any principal amount in excess of \$100,000, among remaining sinking fund payments in the manner selected by the City, from amounts prepaid by the City at a Redemption Price equal to the principal amount hereof together with accrued interest to the date fixed for redemption, without premium.

(c) **Selection of Bonds for Redemption.** Whenever less than all of the Bonds are called for redemption, the Trustee shall select the Bonds or portions thereof to be redeemed from the Outstanding Bonds in accordance with Section 2.02 hereof. The Trustee shall promptly notify the City in writing of the numbers of the Bonds or portion thereof so selected for redemption.

(d) **Notice of Redemption.** Notice of redemption shall be mailed by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days before any redemption date, to respective Owners of any Bonds designated for redemption at their addresses appearing on the Bond Registration Books and to the Information Services. Each notice of redemption shall state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the Bonds (or all Bonds of a single maturity) are to be redeemed, the Bond numbers of the Bonds to be redeemed, the maturity or maturities of the Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date

there will become due and payable on each of said Bonds the redemption price thereof, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered. Neither the failure to receive any notice nor any defect therein shall affect the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of Bonds shall be given by the Trustee, at the expense of the City, for and on behalf of the City. The Trustee shall not be required to give notice to the Original Purchaser (or any subsequent Owner) of the Mandatory Sinking Account redemption of the Bond under Section 2.02(a).

No notice of redemption shall be required to be delivered to the Owners of the Bonds in connection with any Mandatory Sinking Account Payment redemption as provided in Section 2.02(a) hereof.

(e) Conditional Notice of Optional Redemption of Bonds. With respect to the optional redemption of the Bonds pursuant to 2.02(b) the City may instruct the Trustee to include a statement in the notice of such redemption which shall state that such redemption is conditioned upon the receipt by the Trustee on or before the date fixed for such redemption of sufficient funds for such purpose. In the event that sufficient funds shall not have been deposited with the Trustee on or before the date fixed for redemption, the Trustee shall promptly notify the Owners in the same manner in which the original redemption notice was sent that such redemption is cancelled and the notice thereof shall be deemed to be cancelled and rescinded.

(f) Partial Redemption of Bonds. Upon surrender of any Bonds redeemed in part only, the City shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the City, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered and of the same interest rate and maturity.

(g) Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

All Bonds redeemed pursuant to the provisions of this Article shall be canceled by the Trustee upon surrender thereof and destroyed pursuant to the Trustee's retention policy then in effect.

SECTION 2.03 Form of Bonds. The Bonds, the Trustee's certificate of authentication, and the assignment to appear thereon, shall be substantially in the respective forms set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

SECTION 2.04 Execution of Bonds. The Bonds shall be signed in the name and on behalf of the City with the manual or facsimile signatures of its Mayor, and attested by the manual or facsimile signature of its City Clerk under the seal of the City. Such seal may be in the form of a facsimile of the City's seal and shall be imprinted or impressed upon the Bonds. The Bonds shall then be delivered to the Trustee for authentication by it. In case any officer who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the City as though the individual who signed the same had continued to be such officer of the City. Also, any Bond may be signed on behalf of the City by any individual who on the actual date of the execution of such Bond shall be the proper officer although on the nominal date of such Bond such individual shall not have been such officer.

Only such of the Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

SECTION 2.05 Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred to a Qualified Purchaser, upon the books required to be kept pursuant to the provisions of Section 2.08 by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly written instrument of transfer and accompanied with a Letter of Representations, in the form set forth in Exhibit B hereto, and such Letter of Representations shall be conclusive evidence that such Letter of Representations has been duly executed and the Trustee may rely upon the representations set forth therein. The cost for any services rendered or any expenses incurred by the Trustee in connection with any such transfer shall be paid by the City. Trustee shall collect from the Owner or any subsequent assignee requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer. Prior to any transfer of the Bond the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

SECTION 2.06 Exchange of Bonds. Bonds may be exchanged at the Designated Corporate Trust Office of the Trustee, for Bonds of the same tenor and maturity and of other authorized denominations. The City shall pay all costs of the Trustee incurred in connection with any such exchanges, except that the Trustee may require the payment by the Bond Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee shall not be required to register the exchange, or transfer pursuant to Section 2.05, of any Bond (i) within 15 days preceding selection of Bonds for redemption or (ii) selected for redemption.

SECTION 2.07 Temporary Bonds. The Bonds may be issued initially in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the City and be registered and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Designated Corporate Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

SECTION 2.08 Bond Registration Books. The Trustee will keep or cause to be kept at its trust office sufficient Bond Registration Books for the registration and transfer of the Bonds, which shall at all times during regular business hours, and upon reasonable notice, be open to inspection by the City; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as hereinbefore provided.

SECTION 2.09 Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the City, at the expense of the Owner of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the order of, the City. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the City, at the expense of the Bond Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The City may require payment of a reasonable fee for each new Bond issued under this Section and of the expenses which may be incurred by the City and the Trustee. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original contractual obligation on the part of the City whether or not the Bond alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

ARTICLE III

ISSUE OF BONDS; ADDITIONAL OBLIGATIONS

SECTION 3.01 Issuance of Bonds. Upon the execution and delivery of this Indenture, the City shall execute and deliver Bonds in the aggregate principal amount of _____ Dollars (\$_____) to the Trustee for authentication and delivery to the Original Purchaser thereof upon the Written Request of the City.

SECTION 3.02 Application of Proceeds of Sale of Bonds; Transfer from the 2014 Indenture. Upon the receipt of payment for the Bonds on the Delivery Date in the amount of \$_____ ; and the Trustee shall apply the proceeds of sale thereof as follows:

(a) The Trustee shall deposit the amount of \$_____ with the 2014 Trustee for the redemption of the 2014 Bonds; and

(b) The Trustee shall deposit in the Costs of Issuance Fund an amount equal to \$_____ ; and

SECTION 3.03 Costs of Issuance Fund. There is hereby created a fund to be known as the “City of Oxnard Water Revenue Refunding Bonds, Series 2021 Costs of Issuance Fund” (the “Costs of Issuance Fund”), which the City hereby covenants and agrees to cause to be maintained and which shall be held in trust by the Trustee. The moneys in the Costs of Issuance Fund shall be used in the manner provided by law solely for the purpose of the payment of Costs of Issuance upon receipt by the Trustee of Written Requests of the City therefor, on or after the Delivery Date. Each such request of the City shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. The Trustee shall maintain the Costs of Issuance Fund for a period of 180 days from the Delivery Date of the Bonds and then shall transfer any moneys remaining therein to Revenue Fund and shall then close the Costs of Issuance Fund.

SECTION 3.04 Issuance of Additional Obligations. In addition to the Bonds, the City may issue Additional Obligations or incur other loans, advances or indebtedness payable from Net Water System Revenues to be derived from the Water System, to provide financing for the Water System, in such principal amount as shall be determined by the City. The City may issue or incur any such Additional Obligations subject to the following specific conditions, which are hereby made conditions precedent to the issuance and delivery of such Additional Obligations:

(a) there shall not have occurred and be continuing an Event of Default under the terms of this Indenture; and

(b) the City obtains or provides a certificate or certificates prepared by a Consultant showing that:

(i) the Net Water System Revenues as shown by the books of the City for the twelve (12) calendar months ending 90 days prior to the end of the month in which such Additional Obligations are incurred (the “Look Back Period”), shall have amounted to at least the sum of (x) one hundred percent (100%) of Debt Service for such Look Back Period, plus (y) the amount by which the amount on deposit in the Revenue Fund on the first day of such Look Back Period was less than twenty-five percent (25%) of Maximum Annual Debt Service on all Outstanding City Bonds and Contracts calculated on the first day of such Look Back Period; for purposes of preparing the certificate or certificates described above, the Consultant or Consultants may rely upon financial statements prepared by the City for all or any part of the Look Back Period, which have not been

subject to audit by an Independent Certified Public Accountant if audited financial statements for the Fiscal Year or period are not available;

(ii) the estimated Net Water System Revenues for the twelve (12) calendar months following the date of incurring such Additional Obligations will be at least equal to one hundred percent (100%) of Maximum Annual Debt Service on all City Bonds and Contracts to be outstanding immediately after the incurring of such Additional Obligations; and

(iii) the amount on deposit in the Revenue Fund on the date of incurring such Additional Obligations is at least equal to twenty-five percent (25%) of Maximum Annual Debt Service on all Outstanding City Bonds and Contracts as of the date of incurring such Additional Obligations.

(c) For purposes of the computations to be made as described in clause (ii) above, the determination of the Net Water System Revenues:

(i) may take into account any increases in rates and charges that relate to the Water System and shall take into account any reduction in such rates and charges that will be effective prior to or at the time of incurring such proposed Additional Obligations;

(ii) may take into account an allowance for any estimated increase in such Net Water System Revenues from any revenue producing additions to or improvements or extensions of the Water System to be made with the proceeds of such Additional Obligations or with the proceeds of Obligations previously issued, as shown by a certificate of a Consultant; and

(iii) for the period contemplated by clause (ii) above, Maintenance and Operation Costs of the Water System shall be deemed to be the same as for the period for which a calculation is done pursuant to clause (i) above, but adjusted, if deemed necessary by the Consultant, for any increased Maintenance and Operation Costs of the Water System which are, in the judgment of the Consultant, essential to maintaining and operating the Water System, including any additions or betterments thereto to be made with the proceeds of such Additional Obligations.

The certificate or certificates described above shall not be required if the Additional Obligations being incurred are for the purpose of refunding then outstanding Obligations and at the time of the incurring of such Additional Obligations a certificate of an Authorized Official shall be delivered showing that Maximum Annual Debt Service on all Outstanding City Bonds and Contracts after the incurring of such Additional Obligations will not exceed Maximum Annual Debt Service on all Obligations outstanding prior to the incurring of such Additional Obligations.

SECTION 3.05 Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be affected in any way by any proceedings taken by the City in connection with

the Water System, and the recital contained in the Bonds that the same are issued pursuant to the Bond Law shall be conclusive evidence of their validity and of the regularity of their issuance.

ARTICLE IV

PLEDGE OF NET WATER SYSTEM REVENUES; FUNDS AND ACCOUNTS

SECTION 4.01 Pledge of Net Water System Revenues, Revenue Fund.

(a) The Bonds and Obligations of the Water System shall be secured by a first pledge of all Net Water System Revenues. In addition, the City hereby transfers, places a charge upon, assigns and sets over to the Trustee, for the benefit of the Owners, that portion of the Net Water System Revenues which is necessary to pay the principal of and interest on the Bonds in any Fiscal Year, together with all moneys on deposit in the Debt Service Fund, including the Interest Account, the Principal Account, the Sinking Account established therein, and such portion of the Net Water System Revenues is hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. The Bonds and any Obligations of the Water System shall be equally secured by a pledge charge and lien upon the Net Water System Revenues, without priority for number or date. The Net Water System Revenues shall not be used for any other purpose while any of the Bonds or Obligations of the Water System remain Outstanding, except that out of Net Water System Revenues there may be apportioned and paid such sums for such purposes, as are expressly permitted by this Article. Said pledge shall constitute a first, direct and exclusive charge and lien on the Net Water System Revenues for the payment of the principal of and interest on the Bonds in accordance with the terms thereof and on the Debt Service Fund, and the Interest Account, Principal Account and Sinking Account established therein.

(b) The Net Water System Revenues constitute a trust fund for the security and payment of the principal of and interest on the Bonds. The general fund of the City is not liable and the credit of the City is not pledged for the payment of the principal of and interest on the Bonds. The Owner of the Bonds shall not compel the exercise of the taxing power by the City or the forfeiture of its property. The principal of and interest on the Bonds are not a debt of the City, nor a legal or equitable pledge, charge, lien or encumbrance, upon any of its property, or upon any of its income, receipts, or revenues except the Net Water System Revenues of the Water System.

SECTION 4.02 Receipt and Deposit of Revenues. The City has heretofore established the Revenue Fund, which the City agrees to continue to hold and maintain for the purposes and uses set forth herein. The City covenants and agrees that all Water System Revenues, when and as received, will be received and held by the City in trust hereunder and will be deposited by the City in the Revenue Fund and will be accounted for through and held in trust in the Revenue Fund, and the City shall only have such beneficial right or interest in any of such money as in this Indenture provided. All such Water System Revenues shall be transferred, disbursed, allocated and applied solely to the uses and purposes hereinafter in this Article set forth, and shall be accounted for separately and apart from all other money, funds, accounts or other resources of the City.

SECTION 4.03 Establishment of Funds and Accounts and Allocation of Revenues Thereeto. The Debt Service Fund, as a special fund, is hereby created. The Debt Service Fund shall be held and maintained by the Trustee. All Water System Revenues shall be held in trust by the City in the Revenue Fund and shall be applied, transferred, used and withdrawn only for the purposes hereinafter authorized in this Article.

(1) Operating Costs. The City shall first pay from the moneys in the Revenue Fund the budgeted Maintenance and Operation Costs of the Water System as such Costs become due and payable.

(2) Debt Service Payments. At least 5 days prior to each Interest Payment Date, the City shall transfer Net Water System Revenues to the Trustee for the purpose of paying the Bonds. Not later than the first Business Day preceding each date on which principal of or interest on the Bonds becomes due and payable, the Trustee shall transfer from the Debt Service Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Debt Service Fund), the following amounts in the following order of priority, the requirements of each such account at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) Interest Account. The Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such Interest Payment Date on all Bonds.

(b) Principal Account. The Trustee shall deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds coming due and payable on such Interest Payment Date.

(c) Sinking Account. The Trustee shall deposit in the Sinking Account an amount equal to the aggregate principal amount of the term Bonds required to be redeemed on such date, if any, pursuant to Section 4.01(a).

(d) Equal Rights. It is the intention of the City that the Bonds and Obligations of the Water System shall be secured by and payable from all moneys deposited in the Revenue Fund on an equal basis. To the extent that moneys deposited in the Revenue Fund are insufficient to pay Debt Service on the Bonds and Obligations of the Water System as it becomes due, the Bonds and Obligations of the Water System shall be payable on a pro-rata basis from all available moneys deposited in the Revenue Fund.

(3) Surplus. As long as all of the foregoing payments, allocations and transfers are made at the times and in the manner set forth above in subsections (1) and (2), any moneys remaining in the Revenue Fund may at any time be treated as surplus and applied for any lawful purpose.

SECTION 4.04 Application of Debt Service Fund. Moneys in the Debt Service Fund shall be applied as follows:

(a) Application of Interest Account. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to this Indenture).

(b) Application of Principal Account. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely to pay the principal amount of the Bonds at their respective maturity dates.

(c) Application of Sinking Account. All moneys on deposit in the Sinking Account shall be used and withdrawn by the Trustee for the sole purpose of redeeming or purchasing (in lieu of redemption) term Bonds pursuant to Section 4.01(a).

SECTION 4.05 Investments. All moneys in the Revenue Fund may be invested by the City from time to time in any investments authorized by law, consistent with the City's investment policy. All moneys in the Debt Service Fund, and the accounts established therein, and Costs of Issuance Fund shall be invested by the Trustee solely in Permitted Investments, as directed pursuant to a Written Request of the City. In the absence of any such Written Request of the City, the Trustee may (but shall not be required to) invest any such moneys in money market funds described in paragraph (f) of the definition of Permitted Investments; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a Written Request of the City specifying a specific money market fund and, if no such Written Request of the City is so received, the Trustee shall hold such moneys uninvested. The Trustee shall be entitled to rely upon any investment Written Request of the City as conclusive certification to the Trustee that the investments described therein are so authorized under the laws of the State of California. Obligations purchased as an investment of moneys in any Fund or Account shall be deemed to be part of such Fund or Account, and all interest or gain derived from the investment of amounts in any of the Funds or Accounts established hereunder shall be deposited in the Fund or Account from which such investment was made; and shall be accounted for and applied as provided in Section 4.04(c) with respect to the Debt Service Fund. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder with the written approval of the City. The Trustee or an affiliate may act as principal or agent in the acquisition or disposition of any investment, and shall be entitled to its customary fees therefor. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section.

The Trustee shall furnish the City periodic cash transaction statements which include detail for all investment transactions effected by the Trustee. Upon the City's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provide only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The City further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

SECTION 4.06 Valuation; Investments.

(a) Method of Valuation and Frequency of Valuation. In computing the amount in any Fund or Account, Permitted Investments shall be valued at Fair Market Value. With respect to all Funds and Accounts, valuation shall occur annually.

(b) Investments Subject to Yield Restrictions. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Tax Code shall be valued at cost thereof, (consisting of present value thereof, as determined by the City, within the meaning of Section 148 of the Tax Code); provided that the City shall inform the Trustee which funds are subject to a yield restriction.

(c) Additional Limitations. Except as provided in the proceeding subsection (b), with respect to a yield restriction, for the purpose of determining the amount in any fund, the value of Permitted Investments credited to such fund shall be valued by the Trustee at least annually at the market value thereof. For purposes of valuation, the Trustee shall be entitled to utilize any pricing services it considers reliable. The Trustee may sell in any commercially reasonable manner, or present for redemption, any Permitted Investment so purchased by the Trustee whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited, and the Trustee shall not be liable or responsible for any loss resulting from sale or redemption of any such Permitted Investment.

ARTICLE V

COVENANTS OF THE CITY; SPECIAL TAX COVENANTS

SECTION 5.01 Punctual Payment; Compliance With Documents. The City shall punctually pay or cause to be paid the interest and principal to become due with respect to all of the Bonds in strict conformity with the terms of the Bonds and of this Indenture, and will faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Contracts for Additional Obligations.

SECTION 5.02 Against Encumbrances. The City will not mortgage or otherwise encumber, pledge or place any charge upon the Water System or any part thereof, or upon any of the Net Water System Revenues, except as provided in the Indenture.

SECTION 5.03 Discharge of Claims. The City covenants that in order to fully preserve and protect the priority and security of the Bonds the City shall pay from the Net Water System Revenues and discharge all lawful claims for labor, materials and supplies furnished for or in connection with the Water System which, if unpaid, may become a lien or charge upon the Net Water System Revenues prior or superior to the lien of the Bonds and impair the security of the Bonds. The City shall also pay from the Net Water System Revenues all taxes and assessments or other governmental charges lawfully levied or assessed upon or in respect of the Water System or upon any part thereof or upon any of the Net Water System Revenues therefrom.

SECTION 5.04 Acquisition, Construction or Financing of Improvements to the Water System. The City will acquire, construct, or finance Improvements to the Water System to be

financed with the proceeds of any Additional Obligations with all practicable dispatch, and such Improvements will be made in an expeditious manner and in conformity with laws so as to complete the same as soon as possible.

SECTION 5.05 Maintenance and Operation of Water System in Efficient and Economical Manner. The City covenants and agrees to maintain and operate the Water System in an efficient and economical manner and to operate, maintain and preserve the Water System in good repair and working order.

SECTION 5.06 Against Sale, Eminent Domain.

(a) The City will not sell, lease or otherwise dispose of the Water System or any part thereof essential to the proper operation of the Water System or to the maintenance of the Net Water System Revenues except as herein expressly permitted. The City will not enter into any lease or agreement which impairs the operation of the Water System or any part thereof necessary to secure adequate Net Water System Revenues for the payment of the interest on and principal of the Bonds, or which would otherwise impair the rights of the Owners with respect to the Net Water System Revenues or the operation of the Water System. Any real or personal property which has become non-operative or which is not needed for the efficient and proper operation of the Water System, or any material or equipment which has worn out, may be sold at not less than the market value thereof without the consent of the Owners if such sale will not reduce Net Water System Revenues and if all of the Net Proceeds of such sale are deposited in the Revenue Fund.

(b) If all or any part of the Water System shall be taken by eminent domain proceedings, the Net Proceeds realized by the City therefrom shall be deposited by the City with the Trustee in a special fund in trust and applied by the City to the cost of acquiring or constructing or financing Improvements to the Water System if (A) the City first secures and files with the Trustee a Certificate of the City showing (i) the estimated loss in annual Net Water System Revenues, if any, suffered, or to be suffered, by the City by reason of such eminent domain proceedings, (ii) a general description of the Improvements to the Water System then proposed to be acquired or constructed by the City from such Net Proceeds, and (iii) an estimate of the additional Net Water System Revenues to be derived from such Improvements; and (B) the City, by a certificate to the Trustee, determines that such additional Net Water System Revenues will sufficiently offset the loss of Net Water System Revenues, resulting from such eminent domain proceedings so that the ability of the City to meet its obligations hereunder will not be substantially impaired, which determination by the City shall be final and conclusive. If the foregoing conditions are met, the City shall then promptly proceed with the acquisition or construction or financing of such Improvements substantially in accordance with such Certificate of the City and payments therefor shall be made by the Trustee from such Net Proceeds and from other moneys of the City lawfully available therefor, and any balance of such Net Proceeds not required by the City for the purposes aforesaid shall be deposited in the Revenue Fund. If the foregoing conditions are not met, then such Net Proceeds shall be held in trust by the Trustee and applied to the payment of the Bonds and Outstanding Obligations on a pro rata basis as nearly as possible given authorized denominations, as the same become due by their terms, and, pending such application, such remaining moneys may be invested by the Trustee in the manner provided in Section 4.06.

SECTION 5.07 Insurance. The City covenants that it shall at all times maintain such insurance on the Water System as is customarily maintained with respect to works and properties of like character against accident to, loss of or damage to such works or properties. If any useful part of the Water System shall be damaged or destroyed, such part shall be restored to use. The Net Proceeds of insurance against accident to or destruction of the physical Water System shall be used for repairing or rebuilding the damaged or destroyed portions of the Water System (to the extent that such repair or rebuilding is determined by the City to be useful or of continuing value to the Water System), and to the extent not so applied, shall be held by the Trustee and applied to the payment of the Bonds and Outstanding Obligations on a pro rata basis as nearly as possible given authorized denominations, as the same became due by their terms and pending such application, such remaining moneys may be invested by the Trustee in the manner provided in Section 4.06.

Any such insurance shall be in the form of policies or contracts for insurance with insurers of good standing and shall be payable to the City, or may be in the form of self-insurance by the City. The City shall establish such fund or funds or reserves as it determines, in its sole judgment, are necessary to provide for its share of any such self-insurance. The Trustee shall not be responsible for the sufficiency of such insurance.

SECTION 5.08 Records and Accounts. The City covenants that it shall keep proper books of record and accounts of the Water System, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the Water System. Said books shall, upon reasonable request, be subject to the inspection of the Owners of not less than ten percent (10%) of the Outstanding Bonds or their representatives authorized in writing.

The City covenants that it will cause the books and accounts of the Water System to be audited annually by an Independent Certified Public Accountant and will make available for inspection by the Owners at the office of the Trustee in Los Angeles, California, upon reasonable request, a copy of the report of such Independent Certified Public Accountant.

The City covenants that it will cause to be prepared annually, not more than one hundred eighty (180) days after the close of each Fiscal Year, as a part of its regular annual financial report, a summary statement showing the amount of Net Water System Revenues and the amount of all other funds collected which are required to be pledged or otherwise made available as security for payment of principal of and interest on the Bonds, the disbursements from the Water System Revenues and other funds in reasonable detail. The City shall furnish a copy of the statement to the Trustee, and upon written request, to any Bond Owner. The Trustee shall not be responsible for reviewing the audited financial statements and annual financial report.

SECTION 5.09 Protection of Security and Rights of Owners. The City will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any Additional Obligations by the City, such Additional Obligations shall be incontestable by the City.

SECTION 5.10 Against Competitive Facilities. The City will not acquire, construct, operate or maintain a Water System or utility within the service area of the City that would be competitive with the Water System.

SECTION 5.11 Payment of Taxes, Etc. The City will pay and discharge all taxes, assessments and other governmental charges which may hereafter be lawfully imposed upon the Water System or any part thereof or upon any Net Water System Revenues when the same shall become due. The City will duly observe and conform with all valid requirements of any governmental authority relative to the Water System or any part thereof, and will comply with all requirements with respect to any state or federal grants received to assist in paying for the costs of the acquisition, construction or financing of any Improvements to the Water System.

SECTION 5.12 Amount of Rates and Charges, Operating Reserves. The City shall fix, prescribe, and collect fees, rates, and charges for the Water System which will be at least sufficient to yield during each Fiscal Year Net Water System Revenues equal to the sum of (a) one hundred percent (100%) of the Debt Service for such Fiscal Year plus (b) the amount by which the amount on deposit in the Revenue Fund on the last day of the immediately preceding Fiscal Year was less than twenty-five percent (25%) of Maximum Annual Debt Service as of such day. The City may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Net Water System Revenues from such reduced rates and charges will at all times be sufficient to meet the requirements of this Section.

SECTION 5.13 No Priority for Additional Obligations. The City covenants that no additional bonds or other obligations shall be issued or incurred having any priority in payment of principal or interest out of the Net Water System Revenues over the Bonds.

SECTION 5.14 No Arbitrage. The City shall not take, nor permit nor suffer to be taken any action with respect to the proceeds of any of the Bonds which would cause any of the Bonds to be “arbitrage bonds” within the meaning of the Tax Code.

SECTION 5.15 Information Report. The City is hereby directed to assure the filing of an information report for the Bonds in compliance with Section 149 (e) of the Tax Code.

SECTION 5.16 Private Activity Bond Limitation. The City shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of section 141(b) of the Tax Code or the private loan financing test of section 141(c) of the Tax Code.

SECTION 5.17 Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be “federally guaranteed” within the meaning of section 149(b) of the Tax Code.

SECTION 5.18 Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners the rights and benefits provided in this Indenture.

SECTION 5.19 Rebate Requirement. The City shall take any and all actions necessary to assure compliance with section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Bonds.

SECTION 5.20 Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the date of issuance of the Bonds.

SECTION 5.21 Annual Reporting Requirements to Original Purchaser. Unless otherwise posted by the City at no cost or expense to the Owners either on EMMA, or by some other readily publicly available means, the City shall provide to the Original Purchaser the information listed in Exhibit C. The City shall further provide to the Original Purchaser: (a) within three (3) Business Days after the City obtains knowledge thereof, notice by telephone, promptly confirmed in writing, of any event that constitutes an Event of Default under this Indenture, together with a statement by an Authorized Officer of the City of the steps being taken by the City to cure such Event of Default; (b) within ten (10) days after the City obtains knowledge thereof, written notice of any Material Adverse Effect; and (c) within ten (10) days after receipt of request therefor by the Original Purchaser, such additional information as the Original Purchaser may reasonably request.

SECTION 5.22 Representations by the City. The City makes the following representations:

(a) **Due Organization and Existence.** The City is a municipal corporation duly organized and existing under the Constitution and laws of the State of California.

(b) **Power and Authority.** The City has full legal right, power, and authority to enter into this Indenture and carry out its obligations hereunder, to carry out and consummate all other transactions contemplated by this Agreement, and the City has complied with the provisions of the laws of the State in all matters relating to such transactions.

(c) **Authorization; Enforceability.** By proper action, the City has duly authorized the execution, delivery, and due performance of this Indenture, and this Indenture constitutes a legal, valid, and binding obligation of the City enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, or other laws affecting creditors' remedies generally or the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

(c) **No Violations.** The execution and delivery of this Indenture and the consummation of the transactions herein contemplated will not violate any provision of law, any order of any court or other agency of government, or any indenture, material agreement, or other instrument to which the City is now a party or by which it or any of its properties or assets is bound, or be in conflict with, result in a breach of or constitute a default (with due notice or the passage of time or both) under any such indenture, agreement, or other instrument, or result in

the creation or imposition of any prohibited lien, charge, or encumbrance of any nature whatsoever upon any of the properties or assets of the City.

(d) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Indenture or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(e) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the City after reasonable investigation, threatened against or affecting the City or the assets, properties or operations of the City that, if determined adversely to the City or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Indenture, or upon the financial condition, assets, properties or operations of the City, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Indenture or the financial condition, assets, properties or operations of the City.

(f) Due Execution. The representatives of the City executing this Indenture have been fully authorized to execute the same under a resolution duly adopted by the City Council of the City.

(g) No Defaults. To the City's actual knowledge, the City has not in the last ten (10) years defaulted under any of its payment or performance obligations or covenants under any of its bonds, notes, or other debt obligations.

(h) No Other Obligations. There are no outstanding bonds, notes, loans, leases, installment purchase agreements or other obligations that have any security interest in or claim upon the Net Water System Revenues as of the date of this Indenture.

(i) City Financial Statements. The financial statements of the City for the year ended June 30, 2020, supplied to the Original Purchaser (i) were prepared in accordance with generally accepted accounting principles, consistently applied, and (ii) fairly present the City's financial condition as of the date of the statements. Other than as described in such financial statements or otherwise disclosed to the Original Purchaser, there has been no material adverse change in the City's financial condition subsequent to June 30, 2020.

(j) Role of the Original Purchaser. The City acknowledges and agrees that:

(1) The Original Purchaser is acting solely for its own loan account and not as a fiduciary for the City or in the capacity of broker, dealer, municipal securities underwriter, placement agent, or municipal advisor;

(2) The Original Purchaser has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the City (including to any municipal advisor or placement agent engaged by the City) with respect to the structuring of the financing or the execution and delivery of the Indenture;

(3) The Original Purchaser has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934, as amended, to the City with respect to the transactions relating to the structuring of the financing or the execution and delivery of the Indenture and the discussions, undertakings, and procedures leading thereto;

(4) each of the City, its municipal advisor, and its placement agent has sought and shall seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the Indenture financing transaction from its financial, legal, and other advisors (and not the Original Purchaser or its affiliates) to the extent that the City, its municipal advisor, or its placement agent desires to, should, or needs to obtain such advice;

(5) The Original Purchaser has expressed no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, including but not limited to the City's municipal advisor or its placement agent, or the correctness of any legal interpretation made by counsel to any other party, including but not limited to counsel to the City's municipal advisor or placement agent, with respect to any such matters; and

(6) the transactions between the City and the Original Purchaser are arm's-length, commercial transactions in which the Original Purchaser is acting and has acted solely as a principal and for its own interest, and the Original Purchaser has not made recommendations to the City with respect to the transactions relating to the Indenture.

(k) Financial Obligation Disclosure: In connection with the City's compliance with any continuing disclosure undertakings (each, a "Continuing Disclosure Agreement") entered into by the City pursuant to SEC Rule 15c2 12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the City believes it may be required to file with EMMA system or its successor notice of its incurrence of its obligations with respect to this Agreement and related documents and notice of any accommodation, waiver, amendment, modification of terms or other similar events reflecting financial difficulties in connection with this Agreement and related documents, in each case including a full copy thereof or a description of the material terms thereof (each such posting, an "EMMA Posting"). The City agrees that it shall not file or submit or permit the filing or submission of any EMMA Posting that includes the following information relating to the Original Purchaser: unredacted sensitive or confidential information about the Original Purchaser or its affiliates; address and account information of the Original Purchaser or any affiliates; e mail addresses, telephone numbers, or fax numbers; or names and signatures of officers, employees and signatories of the Original Purchaser or its affiliates. The City acknowledges and agrees that the Original Purchaser and its affiliates are not responsible for the City's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with the

Rule, any Continuing Disclosure Agreement or any applicable securities or other laws, including but not limited to those relating to the Rule

ARTICLE VI

THE TRUSTEE

SECTION 6.01 Appointment of Trustee. Wells Fargo Bank, National Association, with an office in Los Angeles, California, a banking association organized and existing under and by virtue of the laws of the United States of America, is hereby appointed Trustee by the City for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture. The City agrees that it will maintain a Trustee having a corporate trust office in San Francisco or Los Angeles, California, with a combined capital and surplus of at least Seventy-Five Million Dollars (\$75,000,000), and subject to supervision or examination by federal or State authority, so long as any Bonds are Outstanding. If such bank or trust company publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this Section 6.01 the combined capital and surplus of such bank, banking association, or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Trustee is hereby authorized to pay the Bonds when duly presented for payment at maturity or purchase prior to maturity, and to cancel all Bonds upon payment thereof. The Trustee shall keep accurate records of all funds administered by it and of all Bonds paid and discharged.

SECTION 6.02 Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after curing all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default hereunder has occurred (which has not been cured or waived) the Trustee may exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to rely conclusively on advice of counsel of its choice concerning all matters of trust and its duty hereunder and the Trustee shall not be answerable for any willful misconduct or negligence on the part of any such attorneys, agents or receivers selected by it with reasonable care.

(c) The Trustee shall not be responsible for any recital herein, or in Bonds, or for the validity of this Indenture or any of the supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby and the Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the City hereunder. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 4.06.

(d) The Trustee shall not be accountable for the use of any proceeds of sale of the Bonds delivered hereunder. The Trustee may become the Owner of Bonds secured hereby with the same rights which it would have if not the Trustee; may acquire and dispose of other bonds or evidence of indebtedness of the City with the same rights it would have if it were not the Trustee; and may act as a depositary for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners, whether or not such committee shall represent the Owners of the majority in principal amount of the Bonds then Outstanding.

(e) In the absence of bad faith on its part, the Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram, facsimile transmission, electronic mail or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken or omitted to be taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee shall not be bound to recognize any person as an Owner of any Bond or to take any action at his request unless the ownership of such Bond by such person shall be reflected on the Bond Registration Books.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a Certificate of the City as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default hereunder of which the Trustee has been given notice or is deemed to have notice, as provided in Section 6.02(h) hereof, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a Certificate of the City to the effect that an authorization in the form therein set forth has been adopted by the City, as conclusive evidence that such authorization has been duly adopted and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees and agents.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the City to make any of the payments to the Trustee required to be made by the City pursuant hereto or failure by the City to file with the Trustee any document required by this Indenture to be so filed subsequent to the issuance of the Bonds, unless the Trustee shall be specifically notified in writing of such default by the City or by the Owners of at least twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the Designated Corporate Trust Office, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default hereunder except as aforesaid.

(i) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect the Water System, including all books, papers and records of the City pertaining to the Water System and the Bonds, and to take such memoranda from and with regard thereto as may be desired but which is not privileged by statute or by law.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Indenture with respect to the execution of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, as may be deemed desirable for the purpose of establishing the right of the City to the execution of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking the action referred to in Section 8.03 and this Article the Trustee may require that an indemnity bond satisfactory in terms and amount be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is finally adjudicated by a court of law to have resulted from its negligence or willful misconduct in connection with any such action.

(m) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. The Trustee shall not be under any liability for interest on any moneys received hereunder except such as it may agree to in writing.

(n) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use

in connection with its services hereunder); provided, however, that the City shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(o) The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include but not be limited to acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics, pandemics or other similar occurrences.

(p) The Trustee does not have a duty to review any financial statements or reports of the City, is not considered to have notice of the content of any such statements or reports and does not have a duty to verify the accuracy of such financial statements or reports.

(q) The Trustee may consult with counsel, who may be Bond Counsel or other counsel of or to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

(r) The Trustee shall have no responsibility or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Bonds.

(s) Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the City, and such certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem.

(t) The Trustee shall not be required to risk, advance or expend its own funds or otherwise incur any financial liability in performing its duties or in the exercise of any rights or powers hereunder. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

SECTION 6.03 Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees (including expenses) and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. Upon the occurrence of an Event of Default hereunder, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment of any Bond upon the amounts held hereunder for the foregoing fees, charges and expenses incurred by it respectively.

SECTION 6.04 Notice to Owners of Default. If an Event of Default hereunder occurs with respect to any Bonds, of which the Trustee has been given or is deemed to have notice, as provided in Section 6.02(h) hereof, then the Trustee shall promptly give written notice thereof by first-class mail to the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice; provided, however, that unless such Event of Default consists of the failure by the City to make any payment when due, the Trustee may elect not to give such notice if and so long as the Trustee in good faith determines that it is in the best interests of the Owners not to give such notice.

SECTION 6.05 Intervention by Trustee. In any judicial proceeding to which the City is a party which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of any of the Bonds, the Trustee may intervene on behalf of such Owners, and subject to Section 6.02(l) hereof, shall do so if requested in writing by the Owners of at least twenty-five percent (25%) in aggregate principal amount of such Bonds then Outstanding.

SECTION 6.06 Removal of Trustee. The Owners of a majority in aggregate principal amount of the Outstanding Bonds may at any time, and the City may so long as no Event of Default shall have occurred and then be continuing, remove the Trustee initially appointed, and any successor thereto, by an instrument or concurrent instruments in writing delivered to the Trustee (where applicable), whereupon the City or such Owners, as the case may be, shall

appoint a successor or successors thereto; provided that any such successor shall be a bank or trust company meeting the requirements set forth in Section 6.01 hereof. The Trustee shall be precluded from charging a termination fee in such event.

SECTION 6.07 Resignation by Trustee. The Trustee and any successor Trustee may at any time resign by giving thirty (30) days' written notice, as provided in Section 9.10 hereof, to the City. Upon receiving such notice of resignation, the City shall promptly appoint a successor Trustee. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. Upon such acceptance, the City shall cause notice thereof to be given by first class mail to the Owners at their respective addresses set forth on the Bond Registration Books. No resignation of the Trustee shall take effect until a successor is appointed and has accepted.

SECTION 6.08 Appointment of Successor Trustee. In the event of the removal or resignation of the Trustee pursuant to Sections 6.06 or 6.07, respectively, the City shall promptly appoint a successor Trustee. In the event the City shall for any reason whatsoever fail to appoint a successor Trustee within thirty (30) days following the delivery to the Trustee of the instrument described in Section 6.06 or within thirty (30) days following the receipt of notice by the City pursuant to Section 6.07, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee meeting the requirements of Section 6.01 hereof. Any such successor Trustee appointed by such court shall become the successor Trustee hereunder notwithstanding any action by the City purporting to appoint a successor Trustee following the expiration of such thirty-day period.

Notwithstanding any other provision of this Trust Indenture, no removal, resignation or termination of the Trustee shall take effect until a successor shall be appointed; provided, however, that if for any reason whatsoever no successor Trustee shall have been appointed within 45 days following receipt of notice by the City pursuant to Section 6.07 above, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee which meets the requirements of Section 6.01 hereof.

SECTION 6.09 Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business (provided that such company shall be eligible under Section 6.01), shall be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

SECTION 6.10 Concerning any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the City an instrument in writing accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the Written Request of the City, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of

such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the City be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

SECTION 6.11 Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this Section 6.11 are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any instrument in writing from the City be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

SECTION 6.12 Indemnification; Limited Liability of Trustee. The City shall indemnify and hold the Trustee harmless from and against all claims, losses, costs, expenses, liabilities and damages including legal fees and expenses arising from the exercise and performance of its duties hereunder and the termination of this Indenture. Such indemnity and fees and expenses pursuant to Section 6.03 shall survive the resignation or removal of the Trustee hereunder and the payment of the Bonds. No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability hereunder. The Trustee shall not be liable for any action taken or omitted to be taken by it in accordance with the direction of a majority of the Owners of the principal amount of Bonds Outstanding relating to the time, method and place of conducting any proceeding or remedy available to the Trustee under this Indenture.

ARTICLE VII

MODIFICATION AND AMENDMENT OF THE INDENTURE

SECTION 7.01 Amendment by Consent of Owners. This Indenture and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 7.03 hereof, are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the City to pay the principal of or interest on at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification, or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee. The Owners shall accept, reject or request modifications to any request by the City for an amendment within ten (10) business days of the submission of such notice by the District to the Trustee.

SECTION 7.02 Amendment Without Consent of Bondholders. This Indenture and the rights and obligations of the City and of the Owners of the Bonds may also be modified or amended at any time by a Supplemental Indenture which shall become binding upon execution and delivery, without consent of any Owners, but only to the extent permitted by law and only for any one or more of the following purposes-

- (a) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City; or
- (b) to provide for the issuance of any Additional Obligations, and to provide the terms and conditions under which such Additional Obligations may be issued, including but not limited to the establishment of special funds and accounts relating to such Additional Obligations and any other provisions relating solely to such Additional Obligations, subject to and in accordance with the provisions of Section 3.04; or
- (c) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds.

SECTION 7.03 Disqualified Bonds. Bonds owned or held by or for the account of the City (but excluding Bonds held in any employees' retirement fund) shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds in this article provided for, and shall not be entitled to consent to, or take any other action in this article provided for. Upon request of the Trustee, the City shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

SECTION 7.04 Endorsement or Replacement of Bonds After Amendment. After the effective date of any action taken as hereinabove provided, the City may determine that the

Bonds shall bear a notation, by endorsement in form approved by the City, as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of this Bond for that purpose at the Designated Corporate Trust Office, a suitable notation as to such action shall be made on such Bond. If the City shall so determine, new Bonds so modified as, in the opinion of the City, shall be necessary to conform to such Owners' action shall be prepared and executed, and in that case upon demand of the Owner of any Bond Outstanding at such effective date such new Bonds shall be exchanged at the Designated Corporate Trust Office, without cost to each Bond Owner, for Bonds then Outstanding, upon surrender of such Outstanding Bonds.

SECTION 7.05 Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Bond Owner from accepting any amendment as to the particular Bond held by such Bond Owner, provided that due notation thereof is made on such Bond.

SECTION 7.06 Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture and complies with the terms hereof. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

SECTION 8.01 Events of Default and Acceleration of Maturities. The following events shall be Events of Default hereunder:

- (a) Default in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed by declaration or otherwise;
- (b) Default in the due and punctual payment of Debt Service on any Contract or City Bond when and as the same becomes due and payable, if such failure is due to financial hardship of the City;
- (c) Default in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable;
- (d) Default by the City in the observance of any of the other covenants, agreements or conditions on its part in this Indenture or in any Contracts or in the Bonds contained, and such default shall have continued for a period of thirty (30) days after the City shall have been given notice in writing of such default by the Trustee; or

(e) The filing by the City of a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, filed with or without the consent of the City, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the City or of the whole or any substantial part of its property.

Upon the occurrence of an Event of Default, the Trustee may, and shall, at the direction of the owners of a majority of the principal amount of the Bonds by written notice to the City, declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and there interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding. This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the City shall deposit with the Trustee a sum sufficient to pay all of the principal of and interest on the Bonds having come due prior to such declaration, with interest on such overdue principal and interest calculated at the rate of interest per annum then borne by the Outstanding Bonds, and the reasonable fees and expenses of the Trustee and those of its attorneys, and any and all other defaults known to the Trustee (other than in the payment of the principal of and interest on the Bonds having come due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding may, by written notice to the City and to the Trustee, on behalf of the Owners of all of the Outstanding Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

SECTION 8.02 Application of Funds Upon Acceleration. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the amount of the payment if only partially paid, or upon the surrender thereof if fully paid -

First, to the payment of the fees, costs and expenses of the Trustee and of Owners in declaring such Event of Default, including reasonable compensation to their agents, attorneys and counsel, and to the payment of the fees, costs and expenses of the Trustee, if any, in carrying out the provisions of this Article VIII, including reasonable compensation to its agents, attorneys and counsel and any outstanding fees and expenses of the Trustee, then to the payment of the fees, costs and expenses of the Owners in declaring such Event of Default, including reasonable compensation to its agents, attorneys and counsel; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for interest and principal, with interest on such overdue amounts to the extent permitted by law at

the rate of interest then borne by the Outstanding Bonds, and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such interest, principal and interest on overdue amounts without preference or priority among such interest, principal and interest on overdue amounts ratably in proportion to the aggregate of such interest, principal and interest on overdue amounts.

SECTION 8.03 Other Remedies; Rights of Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy, in addition to the remedy specified in Section 8.01, at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Outstanding Bonds, and to enforce any rights of the Trustee under or with respect to this Indenture.

If an Event of Default shall have occurred and be continuing and if requested so to do by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Outstanding Bonds and indemnified as provided in Section 6.02(1), the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article VIII, as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Owners.

No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Owners) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owners hereunder or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

SECTION 8.04 Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation. Any suit, action or proceeding which any Owner of Bonds shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners of Bonds similarly situated and the Trustee is hereby appointed (and the successive respective Owners of the Bonds issued hereunder, by taking and holding the same, shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners of the Bonds for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the

respective Owners of the Bonds as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact.

SECTION 8.05 Appointment of Receivers. Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Net Water System Revenues and other amounts pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

SECTION 8.06 Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture, or in the Bonds, shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the interest on and principal of the Bonds to the respective Owners at the respective dates of maturity, as herein provided, out of the Net Water System Revenues and other moneys herein pledged for such payment.

A waiver of any default or breach of duty or contract by the Trustee or any Owners shall not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission of any Owner of any of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy conferred upon the Trustee or Owners by the Bond Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee or the Owners, as the case may be.

If a suit, action or proceeding to enforce any right or exercise any remedy is abandoned or determined adversely to the Owners, the City and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

SECTION 8.07 Rights and Remedies of Owners. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision

of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners.

The right of any Owner to receive payment of the principal of and interest and premium (if any) on such Bond as herein provided or to institute suit for the enforcement of any such payment, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

SECTION 8.08 Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case, the City, the Trustee and the Owners shall be restored to their former positions and rights hereunder, respectively, with regard to the property subject to this Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01 Limited Liability of City. Notwithstanding anything in this Indenture contained, the City shall not be required to advance any moneys derived from any source of income other than the Net Water System Revenues for the payment of the principal of or interest on the Bonds, or for the performance of any covenants herein contained (except to the extent any such covenants are expressly payable hereunder from the Net Water System Revenues). The City may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose and may be used by the City for such purpose without incurring indebtedness.

SECTION 9.02 Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Trustee, and the Owners any right, remedy or claim under or by reason of this Trust Indenture, or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Trustee and the Owners.

SECTION 9.03 Discharge of Indenture. If the City shall pay and discharge any or all of the Outstanding Bonds in any one or more of the following ways:

- (a) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on such Bonds, as and when the same become due and payable;
- (b) by depositing with the Trustee, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay such Bonds, including all principal of and interest thereon;

then, at the election of the City, and notwithstanding that any of such Bonds shall not have been surrendered for payment, the pledge of the Net Water System Revenues and other funds provided for in this Indenture with respect to such Bonds, and all other pecuniary obligations of the City under this Indenture with respect to all such Bonds, shall cease and terminate, except only the obligation of the City to pay or cause to be paid to the Owners of such Bonds not so surrendered and paid all sums due thereon from amounts set aside for such purpose as aforesaid, and all expenses and costs of the Trustee. Notice of such election shall be filed with the Trustee.

Any funds thereafter held by the Trustee, which are not required for said purposes, shall be paid over to the City.

To accomplish defeasance the City shall cause to be delivered (i) a report of an Independent Certified Public Accountant verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity date (“Verification”), (ii) an opinion of nationally recognized Bond Counsel to the effect that the Bonds are no longer “Outstanding” under this Indenture; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the City and the Trustee, and (iii) notice of the defeasance of the Bonds not less than fifteen (15) Business Days prior thereto.

SECTION 9.04 Content of Certificates. Every certificate with respect to compliance with a condition or covenant provided for in this Indenture shall include (a) a statement that the person or persons making or giving such certificate have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate made or given by an officer of the City may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion or representation made or given by counsel may be based, insofar as it relates to factual matters, on information with respect to which is in the possession of the City, upon the certificate or opinion of or representations by an officer or officers of the City, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate, opinion or representation may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

SECTION 9.05 Execution of Documents by Owners. Any request, consent or other instrument required by this Indenture to be signed and executed by Owners may be in any number of concurrent writings of substantially similar tenor and may be signed or executed by such Owners in person or by agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, shall be

sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the City if made in the manner provided in this Section 9.05.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument or writing acknowledged to him the execution thereof.

The ownership of Bonds shall be provided by the Bond Registration Books.

Any request, consent or vote of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of any Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the City in pursuance of such request, consent or vote.

In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the City (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, provided, however, that for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Bonds which the Trustee knows to be so owned or held shall be disregarded. Upon the request of the Trustee, the City shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this section and the Trustee may conclusively rely on such certificate.

In lieu of obtaining any demand, request, direction, consent or waiver in writing, the Trustee may call and hold a meeting of the Owners upon such notice and in accordance with such rules and obligations as the Trustee considers fair and reasonable for the purpose of obtaining any such action.

SECTION 9.06 Waiver of Personal Liability. No officer, agent or employee of the City shall be individually or personally liable for the payment of the interest on or principal of the Bonds; but nothing herein contained shall relieve any such officer, agent or employee from the performance of any official duty provided by law.

SECTION 9.07 Partial Invalidity. If any one or more of the covenants or agreements, or portions thereof, provided in this Indenture on the part of the City (or of the Trustee) to be performed should be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of this Indenture or of the Bonds; but the Owners shall retain all rights and benefits accorded to them under the Bond Law or any other applicable provisions of law. The City hereby declares that it would have entered into this Indenture and each and every other section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Indenture or the application

thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

SECTION 9.08 Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the City of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee shall destroy Bonds pursuant to its retention policy then in effect and furnish to the City a certificate of such destruction upon the City's written request.

SECTION 9.09 Funds and Accounts. Any fund (“Funds”) or account (“Accounts”) required by this Indenture to be established and maintained by the City or the Trustee may be established and maintained in the accounting records of the City or the Trustee, as the case may be, either as a Fund or an Account, and may, for the purpose of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a Fund or as an Account. All such records with respect to all such Funds and Accounts held by the City shall at all times be maintained in accordance with generally accepted accounting principles and all such records with respect to all such Funds and Accounts held by the Trustee shall be at all times maintained in accordance with corporate trust industry practices; in each case with due regard for the protection of the security of the Bonds and the rights of every Owner thereof.

SECTION 9.10 Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, first class mail, overnight and hand delivery, fax and email addressed as follows:

If to the City: City of Oxnard
300 West Third Street
Oxnard, CA 93030
Attention: City Manager

If to the Trustee: Wells Fargo Bank, National Association
CTSO Mail Operations
Attention: Tracy Mason
MAC: N9300-070
600 South 4th Street, 7th Floor
Minneapolis, MN 55415

with a copy to:

Wells Fargo Bank, National Association
333 S. Grand Avenue
Floor 5
Los Angeles, CA 90071-1504
Attention: Corporate Trust Services

So long as the Original
Purchaser is the Owner of
any Outstanding Bond, to
the Original Purchaser:

Capital One Public Funding, LLC

The City and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 9.11 Unclaimed Moneys. Anything in this Indenture to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for one (1) year after the date when such Bonds have become due and payable, either at their stated maturity dates if such moneys were held by the Trustee at such date, or for one (1) year after the date of deposit of such moneys if deposited with the Trustee after said date when such Bonds become due and payable, shall, at the Request of the City, be repaid by the Trustee to the City, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the City for the payment of such Bonds; provided, however, that before being required to make any such payment to the City, the Trustee shall, at the expense and direction of the City, cause to be mailed to the Owners of all such Bonds, at their respective addresses appearing on the Bond Registration Books, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall not be less than thirty (30) days after the date of mailing of such notice, the balance of such moneys then unclaimed will be returned to the City.

(Signature page follows)

IN WITNESS WHEREOF, the CITY OF OXNARD has caused this Indenture to be signed in its name and on its behalf by the Mayor and attested by its City Clerk, and WELLS FARGO BANK, NATIONAL ASSOCIATION, in token of its acceptance of the trust created hereunder, has caused this Indenture to be signed in its corporate name by its officer identified below, all as of the day and year first above written.

CITY OF OXNARD

By: _____
John C. Zaragoza, Mayor

ATTEST:

By: _____
Rose Chaparro, City Clerk

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Officer

*-Signature Page-
Indenture of Trust*

EXHIBIT A
FORM OF BOND

TRANSFER OF THIS BOND IS SUBJECT TO THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN. A TRANSFER OF THIS BOND IS LIMITED TO CERTAIN PARTIES THAT QUALIFY UNDER THE REQUIREMENTS OF THE INDENTURE, WHICH INCLUDE THE REQUIREMENT THAT THE TRANSFEREE HAS SUCH KNOWLEDGE AND EXPERIENCE IN BUSINESS AND FINANCIAL MATTERS, INCLUDING THE PURCHASE AND OWNERSHIP OF MUNICIPAL OBLIGATIONS OF A NATURE SIMILAR TO THE BONDS, TO BE ABLE TO EVALUATE THE RISKS AND MERITS OF THE INVESTMENT IN THIS BOND. THIS BOND HAS NOT BEEN REGISTERED WITH ANY FEDERAL OR STATE SECURITIES AGENCY OR COMMISSION, AND IS INTENDED TO BE A PRIVATELY PLACED LOAN BETWEEN AN ISSUER AND THE REGISTERED OWNER.

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF VENTURA
CITY OF OXNARD
WASTEWATER REVENUE REFUNDING BOND
SERIES 2021

INTEREST RATE

MATURITY DATE

DATED DATE

_____%

REGISTERED OWNER: CAPITAL ONE PUBLIC FUNDING, LLC

PRINCIPAL AMOUNT: _____ DOLLARS

Under and by virtue of Sections 53570 et seq. and 53580 et seq. of the California Government Code (the "Bond Law"), the City of Oxnard (the "City"), for value received, will, on the Maturity Date specified above, pay to the Registered Owner named above, or registered assigns (the "Owner"), the Principal Amount stated above, in lawful money of the United States of America, and pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless (i) this Bond is authenticated on an Interest Payment Date, in which event it shall bear interest from such date of authentication, or (ii) this Bond is authenticated prior to May 15, 2022, in which event it shall bear interest from the Dated Date stated above; provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from

the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond) until payment of such Principal Amount in full, at the Interest Rate per annum stated above, payable on June 1 and December 1 in each year, commencing June 1, 2022 (each an “Interest Payment Date”), calculated on the basis of a 360-day year comprised of twelve 30-day months.

Principal hereof and premium, if any, are payable at the designated corporate trust office of Wells Fargo Bank, National Association (the “Trustee”), initially its corporate trust office located in Minneapolis, Minnesota. Interest hereon (including the final interest payment upon maturity) is payable by check or draft of the Trustee mailed by first class mail to the Owner at the Owner’s address as it appears on the registration books maintained by the Trustee as of the close of business on the fifteenth (15th) day of the month next preceding such Interest Payment Date (the “Record Date”); provided, however, interest payments may be made by wire transfer to any Owner of at least \$1,000,000 aggregate principal amount of the Bonds who has provided written wire transfer instructions for an account within the United States of America to the Trustee prior to the Record Date for such interest payment.

This Bond is one of a duly authorized issue of Bonds of the City designated as its “Water Revenue Refunding Bonds, Series 2021” (the “Bonds”) issued under and pursuant to the Bond Law and under an Indenture of Trust (the “Indenture”) by and between the City and the Trustee, dated as of November 1, 2021, and approved by the City by Resolution No. _____ adopted by the City Council of the City on _____, 2021 (the “Resolution”). Copies of the Indenture are on file at the office of the City Clerk and at the above-mentioned office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof and to the Bond Law is made for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Net Water System Revenues, as that term is defined in the Indenture, and the rights of the Owners of the Bonds. All the terms of the Indenture and the Bond Law are hereby incorporated herein and constitute a contract between the City and the Owner from time to time of this Bond, and to all the provisions thereof the Owner of this Bond, by acceptance hereof, consents and agrees. Each subsequent Owner hereof shall have recourse to all of the provisions of the Bond Law and the Indenture and shall be bound by all of the terms and conditions thereof.

The Bonds are being issued for the purpose of (i) refunding a portion of the City’s 2014 Water Revenue Refunding Bonds and (ii) paying certain costs of issuing the Bonds.

The Bonds are special obligations of the City and are secured by amounts held from time to time in the Debt Service Fund established and held by the Trustee under the Indenture and, subject to certain restrictions set forth in the Indenture, a pledge of and lien on certain Net Water System Revenues (generated by the City’s Water System (as defined in the Indenture)).

Neither the general fund, the full faith and credit, nor the taxing power of the City, the State of California or any other political subdivision thereof is pledged to the payment of the Bonds. The Bonds are not secured by a legal or equitable pledge of or charge, lien or encumbrance upon any property of the City or any of its income or receipts except the Net Water System Revenues.

The Bonds maturing on June 1, 2034 are subject to redemption prior to their stated maturity, in part, from Mandatory Sinking Account Payments, on each June 1, commencing June 1, 2022, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium. The principal amount of such Bonds to be so prepaid and the dates therefor shall be as follows:

Mandatory Sinking Account Payment Date (June 1)	<u>Principal Amount</u>
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	

The Bonds are subject to redemption on any Interest Payment Date on or after June 1, 2031, as a whole or, not more than once each calendar year, in part in any principal amount in excess of \$100,000, among sinking fund payments in a manner selected by the City, from amounts prepaid by the City at a Redemption Price equal to the principal amount hereof together with accrued interest to the date fixed for redemption, without premium.

Additional Obligations may be issued pursuant to the Indenture and may be made subject to redemption prior to maturity, as a whole or in part, at such time or times, and upon payment of the principal amount thereof and accrued interest thereon plus such premium or premiums, if any, as may be determined by the City in the applicable Additional Obligations instrument.

The Bonds are issuable as fully registered Bonds, without coupons, in denominations of \$100,000 or any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Owner hereof, in person, or by his or her attorney duly authorized in writing, at the Designated Corporate Trust Office, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefore.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner or his duly authorized attorney, by execution of the form of assignment endorsed hereon, and shall be accompanied with a Letter of Representation of the Owner, and authenticated as herein provided, and the principal hereof and interest hereon shall be payable only to the registered owner or to such Owner's order.

The City and the Trustee may treat the Owner hereof as the absolute Owner hereof for all purposes, and the City and the Trustee shall not be affected by any notice to the contrary. The Indenture may be amended without the consent of the Owners of the Bonds to the extent set forth in the Indenture.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not become valid or obligatory for any purpose or be entitled to the benefits of the Indenture until the certificate of authentication and registration hereon shall have been manually signed by an authorized officer or signatory of the Trustee.

IN WITNESS WHEREOF, the City of Oxnard has caused this Bond to be executed in its name and on its behalf with the facsimile signatures of the City of Oxnard Mayor and of its City Clerk, all as of the Dated Date specified above.

CITY OF OXNARD

By: _____
John C. Zaragoza
Mayor

ATTEST:

By: _____
Rose Chaparro
City Clerk

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Dated: _____

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____

_____ attorney, to transfer the same on the books of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

EXHIBIT B
FORM OF LETTER OF REPRESENTATIONS
(Subsequent Owners)

City of Oxnard
300 West 3rd Street
Oxnard, CA,

Attention: Chief Financial Officer

Re: \$_____ City of Oxnard Water Revenue Refunding Bonds, Series 2021

The undersigned, a duly authorized representative of [Name of Purchaser] (the “Purchaser”), hereby certifies to the City of Oxnard (the “City”) as follows:

(i) The Purchaser has purchased on the date hereof one or more of the above-referenced bonds (the “Bonds”), which were issued pursuant to the Indenture of Trust, dated as of October 1, 2021 (the “Indenture”), by and between the City and Wells Fargo Bank, National Association, as trustee (the “Trustee”).

(ii) The Bonds are currently being acquired by the Purchaser for its own account (or that of its consolidated taxpayer group) and not with a present intent for any resale or distribution thereof, in whole or in part, to others; provided, however, that the Purchaser is not precluded from transferring or assigning its interest in the Bonds in accordance with the terms and conditions set forth in the Indenture. The Purchaser is not participating, directly or indirectly, in a distribution of the Bonds and will not take, or cause to be taken, any action that would cause the Purchaser to be deemed an “underwriter” of such Bonds as defined in Section 2(11) of the Securities Act of 1933, as amended (the “Securities Act”). The Purchaser understands that the City has no obligation to register the Bonds for resale under the Securities Act. The Purchaser further understands that the Bonds are being sold in a transaction that is exempt from the registration requirements of the Securities Act. The Purchaser acknowledges that the City has not and will not be entering into a continuing disclosure agreement pursuant to Section 15c2-12 of the Securities Exchange Act of 1934, as amended.

(iii) The Purchaser has received and carefully read all information and other items of disclosure relating to the City and the Bonds that the Purchaser has deemed necessary and that has been provided or published by the City, including without limitation various financial information, reports, and other publicly available information that a reasonable investor would attach significance to in making its determination to purchase the Bonds and, in connection therewith, has had access to all other materials, books, records, documents, and information relating to the City and the Bonds (collectively, the “Disclosure Items”).

(iv) The Purchaser has had an opportunity to ask questions of, and receive satisfactory answers from, duly designated representatives of the City concerning the terms and

conditions pursuant to which the offer to purchase the Bonds is being made, and any request for such information has been fully complied with to the extent the City possesses such information or can acquire it without unreasonable effort or expense.

(v) The Purchaser has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks relating to such Bonds and has evaluated: (a) the information (including the information set forth in the Disclosure Items) furnished to it by the City; (b) its or such representative's personal knowledge of the business and affairs of the City; (c) the records, files, and plans of the City, to all of which it or such representative has had full access; (d) such additional information as it or such representative may have requested and have received from the City; and (e) the independent inquiries and investigations undertaken by it or such representative.

(vi) The Purchaser certifies that it is (a) an affiliate of the previous Owner of the Bonds or (b) a bank, insurance company, or other financial institution [or (c) a trust, partnership, custodial arrangement or similar entity for the previous Owner or its assignees to sell or assign participation interests in the Bonds to affiliates of the previous Owner, banks, insurance companies, or other financial institutions].

(vii) The Purchaser has made an independent investigation and evaluation of the financial condition and prospects of, and the risks associated with, the Bonds and the City, or has caused such investigation and evaluation to be made by persons it deems competent to do so, and it has not relied upon the City in making its decision to purchase the Bonds other than the Disclosure Items.

(viii) No person employed or authorized in writing by the City has given any information or made any representation not contained in any Disclosure Items referred to above. The Purchaser understands and agrees that any such information or representation not contained in the Disclosure Items must not, and will not, be relied upon and that nothing contained therein should be deemed as legal or tax advice to the Purchaser.

(ix) Other than the dates and amounts of principal and interest to be paid under the Bonds, the City has made any direct or indirect representation or warranty of any kind to the Purchaser with respect to the economic return that may accrue to the Purchaser. The Purchaser has consulted with its own counsel and other advisors with respect to its purchase of the Bonds.

(x) The signatory of this letter is a duly authorized officer of the Purchaser with the authority to sign this letter on behalf of the Purchaser, and this letter has been duly authorized, executed, and delivered by the Purchaser.

Dated: _____, ____

[Name of Purchaser]

By: _____

EXHIBIT C

ANNUAL REPORTING REQUIREMENTS

Content of Annual Report

(a) Financial and Operating Data. On or before March 31 of each Fiscal Year of the City, the Annual Report, which shall contain or incorporate by reference the following information, without limitation:

- (i) the audited financial statements of the City prepared in accordance with GAAP or any successor accounting practices;
- (ii) copies of the CDIAC filing shown below; and
- (iii) such other information as may be reasonably requested by the Original Purchaser.

(b) Additionally, the City will notify CDIAC by mail, postage prepaid, within ten days if the City or the Trustee fails to pay any interest on or principal of any of the Bond on any scheduled payment date.

PLACEMENT AGENT AGREEMENT

October __, 2021

City of Oxnard
300 West Third Street
Oxnard, CA 93030

Re: City of Oxnard Water Revenue Refunding Bonds, Series 2021

Ladies and Gentlemen:

RBC Capital Markets, LLC , (the “Placement Agent” or “RBC CM”) offers to enter into the following Placement Agreement with the City of Oxnard (the “Issuer” or “you”), which, upon your acceptance of this offer, shall be binding upon both the Issuer and the Placement Agent. This offer is made subject to your acceptance of this Placement Agreement, if not so accepted, will be subject to withdrawal by the Placement Agent upon notice delivered to your office at any time prior to your acceptance hereof. The above-captioned bonds (the “Bonds”) are to be issued pursuant to an Indenture of Trust dated as of _____ 1, 2021 (the “Indenture”), between the Issuer and Wells Fargo Bank, National Association, as trustee. Unless otherwise indicated, each capitalized term contained herein shall have the meaning assigned to it in the Indenture. The Issuer acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm’s length, commercial transaction between the Issuer and the Placement Agent in which the Placement Agent is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer; (ii) the Placement Agent has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Placement Agent has provided other services or is currently providing other services to the Issuer on other matters); (iii) the only obligations the Placement Agent has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (iv) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

1. Notwithstanding the foregoing or any other provisions of this Placement Agent Agreement, the use of the term “agent” with reference to the Placement Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom and is intended to create or reflect only an independent contractor relationship between contracting parties and the Placement Agent acts as an independent broker-dealer and exercises its own independent judgment in connection with its rights and duties as Placement Agent. Upon the terms and conditions and upon the basis of the representations, warranties and covenants set forth herein, the Placement Agent hereby agrees to use its best efforts to locate a purchaser for all, but not less than all of the Bonds on terms consistent with the Indenture. With your consent, the Placement Agent has conducted preliminary discussions with the Capital One Public Funding, LLC (the “Purchaser”) to purchase the Bonds. If the Purchaser does purchase the Bonds on the Closing Date, the Issuer will pay a placement fee equal to \$_____ to the Placement Agent on the Closing Date, which includes fees and expenses of Kutak Rock LLP, counsel to the Placement Agent.
2. Simultaneously with the execution of this Placement Agreement, you will deliver or cause to be delivered to the Placement Agent a copy of the Indenture in substantially final form, duly approved and to be in full force and effect upon execution and delivery by the parties hereto.

3. You represent and warrant to and agree with the Placement Agent (and hereby it shall be a condition of the obligation of the Placement Agent to perform under this Placement Agreement) that you shall so represent and warrant as of the date the Bonds are purchased (such date referred to herein as the “Closing Date”) that:
- (a) The Issuer is duly organized and validly existing as a general law city under the laws of California (the “State”).
 - (b) The Issuer has complied, and reasonably expects, in all respects on the Closing Date to be in compliance with all of the provisions of applicable California state law.
 - (c) The Issuer, prior to the acceptance hereof, has duly adopted Resolution No. ____ on October 19, 2021 (the “Resolution”), authorizing the issuance of the Bonds and the Issuer has duly authorized and approved the execution and delivery of the Indenture and this Placement Agreement (collectively, the “Bond Documents”), as well as the performance of its obligations contained in the Bonds and the consummation by it of all other transactions contemplated hereby.
 - (d) The Issuer is not in breach of or default under any applicable law or administrative regulation of the State, any department, division, agency or instrumentality thereof, or of the United States or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under the Bond Documents; and the execution and delivery of this Placement Agreement, the adoption of the Resolution, the execution of the Bond Documents and the execution and the issuance of the Bonds and compliance with the provisions of each thereof will not conflict materially with or constitute a breach of or default under any applicable law or administrative regulation of the State or under any certificate, agreement, or other instrument to which the Issuer is a party or is otherwise subject which breach or default would materially and adversely affect the Issuer, its Bond Documents or its ability to perform its duties and obligations under the Bond Documents.
 - (e) All approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction that would constitute a condition precedent to the performance by the Issuer of its obligations hereunder and under the Bond Documents and the Bonds have been, or prior to the Closing Date will have been, obtained.
 - (f) No litigation is pending or, to the knowledge of the Issuer, threatened in any court in any way affecting the existence of the Issuer or the title of the members of the Issuer to their respective offices or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection or pledge of any revenues pledged or to be pledged under the Bond Documents to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Indenture or this Placement Agreement, or contesting the powers of the Issuer or its members with respect to the Bonds.
 - (g) The Issuer will apply the proceeds of the Bonds in accordance with the applicable terms of the Indenture.
 - (h) The Issuer agrees to provide information to satisfy “Know Your Client,” “Anti-Money Laundering” and “Terrorist Financing” rules and regulations, in each case, in accordance with the Placement Agent’s requirements.
 - (i) On the Closing Date, the Placement Agent shall receive a copy of each of the following documents, each dated the Closing Date:
 - (i) a certified copy of the Resolution;

- (ii) a certificate of an authorized officer of the Issuer that the Indenture and this Placement Agreement are in full force and effect;
- (iii) opinions of your bond counsel, Best Best & Krieger LLP (“Bond Counsel”), dated the Closing Date in form and substance satisfactory to the Placement Agent;
- (iv) a certificate, dated as of the Closing Date and signed by an authorized officer of the Issuer, to the effect that (A) the representations, warranties and covenants of the Issuer contained herein are true and correct in all material respects on and as of the Closing Date, with the same effect as if made on the date of the delivery of the Bonds by the Issuer; (B) no litigation is pending or, to its knowledge, threatened in any court in any way affecting the existence of the Issuer or the titles of its officers or directors to their respective positions, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection of any revenues or assets of the Issuer pledged or to be pledged to pay the principal of and premium, if any, and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Indenture or this Placement Agreement, or contesting the powers of the Issuer or its authority with respect to the Bonds, the Indenture or this Placement Agreement (but in lieu of or in conjunction with such certificate, the Placement Agent may, in its sole discretion, accept certificates or opinions of Bond Counsel, acceptable to the Placement Agent, that in the opinion of such counsel the issues raised in any such pending or threatened litigation are without substance or that the contentions of all plaintiffs therein are without merit); and (C) the Issuer has complied in all material respects with the Indenture and the terms of the Bonds and satisfied all material conditions on its part to be performed or satisfied at or prior to the delivery of the Bonds;
- (v) a certificate of the Trustee under the Indenture as to the delivery of the Bonds and a certificate of the Issuer as to the receipt of payment therefore;
- (vi) an investor letter from the Purchaser in form and substance satisfactory to the Placement Agent; and
- (vii) such additional certificates, instruments or opinions as Bond Counsel, the Issuer or the Placement Agent may deem necessary or desirable.

All certificates, instruments, opinions and documents referred to above and any resolutions shall be in form and substance satisfactory to Bond Counsel, the Issuer and the Placement Agent.

If the obligations of the Placement Agent shall be terminated for any reason permitted hereby, neither the Placement Agent nor the Issuer shall be under further obligation hereunder.

4. At or prior to 11:00 a.m. on the Closing Date, you will deliver to, or at the direction of, the Purchaser the Bonds in definitive fully registered form duly executed, registered in the names and denomination specified by the Purchaser together with the other documents hereinabove mentioned, upon payment of the purchase price of the Bonds as set forth in Paragraph 1 hereof by wire and in immediately available funds. Delivery as aforesaid shall be made to the Purchaser’s offices in Melville, New York, or such other place designated by the Purchaser, as shall have been mutually agreed upon and such payment shall be made simultaneously therewith. This payment and delivery is herein called the “Closing.”
5. Unless otherwise set forth herein, the representations and agreements in this Placement Agreement shall survive the delivery of the Bonds hereunder.
6. The Placement Agent’s obligation hereunder to use its best efforts to place the Bonds shall be subject to the performance by you of your obligations hereunder in all material respects at or prior to the Closing and the

accuracy in all material respects of your representations and warranties contained herein and shall also be subject to the following conditions:

- (a) At the time of the Closing, the Resolution, the Indenture and all related documents of the Issuer with respect to the issuance of the Bonds shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to by the undersigned.
 - (b) The undersigned may terminate this Placement Agreement by notification in writing to you if at any time subsequent to the date hereof and at or prior to the Closing: (i) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission shall be issued or made to the effect that the issuance, offering or sale of the Bonds without registration thereof or obligations of the general character of the Bonds is in violation of any provision of the Securities Act of 1933 or of the Trust Indenture Act of 1939; (ii) in the Congress of the United States, legislation shall be enacted or a bill shall be favorably reported out of committee of either house, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that securities of the issuer or of any similar body are not exempt from the registration, qualification or other requirements of the Securities Act of 1933 or the Trust Indenture Act of 1939; (iii) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency; (iv) there shall have occurred a general suspension of trading on the New York Stock Exchange; (v) there shall have occurred any materially adverse change in the affairs or financial condition of the Issuer; or (vi) a general banking moratorium shall have been declared by the United States, State of New York, or State of California authorities.
 - (c) The Issuer shall have arranged for payment of the Placement Agent's fee at the time of Closing.
 - (d) You shall perform or have performed in all material respects at or prior to the Closing all of your obligations required under or specified in this Placement Agreement and the Indenture to be performed at or prior to the Closing.
7. Prior to the Closing Date, the Purchaser shall deliver to the Trustee the names in which the Bonds are to be registered and the denominations thereof. At the Closing, contemporaneously with the receipt of the Bonds, the Purchaser will deliver to you a receipt therefor, in form satisfactory to Bond Counsel, signed by the Purchaser.
8. You shall pay, solely from the proceeds of the sale of the Bonds, upon or promptly after the Closing: (a) the cost of the preparation and printing of the Bonds; (b) the fees and disbursements of Bond Counsel and of any other counsel or consultants retained by you; (c) the fees and disbursements of counsel to the Purchaser; and (d) the fees and expenses of the Trustee. The Placement Agent shall pay the fees and disbursements of any counsel to the Placement Agent and Placement Agent's own out-of-pocket expenses. The Issuer shall be under no obligation to pay any expenses incident to the performance of the obligations of the Placement Agent hereunder.
9. You agree and understand that this Placement Agreement is a contract for services and waive any claims you may have that you are immune from suit by virtue of any law or claim for any matter arising from or relating to this Placement Agreement. You further agree, to the extent permissible by law, to indemnify and hold RBC CM harmless against any losses, claims, damages or liabilities to which we may become subject, including reasonable and necessary legal fees, in so far as such losses, claims, damages or liabilities arise out of or relate to the transaction contemplated herein. Such indemnity shall include indemnity for claims that may allege or involved negligence of RBC CM, but shall not include claims involving willful misconduct or gross negligence of RBC CM.

10. This Placement Agreement may be terminated with or without cause by either party, upon five (5) business days prior written notice to the other party of its intention to terminate. Any such termination, however, shall not affect the obligations of the Issuer under Section 9 hereof or the respective representations, warranties, agreements, covenants, rights or responsibilities of the parties made or arising prior to the termination of this Agreement.
11. The agreements and all representations and warranties herein set forth have been and are made for the benefit of the Placement Agent and the Issuer, and no other person shall acquire or have any right under or by virtue of this Placement Agreement.
12. This Placement Agreement shall become effective upon the execution of the acceptance hereof by an authorized officer of the Issuer and shall be valid and enforceable as of the time of such acceptance.

RBC CAPITAL MARKETS, LLC

By _____
Name Robert L. Williams, Jr.
Title Managing Director
Date _____

ACCEPTANCE

ACCEPTED this ____ day of October, 2021

CITY OF OXNARD

By _____
Name _____
Title _____
Date _____

City of Oxnard

2021 Water Revenue Refunding Bonds (Refunding of Water Revenue Bonds, Series 2014)

PRESENTATION TO CITY COUNCIL
OCTOBER 19, 2021

NHA | ADVISORS
Financial & Policy Strategies.
Delivered.

Recommendation

- ▶ That City Council
 - ❑ Adopt a resolution authorizing the issuance and sale of Water Revenue Refunding Bonds, Series 2021 to refinance outstanding bonds, authorizing execution of Indenture of Trust and related official actions

Background

- ▶ In 2004, the City of Oxnard Financing Authority issued \$47,895,000 of Water Revenue Bonds, Series 2004 ("the 2004 Bonds"). The 2004 Bonds were issued to finance various improvements to the water system, including the early stages of the GREAT Program. The 2004 Bonds were issued for a 30-year term at an all-in interest rate of 4.62%.
- ▶ In 2014, the City refinanced the 2004 Bonds at a lower interest rate of 3.8% to reduce its borrowing costs and capture savings.
- ▶ Based on current market conditions the City can refinance the 2014 Bonds for additional economic savings.

3

Financing Participants

- ▶ Issuer: City of Oxnard
- ▶ Municipal Advisor: NHA Advisors
- ▶ Bond Counsel: Best Best & Krieger
- ▶ Trustee: Wells Fargo
- ▶ Placement Agent: RBC Capital Markets
- ▶ Lender: Capital One Public Funding, LLC

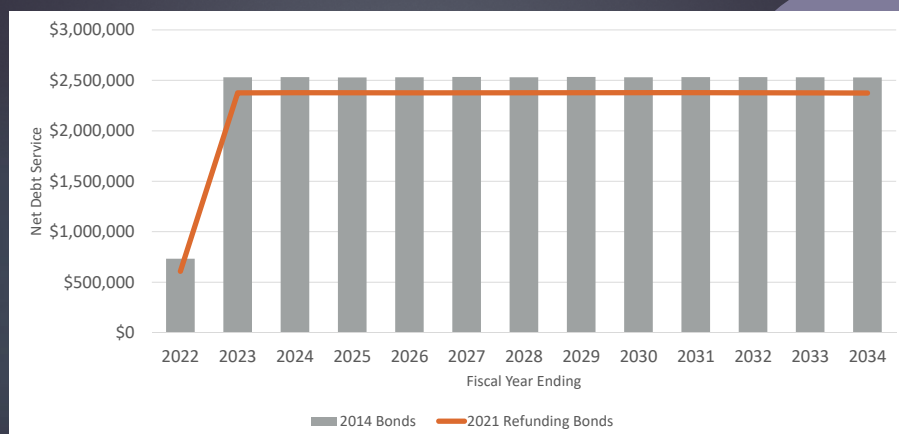
4

Refinancing of 2014 Bonds

- ▶ Par Outstanding: \$25,590,796
- ▶ Average Current Interest Rate: 3.8%
- ▶ Estimated All-In Interest Cost on Refunding: 2.78%
- ▶ Estimated Annual Cashflow Savings from Refunding: \$153,000 (FYE 2023-2034)
- ▶ **Net Present Value Savings: \$1,628,000 (6.8% of refunded par)**

5

Estimated Debt Service & Savings (After 2021 Bonds Issuance)



6

Tentative Financing Schedule

September 28:
F&GC
Presentation

November 2:
Closing of 2021
Water Revenue
Refunding Bonds

October 19:
City Council
consideration of
documents

7

Recommendation

- ▶ That City Council:
 - ❑ The City Council adopt a resolution authorizing the issuance and sale of Water Revenue Refunding Bonds, Series 2021 to refinance outstanding bonds, authorizing execution of Indenture of Trust and related official actions

8



Questions?

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FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. N.2

DATE: October 19, 2021

TO: Finance & Governance Committee

FROM: Betsy George, Chief Financial Officer, 805-200-5400, betsy.george@oxnard.org

SUBJECT: Authorize Execution and Delivery of Schedule of Property to the Banc of America Master Equipment Lease/Purchase Agreement A-7667 for the Acquisition, Financing, and Leasing of Certain Equipment. (10/10/10)

RECOMMENDATION

That the City Council:

1. Adopt a resolution authorizing the execution and delivery of Schedules of Property to the Master Equipment Lease/Purchase Agreement not to exceed \$10.5 million for the acquisition, financing and leasing of certain equipment for the public benefit within the terms provided herein; authorizing the execution and delivery of other documents required in connection therewith; and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution; and
 2. Adopt a resolution declaring the intent of the City to be reimbursed for certain capital expenditures from the proceeds of indebtedness.
- (Finance and Governance Committee approved 3-0)
(Presentation will be live upon Consultant's request).

BACKGROUND

The City conducted a Request for Proposal (RFP) process for banks to provide terms for an Equipment Lease/Purchase Agreement to fund the purchase of vehicles and trailers for the Environmental Resources Division of the Public Works Department (March 2, 2021 Council Meeting – Agenda Item No. L.4). After reviewing the responses to the RFP, Banc of America's proposal offered the lowest interest cost to the City. In addition, the City has a positive prior relationship with Banc of America, the provider for the Master Equipment Lease Agreement A-7667 originally executed on June 17, 2014.

Banc of America Public Capital Corp has approved the attached Master Equipment Lease Purchase Agreement ("Master Lease") with the City, which operates similar to a line of credit. Staff anticipates that funds will be drawn from this line of credit near the end of October 2021. Consistent with the City's other leases, staff will submit reimbursement requests to draw down from the line of credit when authorized equipment has been purchased, delivered, and paid for. A total of \$10.2 million in Environmental Resources Division vehicle purchases have been approved by City Council.

As authorized by Purchase Order 7992, the City has already purchased some of this equipment and Purchase Orders 7991 and 7993 authorize City staff to purchase additional Environmental Resources Division vehicles. Staff is asking City Council to approve a reimbursement resolution along with the resolution authorizing staff

to execute the equipment schedules under the current Master Equipment Lease/Purchase Agreement for a new issuance not to exceed \$10.5 million (“2021 Equipment Lease”).

STRATEGIC PRIORITIES

This agenda item supports Public Safety strategy. The purpose of the Public Safety strategy is to restore and modernize the delivery of public safety services to provide for the safety of our neighborhoods and health of our community.

FINANCIAL IMPACT

Equipment leases provide an option for the City to make critical equipment purchases under favorable financing conditions. In addition, this lease allows the City to finance equipment over the expected life of the equipment rather than fronting the cost. Appropriation of \$1.56 million in Fiscal Year 2021-22 for the first year’s lease payment was included in the annual budget (Project title: “48 Refuse Vehicles and Trailers”; Project Number 216804) and future annual lease payments will be included in future budget requests related to Fund 631 (ER Operating Fund).

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the 2021 Equipment Lease in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the City by the Municipal Advisor.

Principal Amount. The Municipal Advisor has informed the City that, based on the City’s purchase agreements, financing plan, and current market conditions, its good faith estimate of the aggregate principal amount of the 2021 Equipment Lease is \$10,255,000, (the “Estimated Principal Amount”).

True Interest Cost of the 2021 Equipment Lease. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the 2021 Equipment Lease, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the 2021 Equipment Lease is 1.455%.

Finance Charge of the 2021 Equipment Lease. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the 2021 Equipment Lease, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the 2021 Equipment Lease, which means the sum of all fees and charges paid to third parties (or costs associated with the 2021 Equipment Lease), is \$65,079.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the 2021 Equipment Lease, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the City for the 2021 Equipment Lease is \$10,189,921.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the 2021 Equipment Lease, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the 2021 Equipment Lease is \$10,760,318, which excludes any reserves or capitalized interest paid or funded with proceeds of the 2021 Equipment Lease (which may offset such total payment amount).

The foregoing estimates constitute good faith estimates only as of September 28, 2021, and are based on

market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the 2021 Equipment Lease, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the 2021 Equipment Lease being different than the date assumed for purposes of such estimates, (b) the actual principal amount of 2021 Equipment Lease being different from the Estimated Principal Amount, (c) the actual amortization of the 2021 Equipment Lease being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the 2021 Equipment Lease being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the 2021 Equipment Lease and the actual principal amount of the 2021 Equipment Lease will be determined by the City based on the timing of the need for proceeds of the 2021 Equipment Lease and other factors. The actual interest rates borne by the 2021 Equipment Lease will depend on market interest rates at the time of sale thereof. The actual amortization of the 2021 Equipment Lease will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic, national, international and other factors beyond the control of the City, or the Municipal Advisor.

Prepared by: Betsy George, Chief Financial Officer

ATTACHMENTS

1. 1 Oxnard Resolution - Schedule to Master Equipment Lease (Revised)
2. 2 Oxnard Resolution - Reimbursement
3. 3 - A-7667 - Banc of America Master Lease Agreement
4. 4 Oxnard Schedule of Property 24 (Final)
5. 5 Oxnard Escrow Account Control Agreement 24 (Final)
6. CC Equipment Lease Presentation for 10.19.21 Meeting

FORM OF AUTHORIZING RESOLUTION (LEASE)

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF OXNARD, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF SCHEDULE(S) OF PROPERTY TO THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT FOR THE ACQUISITION, FINANCING AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT WITHIN THE TERMS PROVIDED HEREIN; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, the City of Oxnard (the "*Lessee*"), a City duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State of California is authorized by the laws of the State of California to acquire, finance and lease personal property (tangible and intangible) for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, the governing body of the Lessee (the "*Board*") has determined that a need exists for the acquisition, financing and leasing of certain equipment with a cost not to exceed \$10,500,000 and consisting of various Environmental Services Division vehicles, which constitutes personal property necessary for the Lessee to perform essential governmental functions (collectively, the "*Equipment*") on the terms herein provided; and

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into those certain Schedule(s) of Property (the "*Equipment Schedule(s)*") with Banc of America Public Capital Corp (or one of its affiliates), as lessor (the "*Lessor*"), substantially in the proposed form presented to the Board at this meeting, which Equipment Schedule incorporates by reference the terms and provisions of that certain Master Equipment Lease/Purchase Agreement dated as of April 8, 2014, by and between Lessor and Lessee (the "*Agreement*"); and

WHEREAS, the Board deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Equipment Schedule and the other documentation relating to the acquisition, financing and leasing of the Equipment to be therein described on the terms and conditions therein and herein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the governing body of the Lessee as follows:

Section 1. Findings and Determinations. It is hereby found and determined that the terms of the Equipment Schedule(s) and the form of Rental Payment Schedule(s), in the form presented to the Board at this meeting, are in the best interests of the Lessee for the acquisition financing and leasing of the Equipment.

Section 2. Approval of Documents. The form, terms and provisions of the Equipment Schedule(s) and Rental Payment Schedule(s) are hereby approved in substantially the forms presented at this meeting, with such insertions, omissions and changes as shall be approved by City Manager or Chief Financial Officer of the Lessee or other members of the governing body of the Lessee (the “*Authorized Officials*”) executing the same, the execution of such documents being conclusive evidence of such approval. The Authorized Officials are each hereby authorized and directed to sign and deliver on behalf of the Lessee the Equipment Schedule(s) under which a separate Lease (as defined in the Agreement) is created, the Rental Payment Schedule attached thereto, the Escrow Agreement and any related exhibits attached thereto.

Section 3. Other Actions Authorized. The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Lease to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of a final Acceptance Certificate, the Escrow Agreement, Disbursement Requests and any tax certificate and agreement, as contemplated in the Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Lease.

Section 4. No General Liability. Nothing contained in this Resolution, the Lease, the Escrow Agreement nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Lease, the Escrow Agreement or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the Rental Payments payable under the Lease entered into pursuant to the Agreement are limited obligations of the Lessee, subject to annual appropriation, as provided in the Agreement.

Section 5. Appointment of Authorized Lessee Representatives. The City Manager and Chief Financial Officer of the Lessee are each hereby designated to act as authorized representatives of the Lessee for purposes of the Lease and the Escrow Agreement until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Lease or the Escrow Agreement.

Section 6. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Repealer. All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency with respect to this Resolution. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

Section 8. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the governing body of the Lessee this 19th day of October,
2021.

City of Oxnard, CA
as lessee

[SEAL]

By: _____
Printed Name: _____
Title: _____

ATTEST:

By: _____
Printed: Name: _____
Title: _____

The undersigned, a duly elected or appointed and acting City Clerk of the Lessee identified in the above Resolution No. ____ (the "*Resolution*"), hereby certifies that the Resolution is a full, true and correct copy of such Resolution as adopted by the governing body of the Lessee on October 19, 2021. The Resolution is in full force and effect on the date hereof and has not been amended, modified or otherwise changed by the governing body of the Lessee since the date of adoption of the Resolution.

DATED this 19th day of October, 2021.

Name: _____
Title: _____

RESOLUTION NO. 2021-__
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF OXNARD DECLARING THE INTENT OF THE CITY TO BE
REIMBURSED FOR CERTAIN CAPITAL EXPENDITURES FROM THE PROCEEDS
OF INDEBTEDNESS

WHEREAS, the City of Oxnard (the "City") intends to acquire equipment and vehicles to be used by the Environmental Services Division to perform its essential governmental functions (the "Project"); and

WHEREAS, the City will pay certain Capital Expenditures in connection with the Project (the "Expenditures") prior to the issuance of one or more series of tax-exempt obligations in the expected approximate principal amount of \$10.5 million (the "Indebtedness") for the purpose of financing costs associated with the Project; and

WHEREAS, the City reasonably expects that certain of the proceeds of the Indebtedness will be used to reimburse the City for the Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the City to declare its reasonable official intent to be reimbursed for prior Capital Expenditures made for the Project with proceeds of a subsequent borrowing.

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

The City finds and determines that the foregoing recitals are true and correct.

This declaration is made solely for purpose of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations, and does not bind the City to make any expenditure, incur any indebtedness, or proceed with the Project.

The City declares its official intent to use proceeds of the Indebtedness to reimburse itself for Expenditures made on or after the date which is no more than 60 days prior to the date of adoption of this Resolution.

The City will make a reimbursement allocation, which is a written allocation by the City that evidences the City's use of proceeds of the Indebtedness to reimburse itself for an Expenditure, no later than eighteen (18) months after the later of the date on which the expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid.

The City recognizes that exceptions are also available under the Treasury Regulations for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least five (5) years.

This Resolution shall take effect upon its adoption by this City Council.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF OXNARD THIS __TH
DAY OF OCTOBER, 2021 BY THE FOLLOWING ROLL CALL VOTE:**

AYES:

NOES:

ABSENT:

ABSTAIN:

John C. Zaragoza
Mayor

ATTEST:

Rose Chaparro
City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer
City Attorney

MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT

This Master Equipment Lease/Purchase Agreement (the "*Agreement*") dated as of April 8, 2014, and entered into between Banc of America Public Capital Corp., a Kansas corporation ("*Lessor*"), and City of Oxnard, California, a municipal corporation existing under the laws of the State of California ("*Lessee*").

WITNESSETH:

WHEREAS, Lessee desires to lease and acquire from Lessor certain Equipment described in each Schedule (as each such term is defined herein), subject to the terms and conditions of and for the purposes set forth in each Lease; and in the event of a conflict the terms of a Schedule prevail; and

WHEREAS, the relationship between the parties shall be a continuing one and items of equipment may be added to the Equipment from time to time by execution of additional Schedules by the parties hereto and as otherwise provided herein; and

WHEREAS, Lessee is authorized under the constitution and laws of the State to enter into this Agreement and the Schedules hereto for the purposes set forth herein; and

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"*Acquisition Amount*" means the amount specified in each Lease and represented by Lessee to be sufficient to acquire the Equipment listed in such Lease.

"*Acquisition Fund*" means, with respect to any Lease, the fund established and held by the Acquisition Fund Custodian pursuant to the related Acquisition Fund Agreement, if any.

"*Acquisition Fund Agreement*" means, with respect to any Lease, an Acquisition Fund and Account Control Agreement, substantially in the form of Exhibit A attached hereto, in form and substance acceptable to and executed by Lessee, Lessor and the Acquisition Fund Custodian, pursuant to which an Acquisition Fund is established and administered.

"*Acquisition Fund Custodian*" means the Acquisition Fund Custodian identified in any Acquisition Fund Agreement, and its successors and assigns.

"*Acquisition Period*" means, with respect to each Lease, that period stated in the Schedule to such Lease during which the Lease Proceeds attributable to such Lease may be expended on Equipment Costs.

A-7667

COUNCIL APPROVAL
DATE: 6/17/14 AGENDA # S-12

"Agreement" means this Master Equipment Lease/Purchase Agreement, including the exhibits hereto, together with any amendments and modifications to the Agreement pursuant to Section 13.05.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder.

"Commencement Date" means, for each Lease, the date when Lessee's obligation to pay rent commences under such Lease, which date shall be the earlier of (i) the date on which the Equipment listed in such Lease is accepted by Lessee in the manner described in Section 5.01, and (ii) the date on which sufficient moneys to purchase the Equipment listed in such Lease are deposited for that purpose with an Acquisition Fund Custodian.

"Contract Rate" means the rate identified as such in the applicable Schedule.

"Equipment" means the property listed in each of the Leases and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article V. Whenever reference is made in this Agreement to Equipment listed in a Lease, such reference shall be deemed to include all such replacements, repairs, restorations, modifications and improvements of or to such Equipment.

"Equipment Costs" means the total cost of the Equipment listed in each Lease, including soft costs such as freight, installation and taxes paid up front by Lessor and all capitalizable consulting and training fees approved by Lessor, legal fees, financing costs, and other costs necessary to vest full, clear legal title to the Equipment in Lessee, subject to the security interest granted to and retained by Lessor as set forth in each Lease, and otherwise incurred in connection with the financing provided by the lease-purchase of the Equipment as provided in each Lease; *provided* that (i) any such soft costs on a cumulative basis shall not exceed a percentage of the Maximum Equipment Cost approved by Lessor and (ii) in no event shall capitalizable delivery charges, installation charges, taxes and similar capitalizable soft costs relating to such Equipment be included without Lessor's prior consent.

"Event of Default" means an Event of Default described in Section 12.01.

"Lease" means a Schedule and the terms of this Agreement which are incorporated by reference into such Schedule. Each Schedule shall constitute a separate and independent Lease.

"Lease Proceeds" means, with respect to each Lease, the total amount of money to be paid by Lessor to the Acquisition Fund Custodian for deposit and application in accordance with such Lease and the Acquisition Fund Agreement.

"Lease Term" for each Lease means the Original Term and all Renewal Terms therein provided and for this Agreement means the period from the date hereof until this Agreement is terminated.

"Lessee" means the entity referred to as Lessee in the first paragraph of this Agreement.

"Lessor" means (a) the entity referred to as Lessor in the first paragraph of this Agreement or (b) any assignee or transferee of any right, title or interest of Lessor in and to the Equipment under a Lease or any Lease (including Rental Payments thereunder) pursuant to Section 11.01, but does not include any entity solely by reason of that entity retaining or assuming any obligation of Lessor to perform under a Lease.

"Material Adverse Change" means (a) prior to the Utilization Period Expiration, a downgrade in Lessee's external debt rating of two or more subgrades by either Moody's Investors Service, Inc, or Standard & Poor's Ratings Group or any equivalent successor credit rating agency, or any downgrade by either such agency that would cause Lessee's credit rating to be below investment grade, and (b) thereafter, any change in Lessee's creditworthiness that could have a material adverse effect on (i) the financial condition or operations of Lessee and its subsidiaries taken as a whole, or (ii) Lessee's ability to perform its obligations under this Agreement or any Lease.

"Maximum Equipment Cost" means the cumulative amount specified in the latest Schedule executed under this Agreement.

"Original Term" means the period from the Commencement Date for each Lease until the end of the fiscal year of Lessee in effect at such Commencement Date.

"Purchase Price" means, with respect to the Equipment listed on a Lease, the amount that Lessee may pay to Lessor to purchase such Equipment as provided in such Lease.

"Renewal Terms" means the renewal terms of each Lease, each having a duration of one year and a term coextensive with Lessee's fiscal year, as specified in the Schedule applicable thereto.

"Rental Payments" means the basic rental payments payable by Lessee under each Lease pursuant to Section 4.01, in each case consisting of a principal component and an interest component.

"Schedule" means each separately numbered Schedule of Property substantially in the form of Exhibit B-1 hereto together with a Rental Payment Schedule attached thereto substantially in the form of Exhibit B-2 hereto.

"State" means the State of California.

"Utilization Period Expiration" means the date, with respect to each Lease not funded under an Acquisition Fund Agreement, by which Lessee must deliver an Acceptance Certificate for the Equipment under such Lease as indicated in Section 3.04(b).

"Vendor" means the manufacturer or supplier of the Equipment or any other person as well as the agents or dealers of the manufacturer or supplier with whom Lessor arranged Lessee's acquisition and financing of the Equipment pursuant to the applicable Lease.

ARTICLE II

Section 2.01. Representations and Covenants of Lessee. Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof and as of the Commencement Date of each Lease as follows:

(a) Lessee is a political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the constitution and laws of the State, with full power and authority to enter into this Agreement and each Lease and the transactions contemplated hereby and to perform all of its obligations hereunder and under each Lease.

(b) Lessee has duly authorized the execution and delivery of this Agreement and each Lease by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement and each Lease.

(c) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof.

(d) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(e) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and each Lease and the acquisition by Lessee of the Equipment as provided in each Lease.

(f) During the Lease Term, the Equipment will be used by Lessee only for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority. Lessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last Rental Payment (including all Renewal Terms) scheduled to be paid under each Lease.

(g) Lessee has kept, and throughout the Lease Term of any Lease shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows and notes, and (4) schedules and attachments to the financial statements) within 270 days of its fiscal year end, (ii) such other financial statements and information as Lessor may reasonably request, and (iii) its annual budget for the following fiscal year when approved but not later than 30 days prior to its current fiscal year end. The financial statements described in subsection (i) shall be accompanied by an unqualified opinion of Lessee's auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(h) Lessee has an immediate need for the Equipment listed on each Schedule and expects to make immediate use of the Equipment listed on each Schedule. Lessee's need for the

Equipment is not temporary and Lessee does not expect the need for any item of the Equipment to diminish during the Lease Term to such item.

(i) The payment of the Rental Payments or any portion thereof is not (under the terms of any Lease or any underlying arrangement) directly or indirectly (x) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property; or (y) on a present value basis, derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. The Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit. No portion of the Equipment Costs for the Equipment will be used, directly or indirectly, to make or finance loans to any person other than Lessee. Lessee has not entered into any management or other service contract with respect to the use and operation of the Equipment.

(j) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Lessee's financial condition or impairs its ability to perform its obligations hereunder. Lessee will, at its expense, maintain its legal existence in good standing and do any further act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's security interest in the Equipment and Lessor's rights and benefits under this Lease.

ARTICLE III

Section 3.01. Lease of Equipment. Subject to the terms of this Master Lease, Lessor agrees to provide the funds specified in each Lease to be provided by it to acquire the Equipment, up to an amount equal to the Maximum Equipment Cost. Upon the execution of each Lease, Lessor demises, leases, transfers and lets to Lessee, and Lessee acquires, rents and leases from Lessor, the Equipment as set forth in such Lease and in accordance with the terms thereof. The Lease Term for each Lease may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term set forth in such Lease. At the end of the Original Term and at the end of each Renewal Term until the maximum Lease Term has been completed, Lessee shall be deemed to have exercised its option to continue each Lease for the next Renewal Term unless Lessee shall have terminated such Lease pursuant to Section 3.03 or Section 10.01. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the applicable Lease.

Section 3.02. Continuation of Lease Term. Lessee intends, subject to Section 3.03, to continue the Lease Term of each Lease through the Original Term and all Renewal Terms and to pay the Rental Payments thereunder. Lessee affirms that sufficient funds are available for the current fiscal year, and Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Lease Term of each Lease can be obtained from legally available funds of Lessee. Lessee further intends to do all things lawfully within its power to obtain and maintain funds sufficient and available to discharge its obligation to make Rental Payments due hereunder, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law,

to have such portion of the budget or appropriation request approved and to exhaust all available reviews and appeals in the event such portion of the budget or appropriation request is not approved.

Section 3.03. Nonappropriation. Lessee is obligated only to pay such Rental Payments under each Lease as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments under any Lease following the then current Original Term or Renewal Term, such Lease or Leases shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If any Lease is terminated in accordance with this Section, Lessee agrees to peaceably deliver the Equipment to Lessor at the location(s) to be specified by Lessor.

Section 3.04. Conditions to Lessor's Performance.

(a) As a prerequisite to the performance by Lessor of any of its obligations pursuant to any Lease, Lessee shall deliver to Lessor the following:

- (i) A fully completed Schedule, executed by Lessee;
- (ii) An Acquisition Fund Agreement, executed by Lessee and the Acquisition Fund Custodian, unless Lessor pays 100% of the Acquisition Amount directly to the Vendor upon execution of the Lease;
- (iii) A Certificate executed by the Clerk or Secretary or other comparable officer of Lessee, in substantially the form attached hereto as Exhibit C, completed to the satisfaction of Lessor;
- (iv) A certified copy of a resolution, ordinance or other official action of Lessee's governing body authorizing the execution and delivery of this Lease and performance by Lessee of its obligations hereunder;
- (v) An opinion of counsel to Lessee in substantially the form attached hereto as Exhibit D respecting such Lease and otherwise satisfactory to Lessor;
- (vi) Evidence of insurance as required by Section 7.02 hereof;
- (vii) All documents, including financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time pursuant to Section 6.02;
- (viii) A copy of a fully completed and executed Form 8038-G;
- (ix) If any Equipment units are motor vehicles, properly completed certificates of title for such vehicles; and

(x) Such other items, if any, as are set forth in such Lease or are reasonably required by Lessor.

(b) In addition, the performance by Lessor of any of its obligations pursuant to any Lease shall be subject to: (i) no material adverse change in the financial condition of Lessee since the date of this Lease, (ii) no Event of Default having occurred, and (iii) if no Acquisition Fund has been established, the Equipment must be accepted by Lessee no later than the date listed as the Utilization Period Expiration in the applicable Schedule.

(c) Subject to satisfaction of the foregoing, Lessor will pay the Acquisition Amount for Equipment described in a Schedule to the Vendor or, if authorized by Lessee's governing body, will reimburse Lessee for the prior payment of any such Acquisition Amounts by Lessee to the Vendor, upon receipt of the documents described in Sections 5.01(a) and (b); or if an Acquisition Fund has been established pursuant to an Acquisition Fund Agreement, Lessor will deposit the Acquisition Amount for Equipment described in the Schedule with the Acquisition Fund Custodian.

(d) This Agreement is not a commitment by Lessor to enter into any Lease not currently in existence, and nothing in this Agreement shall be construed to impose any obligation upon Lessor to enter into any proposed Lease, it being understood that whether Lessor enters into any proposed Lease shall be a decision solely within Lessor's discretion.

(e) Lessee will cooperate with Lessor in Lessor's review of any proposed Lease. Without limiting the foregoing, Lessee will provide Lessor with any documentation or information Lessor may request in connection with Lessor's review of any proposed Lease. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Lessee and other matters related to Lessee.

ARTICLE IV

Section 4.01. Rental Payments. Subject to Section 3.03, Lessee shall promptly pay Rental Payments, in lawful money of the United States of America, to Lessor on the dates and in such amounts as provided in each Lease. Lessee shall pay Lessor a charge on any Rental Payment not paid on the date such payment is due at a rate equal to the Contract Rate plus 5% per annum or the maximum amount permitted by law, whichever is less, from such date. Lessee shall not permit the federal government to guarantee any Rental Payments under any Lease. Rental Payments consist of principal and interest payments as more fully detailed on each Schedule, the interest on which begins to accrue as of the Commencement Date for each such Schedule.

Section 4.02. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the Balance of each Rental Payment is paid as, and represents payment of, principal. Each Lease shall set forth the principal and interest components of each Rental Payment payable thereunder during the Lease Term.

Section 4.03. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments under each

Lease shall constitute a current expense of Lessee payable solely from its general fund or other funds that are legally available for that purpose and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein or in a Lease constitute a pledge of the general tax revenues, funds or moneys of Lessee.

Section 4.04. Rental Payments to be Unconditional. Except as provided in Section 3.03, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in each Lease shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment, after it has been accepted by Lessee, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances.

Section 4.05. Tax Covenants.

(a) Lessee agrees that it will not take any action that would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes, nor will it omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes.

(b) In the event that Lessee does not spend the moneys in the Acquisition Fund within six (6) months of the date the deposit is made pursuant to Section 3.04(c), Lessee will, if required by section 148(f) of the Code to pay rebate: (i) establish a Rebate Account and deposit the Rebate Amount (as defined in Section 1.148-3(b) of the Federal Income Tax Regulations) not less frequently than once per year after the applicable Commencement Date; and (ii) rebate to the United States, not less frequently than once every five (5) years after the applicable Commencement Date, an amount equal to at least 90% of the Rebate Amount and within 60 days after payment of all Rental Payments or the Purchase Price as provided in Section 10.01(a) hereof, 100% of the Rebate Amount, as required by the Code and any regulations promulgated thereunder. Lessee shall determine the Rebate Amount, if any, at least every year and upon payment of all Rental Payments or the Purchase Price and shall maintain such determination, together with any supporting documentation required to calculate the Rebate Amount, until six (6) years after the date of the final payment of the Rental Payments or the Purchase Price.

Section 4.06. Event of Taxability. Upon the occurrence of an Event of Taxability, the interest component shall be at a Taxable Rate retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includible in the gross income of the owner or owners thereof for federal income tax purposes, and Lessee will pay such additional amount as will result in the owner receiving the interest component at the Taxable Rate identified in the related Lease.

For purposes of this Section, “*Event of Taxability*” means a determination that the interest component is includible for federal income tax purposes in the gross income of the owner thereof due to Lessee’s action or failure to take any action.

Section 4.07. Mandatory Prepayment. If the Lease Proceeds are deposited into an Acquisition Fund, any funds remaining in the Acquisition Fund on or after the Acquisition Period and not applied to Equipment Costs, shall be applied by Lessor on the next Rental Payment date, pro rata to the prepayment of the principal component of the outstanding Rental Payments due under the applicable Schedule.

ARTICLE V

Section 5.01. Delivery, Installation and Acceptance of Equipment.

(a) Lessee shall order the Equipment, cause the Equipment to be delivered and installed at the location specified in the Leases and pay any and all delivery and installation costs and other Equipment Costs in connection therewith. When the Equipment listed in any Lease has been delivered and installed, Lessee shall promptly accept such Equipment and evidence said acceptance by executing and delivering to Lessor an Acceptance Certificate in the form attached hereto as Exhibit E.

(b) Lessee shall deliver to Lessor original invoices and bills of sale (if title to such Equipment has passed to Lessee) relating to each item of Equipment accepted by Lessee. With respect to Equipment not purchased through an Acquisition Fund, Lessor shall, upon receipt of an Acceptance Certificate from Lessee, prepare a Schedule of Property and Rental Payment Schedule in the forms attached hereto as Exhibits B-1 and B-2. Lessee shall execute and deliver such Schedules to Lessor within 5 business days of receipt.

Section 5.02. Quiet Enjoyment of Equipment. So long as Lessee is not in default under the related Lease, neither Lessor nor any entity claiming by, through or under Lessor, shall interfere with Lessee's quiet use and enjoyment of the Equipment during the Lease Term.

Section 5.03. Location; Inspection. Once installed, no item of the Equipment will be relocated from the base location specified for it in the Lease on which such item is listed without Lessor's consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

Section 5.04. Use and Maintenance of the Equipment. Lessee will not install, use, operate, or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by the related Lease. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative, or judicial body; *provided* that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest (including the reversionary interest) of Lessor in and to the Equipment or its interest or rights under the Lease.

Lessee agrees that it will maintain, preserve, and keep the Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer. Lessor shall have no responsibility to maintain, repair or make improvements or additions to the Equipment. In all cases, Lessee agrees to pay any costs necessary for the manufacturer to re-

certify the Equipment as eligible for manufacturer's maintenance upon the return of the Equipment to Lessor as provided for herein.

Lessee shall not alter any item of Equipment or install any accessory, equipment or device on an item of Equipment if that would impair any applicable warranty, the originally intended function or the value of that Equipment. All repairs, parts, accessories, equipment and devices furnished, affixed to or installed on any Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lessor.

ARTICLE VI

Section 6.01. Title to the Equipment. During each Lease Term, and so long as Lessee is not in default under Article XII hereof, all right, title and interest in and to each item of the Equipment shall be vested in Lessee immediately upon its acceptance of each item of Equipment, subject to the terms and conditions of the applicable Lease. Lessee shall at all times protect and defend, at its own cost and expense, its title in and to the Equipment from and against all claims, liens and legal processes of its creditors, and keep all Equipment free and clear of all such claims, liens and processes. Upon the occurrence of an Event of Default or upon termination of a Lease pursuant to Section 3.03 hereof, full and unencumbered legal title to the Equipment shall pass to Lessor, and Lessee shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of such legal title to Lessor and the termination of Lessee's interest therein, and upon request by Lessor shall deliver possession of the Equipment to Lessor in accordance with Section 12.02. Upon purchase of the Equipment under a Lease by Lessee pursuant to Section 10.01, Lessor's security interest or other interest in the Equipment shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may request to evidence the termination of Lessor's security interest in the Equipment subject to the related Lease.

Section 6.02. Security Interest. To secure the payment of all of Lessee's obligations under each Lease, upon the execution of such Lease, Lessee grants to Lessor a security interest constituting a first lien on (a) the Equipment applicable to such Lease, (b) moneys and investments held from time to time in the Acquisition Fund and (c) any and all proceeds of any of the foregoing. Lessee agrees to execute and authorizes Lessor to file such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Equipment, the Acquisition Fund and the proceeds thereof.

Section 6.03. Personal Property. The Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

ARTICLE VII

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Equipment free of all levies, liens, and encumbrances except those created by each Lease. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and that the Equipment will therefore be exempt from all property taxes. If the use, possession or acquisition of any Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee shall pay such taxes or charges as the same may become due; *provided* that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during each Lease Term.

Section 7.02. Insurance. Lessee shall during each Lease Term maintain or cause to be maintained (a) casualty insurance naming Lessor and its assigns as loss payee and insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required by Lessor, in an amount at least equal to the then applicable Purchase Price of the Equipment; (b) liability insurance naming Lessor as additional insured that protects Lessor from liability in all events in form and amount satisfactory to Lessor; and (c) worker's compensation coverage as required by the laws of the State; *provided* that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clause (a). Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout each Lease Term. Lessee shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation or modification.

Section 7.03. Risk of Loss. Whether or not covered by insurance or self-insurance, Lessee hereby assumes all risk of loss of, or damage to and liability related to injury or damage to any persons or property arising from the Equipment from any cause whatsoever, and no such loss of or damage to or liability arising from the Equipment shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under this Lease. Whether or not covered by insurance or self-insurance, Lessee hereby agrees to reimburse Lessor (to the fullest extent permitted by applicable law, but only from legally available funds) for any and all liabilities, obligations, losses, costs, claims, taxes or damages suffered or incurred by Lessor, regardless of the cause thereof and all expenses incurred in connection therewith (including, without limitation, counsel fees and expenses, and penalties connected therewith imposed on interest received) arising out of or as a result of (a) entering into of this Agreement or any of the transactions contemplated hereby, (b) the ordering, acquisition, ownership use, operation, condition, purchase, delivery, acceptance, rejection, storage or return of any item the Equipment, (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person, and/or (d) the breach of any covenant of Lessee in connection with a Lease or any material misrepresentation provided by Lessee in connection with a Lease. The provisions of this paragraph shall continue in full force and effect notwithstanding the full payment of all

obligations under all Leases or the termination of the Lease Term under any Lease for any reason.

Section 7.04. Advances: In the event Lessee shall fail to keep the Equipment in good repair and working order, Lessor may, but shall be under no obligation to, maintain and repair the Equipment and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the due date until paid at a rate equal to the Contract Rate plus 5% per annum or the maximum amount permitted by law, whichever is less.

ARTICLE VIII

Section 8.01. Damage, Destruction and Condemnation. Unless Lessee shall have exercised its option to purchase the Equipment by making payment of the Purchase Price as provided in the related Lease, if, prior to the termination of the applicable Lease Term, (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

If Lessee elects to replace any item of the Equipment (the "*Replaced Equipment*") pursuant to this Section, the replacement equipment (the "*Replacement Equipment*") shall be of similar type, utility and condition to the Replaced Equipment and shall be of equal or greater value than the Replaced Equipment. Lessor shall receive a first priority security interest in any such Replacement Equipment. Lessee shall represent, warrant and covenant to Lessor that each item of Replacement Equipment is free and clear of all claims, liens, security interests and encumbrances, excepting only those liens created by or through Lessor, and shall provide to Lessor any and all documents as Lessor may reasonably request in connection with the replacement, including, but not limited to, documentation in form and substance satisfactory to Lessor evidencing Lessor's security interest in the Replacement Equipment. Lessor and Lessee hereby acknowledge and agree that any Replacement Equipment acquired pursuant to this paragraph shall constitute "Equipment" for purposes of this Agreement and the related Lease. Lessee shall complete the documentation of Replacement Equipment on or before the next Rental Payment date after the occurrence of a casualty event, or be required to exercise the Purchase Option with respect to the damaged equipment.

For purposes of this Article, the term "*Net Proceeds*" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

Section 8.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 8.01, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pay or cause to be paid to Lessor the amount of the then applicable Purchase Price for the Equipment, and, upon such payment, the applicable Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate as provided in Section 6.01 hereof. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing such Equipment and such other Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

ARTICLE IX

Section 9.01. Disclaimer of Warranties. Lessor makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Equipment, or any other warranty or representation, express or implied, with respect thereto and, as to Lessor, Lessee's acquisition of the Equipment shall be on an "as is" basis. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, any Lease, the Equipment or the existence, furnishing, functioning or Lessee's use of any item, product or service provided for in this Agreement or any Lease.

Section 9.02. Vendor's Warranties. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during each Lease Term, so long as Lessee shall not be in default under the related Lease, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against Vendor of the Equipment, and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor with respect to any Lease, including the right to receive full and timely payments under a Lease. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties relating to the Equipment.

ARTICLE X

Section 10.01. Purchase Option. Lessee shall have the option to purchase all of the Equipment listed in a Lease, at the following times and upon the following terms:

(a) From and after the date specified in the related Schedule (the "*Purchase Option Commencement Date*"), on the Rental Payment dates specified in each Lease, upon not less than 30 days' prior written notice, and upon payment in full of the Rental Payments then due under such Lease plus the then applicable Purchase Price, which may include a prepayment premium on the unpaid balance as set forth in the applicable Schedule; or

(b) In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in a Lease, on the day specified in Lessee's notice to Lessor of its exercise of the purchase option (which shall be the earlier of the next Rental Payment date or 60 days after the casualty event) upon payment in full to Lessor of the Rental Payments then due under such Lease plus the then applicable Purchase Price; or

(c) Upon the expiration of the Lease Term, upon payment in full of all Rental Payments then due and all other amounts then owing under the Lease, and the payment of \$1.00 to Lessor.

After payment of the applicable Purchase Price, Lessee will own the related Equipment, and Lessor's security interests in and to such Equipment will be terminated.

ARTICLE XI

Section 11.01. Assignment by Lessor.

(a) Lessor's right, title and interest in and to Rental Payments and any other amounts payable by Lessee under any and all of the Leases, its security interest in the Equipment subject to each such Lease, and all proceeds therefrom may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor, without the necessity of obtaining the consent of Lessee; *provided*, that any such assignment, transfer or conveyance to a trustee for the benefit of owners of certificates of participation shall be made in a manner that conforms to any applicable State law. Nothing in this Section 11.01 shall be construed, however, to prevent Lessor from executing any such assignment, transfer or conveyance that does not involve funding through the use of certificates of participation within the meaning of applicable State law, including any such assignment, transfer or conveyance as part of a multiple asset pool to a partnership or trust; *provided* such certificates are sold only on a private placement basis (and not pursuant to any "public offering") to a purchaser(s) who represent that (i) such purchaser has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment, (ii) such purchaser understands neither the Lease nor certificates will be registered under the Securities Act of 1933, (iii) such purchaser is either an "accredited investor" within the meaning of Regulation D under the Securities Act of 1933, or a qualified institutional buyer within the meaning of Rule 144A, and (iv) it is the intention of such purchaser to acquire such certificates (A) for investment for its own account or (B) for resale in a transaction exempt from registration under the Securities Act of 1933; *provided further*, that in any event, Lessee shall not be required to make Rental Payments, to send notices or to otherwise deal with respect to matters arising under a Lease with or to more than one individual or entity.

(b) Unless to an affiliate controlling, controlled by or under common control with Lessor, no assignment, transfer or conveyance permitted by this Section 11.01 shall be effective until Lessee shall have received a written notice of assignment that discloses the name and address of each such assignee; *provided*, that if such assignment is made to a bank or trust company as trustee or paying agent for owners of certificates of participation, trust certificates or partnership interests with respect to the Rental Payments payable under a Lease, it shall thereafter be sufficient that Lessee receives notice of the name and address of the bank or trust company as trustee or paying agent. During each Lease Term, Lessee shall keep, or cause to be

kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees designated in such register. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Lessee may have against Lessor or the Vendor. Assignments in part may include without limitation assignment of all of Lessor's security interest in and to the Equipment listed in a particular Lease and all rights in, to and under the Lease related to such Equipment. The option granted in this Section may be separately exercised from time to time with respect to the Equipment listed in each Lease, but such option does not permit the assignment of less than all of Lessor's interests in the Equipment listed in a single Lease.

(c) If Lessor notifies Lessee of its intent to assign the Lease, Lessee agrees that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment substantially in the form of Exhibit F attached to this Lease within five (5) business days after its receipt of such request.

Section 11.02. Assignment and Subleasing by Lessee. None of Lessee's right, title, and interest in, to and under any Lease or any portion of the Equipment may be assigned or encumbered by Lessee for any reason.

ARTICLE XII

Section 12.01. Events of Default Defined. Any of the following events shall constitute an "Event of Default" under a Lease:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid under any Lease within 10 days of the date when due as specified herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; *provided* that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to any Lease or its execution, delivery or performance shall prove to have been false, incorrect, misleading, or breached in any material respect on the date when made;

(d) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which Lessee is an obligor under which there is outstanding, owing or committed an aggregate amount of at least 10% of Lessee's aggregate current long- and short-term indebtedness, if such default consists of (i) the failure to pay any indebtedness when due or (ii) the failure to perform any other obligation thereunder and gives the holder of the indebtedness the right to accelerate the indebtedness;

(e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or

(f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator or Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 30 consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee pursuant to such Lease and other amounts payable by Lessee under such Lease to the end of the then current Original Term or Renewal Term to be due;

(b) With or without terminating the Lease Term under such Lease, Lessor may enter the premises where the Equipment listed in such Lease is located and retake possession of such Equipment or require Lessee at Lessee's expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee pursuant to such Lease and other amounts related to such Lease or the Equipment listed therein that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under such Lease, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 3.03. The exercise of any such remedies respecting any such Event of Default shall not relieve Lessee of any other liabilities under any other Lease or the Equipment listed therein; and

(c) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under such Lease or as a secured party in any or all of the Equipment subject to such Lease.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under a Lease now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any

such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice other than such notice as may be required in this Article.

Section 12.04. Application of Moneys. Any net proceeds from the exercise of any remedy under this Agreement, including the application specified in Section 12.02(b)(ii) (after deducting all expenses of Lessor in exercising such remedies including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing Equipment and all brokerage, auctioneer's or attorney's fees), shall be applied as follows:

(a) If such remedy is exercised solely with respect to a single Lease, Equipment listed in such Lease or rights thereunder, then to amounts due pursuant to such Lease and other amounts related to such Lease or such Equipment.

(b) If such remedy is exercised with respect to more than one Lease, Equipment listed in more than one Lease or rights under more than one Lease, then to amounts due pursuant to such Leases pro rata.

ARTICLE XIII

Section 13.01. Notices. All notices, certificates or other communications under any Lease shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile transmission (with electronic confirmation) to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party) and to any assignee at its address as it appears on the registration books maintained by Lessee.

Section 13.02. Binding Effect. Each Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.04. Amendments, Changes and Modifications. This Agreement and each Lease may only be amended by Lessor and Lessee in writing.

Section 13.05. Execution in Counterparts. This Agreement and each Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.06. Applicable Law. This Agreement and each Lease shall be governed by and construed in accordance with the laws of the State.

Section 13.07. Captions. The captions or headings in this Agreement and in each Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement or any Lease.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:

Banc of America Public Capital Corp.
555 California Street, 4th Floor
San Francisco, California 94104
Attention: Contract Administration
Fax No.: (415) 765-7373

LESSEE:

City of Oxnard, California
300 West Third Street, Suite 302
Oxnard, California 93030
Attention: Rena Bassett
Fax No.: _____

By: Bridgett Arnold
Name: Bridgett Arnold
Title: Authorized Agent

By: _____
Name: _____
Title: _____

(Seal)

Attest:

By: James Cameron
Name: _____
Title: _____

List of Exhibits

- Exhibit A -- Acquisition Fund and Account Control Agreement
- Exhibit B-1 -- Schedule of Property
- Exhibit B-2 -- Rental Payment Schedule
- Exhibit C -- Certificate
- Exhibit D -- Opinion of Counsel Form
- Exhibit E -- Acceptance Certificate
- Exhibit F -- Notice and Acknowledgement of Assignment

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:

Banc of America Public Capital Corp.
555 California Street, 4th Floor
San Francisco, California 94104
Attention: Contract Administration
Fax No.: (415) 765-7373

By: _____
Name: _____
Title: _____

LESSEE:

City of Oxnard, California
300 West Third Street, Suite 302
Oxnard, California 93030
Attention: Rena Bassett
Fax No.: _____

By: 
Name: Carmen Ramirez,
Title: Mayor Pro Tem

(Seal)

Attest:

By: 
Name: James Cameron
Title: Chief Financial Officer

List of Exhibits

- Exhibit A -- Acquisition Fund and Account Control Agreement
- Exhibit B-1 -- Schedule of Property
- Exhibit B-2 -- Rental Payment Schedule
- Exhibit C -- Certificate
- Exhibit D -- Opinion of Counsel Form
- Exhibit E -- Acceptance Certificate
- Exhibit F -- Notice and Acknowledgement of Assignment

EXHIBIT A

ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT

(Will be provided upon request)

EXHIBIT B-1

SCHEDULE OF PROPERTY NO. ____

Re: Master Equipment Lease/Purchase Agreement, dated as of April 8, 2014,
between Banc of America Public Capital Corp., as Lessor, and City of
Oxnard, California, as Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the "*Master Equipment Lease*").

2. *Equipment.* The following items of Equipment are hereby included under this Schedule of the Master Equipment Lease.

Quantity	Description	Serial No.	Model No.	Location

3. *Payment Schedule.*

(a) *Rental Payments.* The Rental Payments shall be in such amounts and payable on such dates as set forth in the Rental Payment Schedule attached to this Schedule as Exhibit _____. Rental Payments shall commence on the date on which the Equipment listed in this Schedule is accepted by Lessee, as indicated in an Acceptance Certificate substantially in the form of Exhibit E to the Master Equipment Lease or the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an Acquisition Fund Custodian, whichever is earlier.

(b) *Purchase Price Schedule.* The Purchase Price on each Rental Payment date for the Equipment listed in this Schedule shall be the amount set forth for such Rental Payment date in the "Purchase Price" column of the Rental Payment Schedule attached to this Schedule. The Purchase Price is in addition to all Rental Payments then due under this Schedule (including the Rental Payment shown on the same line in the Rental Payment Schedule).

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Master Equipment Lease are true and correct as though made on the date of commencement of Rental Payments on this Schedule. Lessee further represents and warrants that (a) no material adverse change in Lessee's financial condition has occurred since the date of the Master Equipment Lease; (b) the governing body of Lessee has authorized the execution and delivery of this

Agreement and the Leases pursuant to [Resolution No. _____] [Ordinance No. _____], approved on _____, 20____; (c) the Equipment described in the Agreement referenced above is essential to the functions of Lessee or to the services Lessee provides its citizens; (d) lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (f) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Master Equipment Lease (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated into this Schedule by reference and made a part hereof.

[OPTION: IF ACQUISITION FUND AGREEMENT IS USED:

6. *Lease Proceeds.* The Lease Proceeds which Lessor shall pay to the Acquisition Fund Custodian in connection with this Schedule is \$_____, of which \$_____ is for deposit to the Expense Fund and the balance is for deposit to the Acquisition Fund. It is expected that by [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Schedule No. _____, Lessee will have taken possession of all items of Equipment shown above and that a Lessee's Acceptance Certificate, or Acceptance Certificates, will be signed by Lessee and delivered to Lessor on or before [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Schedule No. _____.

OR IF VENDOR PAID DIRECTLY USE:

6. *Acquisition Amount.* The Acquisition Amount for the Equipment described in this Schedule to be paid to the Vendor is \$_____.]

[OPTION: IF ACQUISITION FUND AGREEMENT IS USED:

7. *Acquisition Period.* The Acquisition Period applicable to this Schedule shall end at the conclusion of the ____ month following the date hereof.]

[7][8]. *Lease Term.* The Lease Term shall consist of the Original Term and ____ consecutive Renewal Terms, with the final Renewal Term ending on _____.

[8][9]. *Purchase Option Commencement Date.* For purposes of Section 10.01 of the Lease, the Purchase Option Commencement Date is _____.

[OPTION: IF NO ACQUISITION FUND AGREEMENT IS USED:

[9][10]. *Utilization Period Expiration.* The Utilization Period Expiration is _____.]

[10][11]. *Maximum Equipment Cost.* The Maximum Equipment Cost approved on a cumulative basis under the Lease for this Schedule and all previous Schedules is \$_____.

[11][12]. *Contract Rate.* The Contract Rate for this Schedule is _____%.

[OPTION: IF MOTOR VEHICLES ARE BEING FINANCED:

[12][13]. *Registration.* Any Equipment that is a motor vehicle is to be registered and titled as follows:

Any Equipment that is a motor vehicle is to be registered and titled as follows:

- (a) Registered Owner: City of Oxnard, California
- (b) Lienholder: Banc of America Public Capital Corp.
555 California Street, 4th Floor
Mail Code CA5-705-04-01
San Francisco, California 94104

Lessee shall be responsible for the correct titling of all Equipment leased hereunder. Lessee will cause the original Certificates of Title to be delivered to Lessor for retention in Lessor's files throughout the term of the Lease.

Dated: _____

LESSOR:
Banc of America Public Capital Corp.
555 California Street, 4th Floor
San Francisco, California 94104
Attention: Contract Administration

LESSEE:
City of Oxnard, California
300 West Third Street, Suite 302
Oxnard, California 93030
Attention: Rena Bassett

By: _____
Name: _____
Title: _____

EXHIBIT ONLY-DO NOT EXECUTE

By: _____
Name: _____
Title: _____

(Seal)

Attest:

By: _____
Name: _____
Title: _____

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent that this Lease constitutes chattel paper (as defined in the Uniform Commercial Code), no security interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

EXHIBIT B-2

RENTAL PAYMENT SCHEDULE

Rental Payment Date	Rental Payment Amount	Interest Portion	Principal Portion	Outstanding Balance	Purchase Price [excluding Prepayment Premium]

Prepayment Premium for purposes of Section 10.01(a) is [insert formula] .

For purposes of this Lease, "*Taxable Rate*," with respect to the interest component of Rental Payments, means an annual rate of interest equal to ____%.

LESSEE:
City of Oxnard, California

EXHIBIT ONLY-DO NOT EXECUTE

By: _____

Name: _____

Title: _____

EXHIBIT C

CERTIFICATE

The undersigned, a duly elected and acting _____ [Secretary] [City Clerk] of City of Oxnard, California ("*Lessee*") certifies as follows:

A. The following listed persons are duly elected and acting officials of Lessee (the "*Officials*") in the capacity set forth opposite their respective names below and that the facsimile signatures are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Master Equipment Lease/Purchase Agreement dated as of April 8, 2014 and the Schedule(s) thereunder and all future Schedule(s) (the "*Agreements*") by and between Lessee and Banc of America Public Capital Corp., and these Agreements are binding and authorized Agreements of Lessee, enforceable in all respects in accordance with their terms.

Name of Official	Title	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dated: _____

EXHIBIT ONLY-DO NOT EXECUTE

By: _____

Name: _____

Title: _____

(The signer certifying this Certificate cannot be listed above as authorized to execute the Agreements.)

EXHIBIT D

OPINION OF COUNSEL TO LESSEE (to be typed on letterhead of counsel)

Banc of America Public Capital Corp.
555 California Street, 4th Floor
San Francisco, California 94104

Re: Schedule of Property No. _____, dated _____, to Master Equipment Lease/Purchase Agreement, dated as of April 8, 2014, between Banc of America Public Capital Corp., as Lessor, and City of Oxnard, California, as Lessee

Ladies and Gentlemen:

As legal counsel to City of Oxnard, California ("*Lessee*"), I have examined (a) an executed counterpart of a certain Master Equipment Lease/Purchase Agreement, dated as of April 8, 2014, and Exhibits thereto by and between Banc of America Public Capital Corp. ("*Lessor*") and Lessee (the "*Agreement*") and an executed counterpart of Schedule of Property No. _____, dated _____, by and between Lessor and Lessee (the "*Schedule*"), which, among other things, provides for the lease of certain property listed in the Schedule (the "*Equipment*") and a certain Acquisition Fund and Account Control Agreement among Lessor, Lessee, and _____ as Acquisition Fund Custodian, dated _____, (b) an executed counterpart of the ordinances or resolutions of Lessee which, among other things, authorize Lessee to execute the Agreement and the Schedule and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Schedule and the terms and provisions of the Agreement incorporated therein by reference together with the Rental Payment Schedule attached to the Schedule are herein referred to collectively as the "*Lease*", and the Lease and the Acquisition Fund and Account Control Agreement are referred to collectively as the "*Transaction Documents*."

Based on the foregoing, I am of the following opinions:

1. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and [has a substantial amount of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power][is a political subdivision of a state within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "*Code*") and the obligations of Lessee under the Agreement will constitute an obligation of Lessee within the meaning of Section 103(a) of the Code, notwithstanding Section 103(b) of the Code].

2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Lease.

3. The Lease has been duly authorized, approved, executed and delivered by and on behalf of Lessee and the Transaction Documents are valid and binding obligations of Lessee enforceable in accordance with their respective terms.

4. The authorization, approval, execution and delivery of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws; and

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment or other collateral thereunder.

[6. The portion of rentals designated as and constituting interest paid by Lessee and received by Lessor is excluded from Lessor's gross income for federal income tax purposes under Section 103 of the Code and is exempt from State of _____ personal income taxes; and such interest is not a specific item of tax preference or other collateral for purposes of the federal individual or corporate alternative minimum taxes.]

All capitalized terms herein shall have the same meanings as in the Transaction Documents unless otherwise provided herein. Lessor and its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments, are entitled to rely on this opinion.

Printed Name: _____

Signature: _____

Firm: _____

Dated: _____

Address: _____

Telephone No.: _____

EXHIBIT E

ACCEPTANCE CERTIFICATE

Banc of America Public Capital Corp.
555 California Street, 4th Floor
San Francisco, California 94104

Re: Schedule of Property No. _____, dated _____, to
Master Equipment Lease/Purchase Agreement, dated as of April 8, 2014,
between Banc of America Public Capital Corp., as Lessor, and City of
Oxnard, California, as Lessee

Ladies and Gentlemen:

In accordance with the Master Equipment Lease/Purchase Agreement (the "*Agreement*"),
the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Equipment (as such term is defined in the Agreement) listed in the
above-referenced Schedule of Property (the "*Schedule*") has been delivered, installed and
accepted on the date hereof.

2. Lessee has conducted such inspection and/or testing of the Equipment listed in the
Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the
Equipment for all purposes.

3. Lessee is currently maintaining the insurance coverage required by Section 7.02
of the Agreement.

4. No event or condition that constitutes, or with notice or lapse of time, or both,
would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

Date: _____

LESSEE:
City of Oxnard, California

EXHIBIT ONLY-DO NOT EXECUTE

By: _____

Name: _____

Title: _____

(Seal)

EXHIBIT F

NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT

DATED _____

BANC OF AMERICA PUBLIC CAPITAL CORP. ("Assignor") hereby gives notice that it has assigned and sold to [_____] ("Assignee") all of Assignor's right, title and interest in, to and under [Schedule of Property] No. [____], dated [_____] (the "Lease") to the Master Equipment Lease/Purchase Agreement ("Equipment Lease") dated as of [____], between Assignor and _____ ("Lessee").

For purposes of this Notice and Acknowledgment of Assignment (the "Acknowledgment"), "Lease" means collectively the Lease identified above, together with all exhibits, schedules, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith. The term "Lease" specifically excludes all other [Schedules of Property] entered into under the Equipment Lease and rental payments other than with respect to the [Schedule of Property] identified above. Each capitalized term used but not defined herein has the meaning set forth in the Equipment Lease described above.

1. Pursuant to the authority of Resolution _____ adopted on _____, Lessee hereby acknowledges the effect of the assignment of the Lease and absolutely and unconditionally agrees to deliver to Assignee all rental payments and other amounts coming due under the Lease in accordance with the terms thereof on and after the date of this Acknowledgment.

2. Lessee hereby agrees that: (i) Assignee shall have all the rights of Lessor under the Lease and all related documents, including, but not limited to, the rights to issue or receive all notices and reports, to give all consents or agreements to modifications thereto, to receive title to the equipment in accordance with the terms of the Lease, to declare a default and to exercise all remedies thereunder; and (ii) except as provided in Section [____] of the Lease, the obligations of Lessee to make rental payments and to perform and observe the other covenants and agreements contained in the Lease shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense.

3. Lessee agrees that, as of the date of this Acknowledgment, the following information about the Lease is true, accurate and complete:

Number of Rental Payments Remaining	—	_____
Amount of Each Rental Payment	—	\$ _____
Total Amount of Rents Remaining	—	\$ _____
Frequency of Rental Payments	—	_____

Next Rental Payment Due — _____

Funds Remaining in Escrow Fund — \$ _____

4. The Lease remains in full force and effect, has not been amended and no nonappropriation or event of default (or event which with the passage of time or the giving of notice or both would constitute a default) has occurred thereunder.

5. Any inquiries of Lessee related to the Lease and any requests for escrow disbursements, if applicable, and all rental payments and other amounts coming due pursuant to the Lease on and after the date of this Acknowledgment should be remitted to Assignee at the following address (or such other address as provided to Lessee in writing from time to time by Assignee):

ACKNOWLEDGED AND AGREED:

LESSEE: _____
[FOR EXHIBIT PURPOSES ONLY]

By: _____
Name: _____
Title: _____

ASSIGNOR: BANC OF AMERICA PUBLIC CAPITAL CORP.
[FOR EXHIBIT PURPOSES ONLY]

By: _____
Name: _____
Title: _____

SCHEDULE OF PROPERTY NO. 24

Re: Master Equipment Lease/Purchase Agreement, dated as of April 8, 2014,
between Banc of America Public Capital Corp, as Lessor, and City of
Oxnard, California, as Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the “*Master Equipment Lease*”). For purposes of this Schedule the following defined terms in the Master Equipment Lease shall be defined as the following:

a. The Acquisition Fund shall be deemed the Oxnard Equipment Escrow Account created under the Acquisition Fund Agreement.

b. The Acquisition Fund Agreement shall be deemed that certain Escrow and Account Control Agreement, dated as of October 26, 2021, by and among Lessor, Lessee and the Acquisition Fund Custodian.

c. The Acquisition Fund Custodian shall be deemed Bank of America, National Association, as Escrow Agent under the Escrow and Account Control Agreement, dated as of October 26, 2021, by and among Lessor, Lessee and the Bank of America, National Association.

2. *Equipment.* The following items of Equipment are hereby included under this Schedule of the Master Equipment Lease.

Refuse Collection Trucks, Transfer Trailers and Semi-Tractor Transfer Vehicles, as further described in each Disbursement Request under the Escrow Agreement, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto as provided in the Agreement

3. *Payment Schedule.*

(a) *Rental Payments.* The Rental Payments shall be in such amounts and payable on such dates as set forth in the Rental Payment Schedule attached to this Schedule as Exhibit B. Rental Payments shall commence on the date on which the Equipment listed in this Schedule is accepted by Lessee, as indicated in an Acceptance Certificate substantially in the form of Exhibit E to the Master Equipment Lease or the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an Acquisition Fund Custodian, whichever is earlier.

(b) *Purchase Price Schedule.* The Purchase Price on each Rental Payment date for the Equipment listed in this Schedule shall be the amount set forth for such Rental Payment date in the “Purchase Price” column of the Rental Payment Schedule attached to this Schedule. The Purchase Price is in addition to all Rental Payments then due under this Schedule (including the Rental Payment shown on the same line in the Rental Payment Schedule).

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Master Equipment Lease are true and correct as though made on the date of commencement of Rental Payments on this Schedule. Lessee further represents and warrants that (a) no material adverse change in Lessee's financial condition has occurred since the date of the Master Equipment Lease; (b) the governing body of Lessee has authorized the execution and delivery of this Agreement and the Leases pursuant to Agenda Item No. _____, approved on _____, 2021; (c) the Equipment described in the Agreement referenced above is essential to the functions of Lessee or to the services Lessee provides its citizens; (d) lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (f) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Master Equipment Lease (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated into this Schedule by reference and made a part hereof.

6. *Lease Proceeds.* The Lease Proceeds which Lessor shall pay to the Acquisition Fund Custodian in connection with this Schedule is \$10,255,000.00, of which \$10,255,000.00 is for deposit to the Acquisition Fund. It is expected that by eighteen (18) months from the date of this Schedule of Property No. 24, Lessee will have taken possession of all items of Equipment shown above and that a Lessee's Acceptance Certificate, or Acceptance Certificates, will be signed by Lessee and delivered to Lessor on or eighteen (18) months from the date of this Schedule of Property No. 24.

7. *Acquisition Period.* The Acquisition Period applicable to this Schedule shall end at the conclusion of the 18th month following the date hereof.

8. *Lease Term.* The Lease Term shall consist of the Original Term and (7) seven consecutive Renewal Terms, with the final Renewal Term ending on June 1, 2028.

9. *Purchase Option Commencement Date.* For purposes of Section 10.01 of the Lease, the Purchase Option Commencement Date is December 1, 2024.

10. *Maximum Equipment Cost.* The Maximum Equipment Cost approved on a cumulative basis under the Lease for this Schedule and all previous Schedules is \$20,255,000.00.

11. *Contract Rate.* The Contract Rate for this Schedule is 1.4549%.

12. *Registration.* Any Equipment that is a motor vehicle is to be registered and titled as follows:

- (a) Registered Owner: City of Oxnard, California
- (b) Lienholder: Banc of America Public Capital Corp
Northeast Center Building
2059 Northlake Parkway
Tucker, GA 30084-5321

Lessee shall be responsible for the correct titling of all Equipment leased hereunder. Lessee will cause the original Certificates of Title to be delivered to Lessor for retention in Lessor's files throughout the term of the Lease.

[Remainder of page intentionally left blank; signature page follows]

Dated: _____

LESSOR:

Banc of America Public Capital Corp
555 California Street, 4th Floor
San Francisco, California 94104
Attention: Contract Administration

LESSEE:

City of Oxnard, California
300 West Third Street, Suite 302
Oxnard, California 93030
Attention: Rena Bassett

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

(Seal)

Attest:

By: _____

Name: _____

Title: _____

Counterpart No. _____ of _____ manually executed and serially numbered counterparts.
To the extent that this Lease constitutes chattel paper (as defined in the Uniform Commercial Code), no security interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

EXHIBIT B

RENTAL PAYMENT SCHEDULE

Rental Payment Date	Rental Payment Amount	Interest Portion	Principal Portion	Outstanding Balance	Purchase Price
10/26/2021	-	-	-	10,255,000.00	N/A
12/1/2021	768,594.56	14,505.56	754,089.00	9,500,911.00	N/A
6/1/2022	768,594.38	69,114.38	699,480.00	8,801,431.00	N/A
12/1/2022	768,594.01	64,026.01	704,568.00	8,096,863.00	N/A
6/1/2023	768,594.63	58,900.63	709,694.00	7,387,169.00	N/A
12/1/2023	768,593.96	53,737.96	714,856.00	6,672,313.00	N/A
6/1/2024	768,593.74	48,537.74	720,056.00	5,952,257.00	N/A
12/1/2024	768,593.69	43,299.69	725,294.00	5,226,963.00	5,226,963.00
6/1/2025	768,594.54	38,023.54	730,571.00	4,496,392.00	4,496,392.00
12/1/2025	768,594.00	32,709.00	735,885.00	3,760,507.00	3,760,507.00
6/1/2026	768,593.81	27,355.81	741,238.00	3,019,269.00	3,019,269.00
12/1/2026	768,594.67	21,963.67	746,631.00	2,272,638.00	2,272,638.00
6/1/2027	768,594.31	16,532.31	752,062.00	1,520,576.00	1,520,576.00
12/1/2027	768,594.43	11,061.43	757,533.00	763,043.00	763,043.00
6/1/2028	768,593.76	5,550.76	763,043.00	0.00	0.00
Total	10,760,318.49	505,318.49	10,255,000.00		

Prepayment Premium for purposes of Section 10.01(a) is 0.00%.

For purposes of this Lease, “*Taxable Rate*,” with respect to the interest component of Rental Payments, means an annual rate of interest equal to 1.8569%.

LESSEE:
City of Oxnard, California

By: _____

Name: _____

Title: _____

EXHIBIT I

Escrow and Account Control Agreement

This Escrow and Account Control Agreement (this "Agreement"), dated as of October 26, 2021 by and among Banc of America Public Capital Corp, a Kansas corporation (together with its successors and assigns, hereinafter referred to as "Lessor"), the City of Oxnard, California, a municipal corporation organized and existing under the laws of the State of California (hereinafter referred to as "Lessee") and Bank of America, National Association, a national banking association organized under the laws of the United States of America (hereinafter referred to as "Escrow Agent").

Reference is made to that certain Master Equipment Lease/Purchase Agreement dated as of April 8, 2014 between Lessor and Lessee (hereinafter referred to as the "Lease"), covering the acquisition and lease of certain Equipment described therein (the "Equipment"). It is a requirement of the Lease that the Acquisition Amount \$10,255,000.00 be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Creation of Escrow Account.

(a) There is hereby created an escrow fund to be known as the "Oxnard Equipment Escrow Account" (the "Escrow Account") to be held by the Escrow Agent for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) Lessee may, from time to time, provide written instructions for Escrow Agent to use any available cash in the Escrow Account to purchase any money market fund or liquid deposit investment vehicle that Escrow Agent from time to time makes available to the parties hereto. Such written instructions shall be provided via delivery to Escrow Agent of a signed and completed Escrow Account Investment Selection Form (such form available from Escrow Agent upon request). All funds invested by Escrow Agent at the direction of Lessee in such short-term investments (as more particularly described in Escrow Agent's Escrow Account Investment Selection Form) shall be deemed to be part of the Escrow Account and subject to all the terms and conditions of this Agreement. If any cash is received for the Escrow Account after the cut-off time for the designated short-term investment vehicle, the Escrow Agent shall hold such cash uninvested until the next Business Day. In the absence of written instructions from Lessee (on Escrow Agent's Escrow Account Investment Selection Form) designating a short-term investment of cash in the Escrow Account, cash in the Escrow Account shall remain uninvested and it shall not be collateralized. Escrow Agent shall have no obligation to pay interest on cash in respect of any period during which it remains uninvested. Lessee shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified

Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Escrow Agent for the reinvestment of any maturing investment. Accordingly, neither the Escrow Agent nor Lessor shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Account, and Lessee agrees to and does hereby release the Escrow Agent and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Escrow Account shall become part of the Escrow Account, and gains and losses on the investment of the moneys on deposit in the Escrow Account shall be borne by the Lessee. The Escrow Agent shall have no discretion whatsoever with respect to the management, disposition or investment of the Escrow Account. The Escrow Agent shall not be responsible for any market decline in the value of the Escrow Account and has no obligation to notify Lessor and Lessee of any such decline or take any action with respect to the Escrow Account, except upon specific written instructions stated herein. For purposes of this Agreement, "Qualified Investments" means any investments which meet the requirements of California State law.

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, Lessee shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Escrow Account on or after the earlier of (i) the expiration of the Acquisition Period or (ii) the date on which Lessee executes an Acceptance Certificate shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account, (ii) the date on which Lessee executes a Final Acceptance Certificate or (iii) written notice given by Lessor of the occurrence of an Event of Default under the Lease or termination of the Lease due to an Event of Non-appropriation. Notwithstanding the foregoing, this Agreement shall not terminate nor shall the Escrow Account be closed until all funds deposited hereunder have been disbursed.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. Notwithstanding and without limiting the generality of the foregoing, concurrent with the execution of this Agreement, Lessee and Lessor, respectively, shall deliver to the Escrow Agent an authorized signers form in the form of Exhibit A-1 (Lessee) and Exhibit A-2 (Lessor) attached hereto. Notwithstanding the foregoing sentence, the Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the parties or by a person or persons authorized by the parties. The Escrow Agent specifically allows for receiving direction by

written or electronic transmission from an authorized representative with the following caveat, Lessee and Lessor agree to indemnify and hold harmless the Escrow Agent against any and all claims, losses, damages, liabilities, judgments, costs and expenses (including reasonable attorneys' fees) (collectively, "Losses") incurred or sustained by the Escrow Agent as a result of or in connection with the Escrow Agent's reliance upon and compliance with instructions or directions given by written or electronic transmission given by each, respectively, provided, however, that such Losses have not arisen from the gross negligence or willful misconduct of the Escrow Agent, it being understood that forbearance on the part of the Escrow Agent to verify or confirm that the person giving the instructions or directions, is, in fact, an authorized person shall not be deemed to constitute gross negligence or willful misconduct.

In the event conflicting instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement; and in connection therewith, does to the extent permitted by law indemnify the Escrow Agent against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action including an interpleader action to resolve the disagreement. The Escrow Agent shall be reimbursed by Lessee for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Lease until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses, including those of the Escrow Agent's attorneys, agents and employees incurred for non-routine administration of the Escrow Account and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of Default under the Lease, any termination of the Lease due to an Event of Non-appropriation or in connection with any dispute between Lessor and Lessee concerning the Escrow Account.

(j) The Escrow Agent or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the "Effective Date"), which shall be a date not less than 60 days after such notice is

delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Escrow Agent shall be under no further obligation except to hold the Escrow Account in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Escrow Account.

(k) The Escrow Agent shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no implied duties responsibilities or obligations shall be read into this Agreement.

2. Acquisition of Property.

(a) Acquisition Contracts. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Escrow Account. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof. Escrow Agent shall have no duty to monitor or enforce Lessee's compliance with the foregoing covenant.

(b) Authorized Escrow Account Disbursements. It is agreed as between Lessee and Lessor that disbursements from the Escrow Account shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Equipment and to pay a portion of the City's costs of issuance.

(c) Requisition Procedure. No disbursement from the Escrow Account shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Escrow Account there shall be filed with the Escrow Agent a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due. All disbursements shall be made by wire transfer. The Escrow Agent is authorized to obtain and rely on confirmation of such Disbursement Request and payment instructions by telephone call-back to the person or persons designated for verifying such requests on Exhibit A-2 (such person verifying the request shall be different than the person initiating the request). The Lessor and Lessee hereby confirm that any call-back performed by Escrow Agent to verify a disbursement instruction pursuant to a Disbursement Request submitted pursuant to this Section 2(c) before release, shall be made to Lessor only and Escrow Agent shall have no obligation to call-back Lessee.

Each such Disbursement Request shall be signed by an authorized representative of Lessee (an "Authorized Representative") and by Lessor, and shall be subject to the following conditions, which Escrow Agent shall conclusively presume have been satisfied at such time as a requisition executed by Lessee and Lessor is delivered to it:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule 1; and
2. Delivery to Lessor of copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to such Equipment has passed to Lessee) therefor as required by Section 3.04 of the Lease and any additional documentation reasonably requested by Lessor.

Lessee and Lessor agree that their execution of the form attached hereto as Schedule 1 and delivery of the executed form to Escrow Agent confirms that all of the requirements and conditions with respect to disbursements set forth in this Section 2 have been satisfied.

3. Deposit to Escrow Account. Upon satisfaction of the conditions specified in Section 3.04 of the Lease, Lessor will cause the Acquisition Amount to be deposited in the Escrow Account. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Escrow Account.

4. Excessive Escrow Account. Upon receipt of written instructions from Lessor including a representation that one of the following conditions has been satisfied (upon which representation Escrow Agent shall conclusively rely), any funds remaining in the Escrow Account on or after the earlier of (a) the expiration of the Acquisition Period or (b) the date on which Lessee executes an Acceptance Certificate, or upon a termination of the Escrow Account as otherwise provided herein, shall be distributed by the Escrow Agent to the Lessor in order for the Lessor to apply such funds to amounts owed by Lessee under the Lease in accordance with Section 4.07 of the Lease.

5. Security Interest. The Escrow Agent and Lessee acknowledge and agree that the Escrow Account and all proceeds thereof are being held by Escrow Agent for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Escrow Account, and all proceeds thereof, and all investments made with any amounts in the Escrow Account. If the Escrow Account, or any part thereof, is converted to investments as set forth in this Agreement, such investments shall be made in the name of Escrow Agent and the Escrow Agent hereby agrees to hold such investments as bailee for Lessor so that Lessor is deemed to have possession of such investments for the purpose of perfecting its security interest.

6. Control of Escrow Account. In order to perfect Lessor's security interest by means of control in (i) the Escrow Account established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Escrow Account, (iii) all of Lessee's rights in respect of the Escrow Account, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 6 which are defined in the Commercial Code of the State of California ("Commercial Code") but are not otherwise defined herein shall

have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Escrow Agent will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Provided that account investments shall be held in the name of the Escrow Agent, Escrow Agent hereby represents and warrants (a) that the records of Escrow Agent show that Lessee is the sole owner of the Collateral, (b) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (c) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Lessee may effect sales, trades, transfers and exchanges of Collateral within the Escrow Account, but will not, without the prior written consent of Lessor, withdraw any Collateral from the Escrow Account. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Escrow Account. Further, Escrow Agent hereby agrees to comply with any and all written instructions delivered by Lessor to Escrow Agent (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders delivered by Lessor to Escrow Agent.

(g) Escrow Agent will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Escrow Agent will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Escrow Agent and Lessee hereby agree that any property held in the Escrow Account shall be treated as a financial asset under such section of the Commercial Code

as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party.

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Account statements or reports issued or sent to Lessee with respect to the Escrow Account.

7. Information Required Under USA PATRIOT ACT. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

8. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This Agreement may not be amended except in writing signed by all parties hereto. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below.

Notices and other communications hereunder may be delivered or furnished by electronic mail provided that any formal notice be attached to an email message in PDF format and provided further that any notice or other communication sent to an e-mail address shall be deemed received upon and only upon the sender's receipt of affirmative acknowledgement or receipt from the intended recipient. For purposes hereof no acknowledgement of receipt generated on an automated basis shall be deemed sufficient for any purpose hereunder or admissible as evidence of receipt.

If to Lessor:	Banc of America Public Capital Corp
	11333 McCormick Road
	Mail Code: MD5-032-07-05
	Hunt Valley, MD 21031
	Attn: Contract Administration
	Fax: (443) 541-3057

If to Lessee:	City of Oxnard, California 300 W. Third Street, Third Floor Oxnard, CA 93030 Attn: Betsy George, CFO Email: betsy.george@oxnard.org
If to Escrow Agent	Bank of America, National Association Global Custody and Agency Services 540 W. Madison Street Mail Code: IL4-540-21-03 Chicago, Illinois 60661 Attention: GCAS AMRS Escrow Service Telephone: (312) 992-3272 Fax: (312) 453-4443 Email: gcas_amrs_escrow_client_service@bofa.com

9. Lessee and Lessor understand and agree that they are required to provide the Escrow Agent with a properly completed and signed Tax Certification (as defined below) and that the Escrow Agent may not perform its duties hereunder without having been provided with such Tax Certification. As used herein "Tax Certification" shall mean an IRS form W-9 or W-8 as described above. The Escrow Agent will comply with any U.S. tax withholding or backup withholding and reporting requirements that are required by law. With respect to earnings allocable to a foreign person, the Escrow Agent will withhold U.S. tax as required by law and report such earnings and taxes withheld, if any, for the benefit of such foreign person on IRS Form 1042-S (or any other required form), unless such earnings and withheld taxes are exempt from reporting under Treasury Regulation Section 1.1461-1(c)(2)(ii) or under other applicable law. With respect to earnings allocable to a United States person, the Escrow Agent will report such income, if required, on IRS Form 1099 or any other form required by law. The IRS Forms 1099 and/or 1042-S shall show the Escrow Agent as payor and Lessee as payee. Escrow Agent shall recognize Lessee as the designated party for regulatory reporting purposes.

Lessee and Lessor agree that they are not relieved of their respective obligations, if any, to prepare and file information reports under Code Section 6041, and the Treasury regulations thereunder, with respect to amounts of imputed interest income, as determined pursuant to Code Sections 483 or 1272. The Escrow Agent shall not be responsible for determining or reporting such imputed interest.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the parties hereto consent to jurisdiction in the State of California and venue in any state or Federal court located in the County of Ventura.

11. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding. Any bank or corporation into which the Lessor

may be merged or with which it may be consolidated, or any bank or corporation to whom the Lessor may transfer a substantial amount of its business, shall be the successor to the Lessor without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

12. This Agreement may be amended, modified, and/or supplemented only by an instrument in writing executed by all parties hereto.

13. No party hereto shall assign its rights hereunder until its assignee has submitted to the Escrow Agent (i) Patriot Act disclosure materials and the Escrow Agent has determined that on the basis of such materials it may accept such assignee as a customer and (ii) assignee has delivered an IRS Form W-8 or W-9, as appropriate, to the Escrow Agent which the Escrow Agent has determined to have been properly signed and completed.

14. Escrow Agent will treat information related to this Agreement as confidential but, unless prohibited by law, Lessee and Lessor authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates and other representatives and advisors of Escrow Agent and third parties selected by any of them, wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Escrow Agent and any such subsidiary, officer, affiliate or third party may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessor will treat information related to this Agreement as confidential but, unless prohibited by law, Escrow Agent and Lessee authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates, other representatives and advisors of Lessor and debt and equity sources and third parties selected by any of them, and to their prospective assignees wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Lessor and any such subsidiary, officer, affiliate, debt and equity source or third party or prospective assignee may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessee will treat the terms of this Agreement as confidential except on a "need to know" basis to persons within or outside Lessee's organization (including affiliates of such party), such as attorneys, accountants, bankers, financial advisors, auditors and other consultants of such party and its affiliates, except as required by any law, court, regulator or legal process and except pursuant to the express prior written consent of the other parties, which consent shall not be unreasonably withheld;

In Witness Whereof, the parties have executed this Escrow and Account Control Agreement as of the date first above written.

Banc of America Public Capital Corp
as Lessor

City of Oxnard, California
as Lessee

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Bank of America, National Association
As Escrow Agent

By: _____

Name: _____

Title: _____

SCHEDULE 1
to the Escrow and Account Control Agreement

FORM OF DISBURSEMENT REQUEST

Re: Master Equipment Lease/Purchase Agreement dated as of April 8, 2014 by and between Banc of America Public Capital Corp, as Lessor, and City of Oxnard, California, as Lessee (the "Lease") (Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease.)

In accordance with the terms of the Escrow and Account Control Agreement, dated as of October 26, 2021 (the "Escrow and Account Control Agreement") by and among Banc of America Public Capital Corp ("Lessor"), the City of Oxnard, California ("Lessee") and Bank of America, National Association, (the "Escrow Agent"), the undersigned hereby requests the Escrow Agent pay the following persons the following amounts from the Escrow Account created under the Escrow and Account Control Agreement for the following purposes:

Disbursement Amounts:

Payee's Name and Address	Invoice Number	Dollar Amount	Purpose
	<invoice list OR "see attached" with a spreadsheet>		
	<invoice list OR "see attached" with a spreadsheet>		

Lessee hereby represents, covenants and warrants for the benefit of Lessor on the date hereof as follows:

(i) (a) Each obligation specified in the table herein titled as "Disbursement Amounts" has been incurred by Lessee in the stated amount, (b) the same is a proper charge against the Escrow Account for costs relating to the Equipment identified in the Lease, and (c) has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof).

(ii) Each item of Equipment relating to an obligation specified in the table herein titled as "Disbursement Amounts" has been delivered, installed and accepted by Lessee. Attached hereto is a copy of the invoice with respect to such obligation.

(iii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee).

(v) The Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof. No Event of Non-appropriation has occurred or is threatened with respect to the Lease.

(vii) The disbursement shall occur during the Acquisition Period.

(viii) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

(ix) No Material Adverse Change has occurred since the date of the execution and delivery of the Lease.

(x) The information in this Disbursement Request regarding each Payee, including their respective name, address and wiring instructions, (collectively, the "Payee Information") is true and correct, such Payee Information has been verified and confirmed by Lessee and the Lessor can rely on Lessee's verification and confirmation of the accuracy of such Payee Information. Lessee hereby acknowledges and agrees that any call-back performed by Lessor to verify the disbursement instructions pursuant to this Disbursement Request shall be made to Lessee only and Lessor shall have no obligation to call-back any Payee listed above.

Dated: _____

CITY OF OXNARD, CALIFORNIA

By: _____

Name: _____

Title: _____

Disbursement of funds from the Escrow
Account in accordance with the foregoing
Disbursement Request hereby is authorized

BANC OF AMERICA PUBLIC CAPITAL CORP
as Lessor under the Lease

By: _____

Name:

Title:

EXHIBIT A-1

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting City Clerk of the City of Oxnard, California ("*Lessee*") certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "*Officials*") in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Schedule of Property No. 24 dated as of October 26, 2021, to Master Equipment Lease/Purchase Agreement executed on April 8, 2014, by and between Lessee and Banc of America Public Capital Corp ("*Lessor*"), the Escrow and Account Control Agreement dated as of October 26, 2021 among Lessor, Lessee and Bank of America, National Association, as Escrow Agent, and all documents related thereto and delivered in connection therewith (collectively, the "*Agreements*"), and the Agreements each are the binding and authorized agreements of Lessee, enforceable in all respects in accordance with their respective terms.

Name of Official	Title	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dated: _____ By: _____
Name: _____
Title: _____

(The signer of this Certificate cannot be listed above as authorized to execute the Agreements.)

EXHIBIT A-2

Escrow and Account Control Agreement dated as of October 26, 2021 by and among Lessor, Lessee and Escrow Agent

Certificate of Authorized Representatives – [Lessor]

Name: Bridgett Arnold

Title: Authorized Agent

Phone: 415-765-1867

Facsimile: 415-765-7373

E-mail: Bridgett.arnold@bofa.com

Signature: *Bridgett Arnold*

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate
- ☒ Verify transactions initiated by others

Name: Jessica Perkins

Title: Authorized Agent

Phone: 410-854-5547

Facsimile: N/A

E-mail: Jessica.Perkins2@bofa.com

Signature: _____

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate
- ☒ Verify transactions initiated by others

Name: Augustine Reichenbach

Title: Authorized Agent

Phone: 443-541-2613

Facsimile: 904-312-6101

E-mail: Augustine.reichenbach@bofa.com

Signature: *Augustine Reichenbach*

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate
- ☒ Verify transactions initiated by others

Name: Kristen Turcone-Mariani

Title: Authorized Agent

Phone: 401-854-5525

Facsimile: N/A

E-mail: Kristen.turcone-mariani@bofa.com

Signature: *Kristen Turcone-Mariani*

Fund Transfer / Disbursement Authority Level:

- ☒ Initiate
- ☒ Verify transactions initiated by others

Name: Terri Preston

Title: Authorized Agent

Phone: 443-541-3642

Facsimile: 804-553-8124

E-mail: Terri.preston@bofa.com

Signature: _____

Fund Transfer / Disbursement Authority Level:

☒ Initiate
☒ Verify transactions initiated by others

Name: Alicia Cosby

Title: Operations Analyst

Phone: 443-541-3651

Facsimile: N/A

E-mail: Alicia.cosby@bofa.com

Signature: *Alicia Cosby*

Fund Transfer / Disbursement Authority Level:

☒ Initiate
☐ Verify transactions initiated by others

The Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the person or persons identified above including without limitation, to initiate and verify funds transfers as indicated.

Banc of America Public

Capital Corp. By: _____

Name:

Title:

City of Oxnard

2021 Equipment Lease (Environmental Resources Division Vehicle Acquisition)

PRESENTATION TO CITY COUNCIL
OCTOBER 19, 2021

NHA | ADVISORS
Financial & Policy Strategies.
Delivered.

Recommendation

- ▶ That City Council:
 - ❑ (i) Adopt a resolution authorizing the execution and delivery of Schedules of Property to the Master Equipment Lease/Purchase Agreement for the acquisition, financing and leasing of certain equipment for the public benefit within the terms provided herein; authorizing the execution and delivery of other documents required in connection therewith; and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution; and
 - ❑ (ii) Adopt a resolution declaring the intent of the City to be reimbursed for certain capital expenditures from the proceeds of indebtedness

Background and Vehicle Needs

- ▶ City's Environmental Resources Division has approximately \$10.2 million in vehicle needs
 - ❑ Approximately 43 vehicles with an average useful life of 7 years
 - ❑ Vehicles include residential side loaders, commercial front-end loaders, industrial vehicles, rear-loader vehicles, semi-tractor transfer vehicles, and transfer trailers

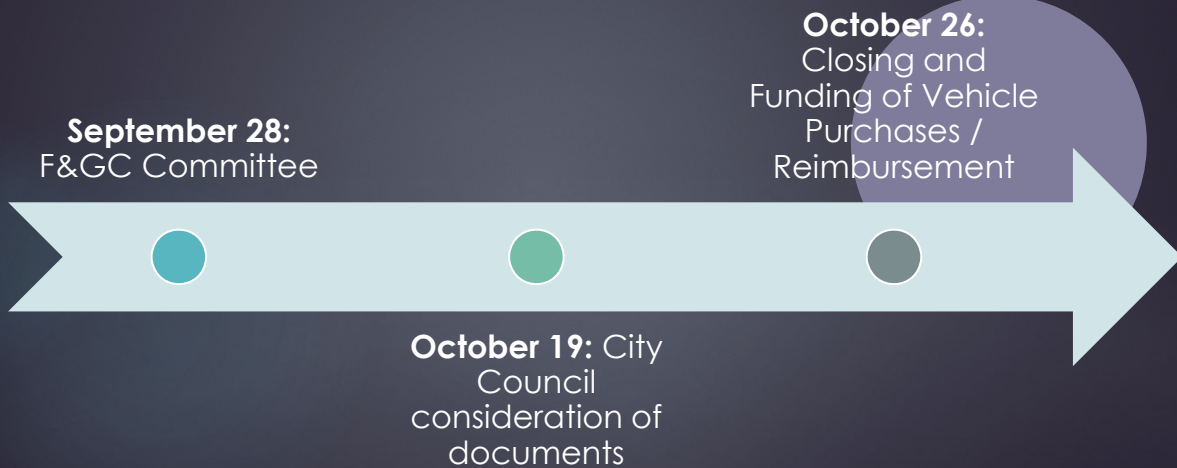
3

Financing Overview

- ▶ Capital Lease proposed to have 7-year term in line with useful life of vehicles
 - ❑ Strategically ties amortization of asset cost to use of asset
- ▶ Multiple proposals received; Bank of America (BoFA) had most advantageous terms
 - ❑ City currently has a Master Equipment Lease/Purchase Agreement with BoFA
 - ❑ Locked interest rate of 1.455% (locked through closing)
 - ❑ Level semi-annual debt service payments (~\$769,000)

4

Tentative Financing Schedule



5

Recommendation

► That City Council:

- ❑ (i) Adopt a resolution authorizing the execution and delivery of Schedules of Property to the Master Equipment Lease/Purchase Agreement for the acquisition, financing and leasing of certain equipment for the public benefit within the terms provided herein; authorizing the execution and delivery of other documents required in connection therewith; and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution; and
- ❑ (ii) Adopt a resolution declaring the intent of the City to be reimbursed for certain capital expenditures from the proceeds of indebtedness

6



Questions?

7



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.3

DATE: October 19, 2021

TO: City Council

FROM: Emilio Ramirez, Housing Director, (805) 385-8094, emilio.ramirez@oxnard.org

SUBJECT: A Review of Rent Control and Tenant Protection Strategies (0/20/20)

RECOMMENDATION

That the City Council:

1. Conduct a review of potential strategies regarding tenant protection strategies;
2. Give direction to staff on the preferred components of the tenant protection strategies; and
3. Direct staff to return to the City Council for consideration of specific components of the tenant protection strategies.

Please click the following links to view the required Measure M pre-recorded presentation videos:

https://youtu.be/LqZg_0owRRk

<https://youtu.be/ahhQSt1FSZ4>

<https://youtu.be/ouubOulI2hk>

<https://youtu.be/tecvqLGQ9Gk>

BACKGROUND

Rent Control exists statewide per 2020's Assembly Bill (AB) 1482 Tenant Protection Act which is discussed extensively in the September 14th Community Services, Public Safety, Housing & Development Committee ("Committee") staff report titled: "A Review of Rent Control and Tenant Protection Strategies". The first problem with AB 1482 is that people are not aware of it. Second, there is no clear, easy way to enforce it.

Staff believes there is value in seeking to enforce the Tenant Protection Act because it offers opportunities to address substandard housing, wrongful evictions, and illegal rent increases. However, an additional rent control policy will most likely be ineffective to close the affordability gap, which is the primary problem with housing costs for many of Oxnard's residents. Rent control slows the rate of rent increases but it will not decrease the cost of housing.

The September 14th staff report and corresponding presentation are Attachments 1 and 2 to this report, and should be read in conjunction with this report. That staff report discusses the various causes that have led to the reality that the average resident cannot afford the cost of housing. Essentially, wages and income have remained relatively stagnant in Oxnard while housing prices, including rent, have increased significantly. This has led to a variety of social ills including substandard housing, overcrowding, unaffordable rents and, in some cases, homelessness. Landlords who illegally increase rents exacerbate the problem.

That report also discusses the history of rent control and its effectiveness to cure some of these social ills. Staff also reviews the current state of legislation in California, including the Costa Hawkins Act and the Ellis Act, which significantly preempt new rent control policy beyond the existing Tenant Protection Act enacted by the State of California in 2020.

At the September 14, 2021 Committee meeting staff was directed to offer the full City Council an opportunity to consider

the various tenant protection strategies. Please view the following link for the full agenda item here (<https://www.oxnard.org/city-meetings/>). The Measure M video associated with the item can be viewed at the following link: videos: <https://youtu.be/ahhQSt1FSZ4> and <https://youtu.be/tecvlgLGQ9Gk>

This report serves as:

1. A summary of the discussion at the September 14th Committee meeting.
2. A summary of the additional meetings that have taken place since the September 14th Committee meeting with Central Coast Alliance United for A Sustainable Economy (CAUSE) and the Apartment Association of Greater Los Angeles, Ventura County Coastal Association of Realtors, The California Apartment Association, and West Ventura County Business Alliance (“Housing Providers”).
3. Recommendations for tenant protection strategies from CAUSE and the Housing Providers.
4. Repeat of staff recommendations from the September 14th Committee staff report.

BACKGROUND:

Following the Committee meeting on September 14th staff held a meeting with the Housing Providers on September 24th. The meeting included: the Apartment Association of Greater Los Angeles, Ventura County Coastal Association of Realtors, The California Apartment Association, and the West Ventura County Business Alliance.

The City Manager and City Attorney have approached the District Attorney to discuss potentially prosecuting, under the District Attorney's authority, properties with severely deficient housing habitability conditions, as well as exploring options for enforcing the State's Rent Control law. The discussion is just beginning and will continue.

Staff also hosted a joint meeting with CAUSE and the Housing Providers on October 6th. Based on the joint meeting the following areas of common ground between CAUSE and the Housing Providers were found:

1. A need for education for both tenants and landlords on each of their rights and obligations including where the State Tenant Protection Act applies.
2. Empowering access to counsel.
3. Strengthening Code Enforcement efforts against substandard and overcrowded housing conditions.

As a part of this joint meeting, staff asked CAUSE and the Housing Providers to provide statements outlining their proposals for tenant protections strategies. Staff has included those statements verbatim below.

A STATEMENT FROM CAUSE

CAUSE recommends that the City Council direct staff to develop a local rent control ordinance that would provide stronger protections than the Tenants Protection Act (AB 1482) in three ways:

1. An annual cap on rent increases equivalent to the increase in the Consumer Price Index (CPI).
2. A requirement for landlords to pay three (3) months of median market rent to the current tenant as relocation assistance if they wish to conduct a no-fault eviction for an owner-move-in, demolition, or renovation of a unit.
3. The local rent control ordinance should be permanent unless repealed by the city council.

Improving AB 1482 Protections

Under AB 1482, rent stabilization is capped at 5% plus inflation or at 10%, whichever is lower. This high level for allowable rent increases is inadequate to protect vulnerable tenants in Oxnard who are already heavily rent burdened. The latest CPI increase of 4% means tenants are currently facing allowable rent increases of 9%, or \$137 for the median rent in Ventura County of \$1,519 for a one-bedroom apartment. Particularly in Oxnard's largest industry of agriculture, few

tenants can afford rent increases at this level. As the staff report notes, unaffordable rent poses a great challenge to most of the population in Oxnard- extreme rent increases push tenant households to the brink of homelessness and drive food insecurity in the city. Lowering the rent cap to CPI is the only way to provide immediate relief to low-income tenant families in Oxnard facing displacement while local and state leaders pursue long-term solutions to produce more affordable housing. California courts have found that a cap as low as 50% of CPI provides a “fair return” to landlords. Many municipal rent stabilization policies simply cap rents at CPI.

Additionally, under AB 1482, landlords are required to give tenants a reason for their eviction. Just causes such as nonpayment of rent, nuisance to other tenants, damage to property, and illegal activity continue to be legal with zero relocation assistance. However, tenants served “no fault” evictions (owner move-in, substantial remodel, demolishing the rental unit, etc.) receive only one month of relocation assistance from their landlords. Most landlords require first months’ rent, last months’ rent, security deposit, and application fees upon move-in. Many tenants also pay for temporary storage and other moving costs. These move-in related expenses can easily surpass \$4,000, without which the tenant may be forced into homelessness or displacement. One month of relocation assistance would not adequately cover these expenses, so relocation assistance must be strengthened to reflect the realities of the rental market. A three months’ relocation assistance is the minimum needed to adequately cover most relocation and move-in costs. In addition, a three month’s relocation assistance would discourage Ellis Act evictions in large, multi-unit complexes, preventing negative consequences of rent control cited in the staff report.

Finally, protections afforded by AB 1482 are set to expire in 2030. However, we recommend that tenant protections be permanent. Removal of tenant displacement protections should occur only when the production of affordable rental units is large enough to guarantee naturally occurring affordability.

Addressing Tenant Protections Concerns

Staff expressed concerns about rent stabilization in the city. The major concern stems from the lack of creation of affordable rental units through rent stabilization. CAUSE agrees that rent stabilization will not create new affordable rental units, which could be best accomplished through other policies such as inclusionary housing, an affordable housing overlay, and/or a local housing bond. However, these policies address long-term needs since increasing the supply of housing is a slow process and it takes years for construction to have an impact on the rental market; furthermore, success depends on other cities in the region also working to build affordable housing. In the short-run, the only way to protect tenants from growing rent burdens and displacement is through rent stabilization and other tenant protections. Although rent stabilization covers units rather than tenants based on income level, tenant protections overwhelmingly cover low-income tenants and vulnerable populations. Local tenant protections can only apply to older, for-rent multifamily apartment buildings (those constructed before 1995). Such complexes are primarily found in South Oxnard, along Channel Islands Boulevard, Saviers Road, Hueneme Road, and Ventura Road. Usually, tenants living in these units are low-income essential workers, farmworkers, and immigrants who are disproportionately underserved and who often encounter severe language barriers that inhibit political participation and understanding of their rights as tenants in Oxnard.

Furthermore, staff expressed concern over the overall impact of rent stabilization and tenant protections on the rental market. Existing studies covering the impact of rent stabilization policies conclude that tenants under rent stabilization benefit from housing stability. In one of the most complete studies of San Francisco’s rent stabilization policy, Diamond et al. (2019) estimated that residents living in rent-stabilized units since 1994 had saved approximately \$3 billion in rent. They conclude that “long term beneficiaries of rent control are between 10 to 20 percent more likely to remain at their 1994 address relative to the control group.” However, the study also linked rent stabilization to the loss of some rental units from the housing market as landlords convert apartments into for-sale condominiums. Although CAUSE understands this concern, we believe it is best addressed through requiring stronger relocation assistance payments for condo conversions that both assist displaced tenants and financially discourage landlords from removing units from the rental market. Finally, CAUSE holds that Tenant Protections are only but a first step to address the California Housing Crisis.

We agree with other staff recommendations and hope that the City take steps to implement all the recommended short-term and long-term policies that staff identified below.

A STATEMENT FROM THE HOUSING PROVIDERS

This narrative is submitted jointly by the following organizations: the Apartment Association of Greater Los Angeles, the California Apartment Association, the Ventura County Coastal Association of Realtors, and the West Ventura County Business Alliance. Summarized below is our opposition to local rent control and related measures and recommendations for alternative solutions for the City Council's consideration.

Rent Control Does NOT Equal Affordability

Rent Control does **not** create any new affordable rental housing units. It also does **not** ensure access to affordable rental housing for low-income, very-low income or extremely low-income renters. In fact, it does the **opposite** by preventing those in greatest need from accessing the most affordable existing rental housing. Rent control does **not** consider the income of existing renters or new renters needing housing. As a result, middle-and high-income renters are able to monopolize existing affordable rental housing units even though they are financially able to pay full market rate rents in newer rental buildings with more amenities. A significant number of new rental housing units are being built in Oxnard, including Wagon Wheel, Johnson Road Apartments, Dansk II Apartments, Etting Road Apartments, Cypress Place at Garden City, Las Cortes, G Street Apartments, Portofino Place, Jain Apartments, and Lockwood Senior Apartments. None of these newly built buildings will be subject to Assembly Bill 1482 for at least 15 years or local rent control due to Costa-Hawkins. However, they will provide much needed alternative rental housing for those renters that can afford these new units. As such, Oxnard should be encouraging renters who have the financial means to relocate to these newer units (not discouraging them with rent control) to free up the more affordable older units for those renters that are low, very low and extremely low income.

Further, rent control does not consider family size for existing affordable housing units. Thus, an existing single renter can reside for decades in a 2, 3 or 4 bedroom rental unit, preventing other renters with families who are in need of such units from renting them. Ultimately, rent control rewards a small number of existing renters at the expense of all other renters, including renters with much greater financial needs and family-size needs for affordable rental housing.

Numerous Existing Tenant Protections NOT Fully Implemented

State Level Protections - Tenant Protections Act of 2019

Renters in Oxnard and throughout California are covered by the Tenant Protection Act of 2019, Assembly Bill 1482. These protections were adopted after extensive negotiations with all sides, including renter advocates. They will remain in effect until January 1, 2030 – which is more than **8 years** from now.

This state law went into effect on January 1, 2020 and limits annual rent increases, establishes “Just Cause” eviction requirements and requires relocation fees for no-fault tenancy terminations. Due to the COVID-19 pandemic and statewide eviction moratorium for non-payment of rent, Assembly Bill 832 and its predecessors, Assembly Bill 1482 is only now becoming fully effective. At this time, it is too early to assess the full impact of this comprehensive state law and any evidence to show that it is insufficient for the majority of renters or that additional enforcement mechanisms are needed. Assembly Bill 1482 must be allowed to go into full effect for a reasonable period of time before the City of Oxnard can determine what, if any, additional local ordinances are needed.

Local Tenant Protections - Oxnard's Safe Homes, Safe Families Repeat Offender Program, Health & Safety Ordinances

Oxnard's Safe Homes, Safe Families Repeat Offender Program was specifically designed to address rental housing owners that repeatedly violate health and safety codes by providing substandard housing. Similar to Assembly Bill 1482, this new program has not been fully implemented due to COVID-19 and the inability of code enforcement to enter residences. Now with widely available COVID-19 vaccinations and the repeal of stay-at-home orders, we encourage the City to fully utilize this program to address existing substandard housing problems.

Fair Housing Laws

Federal and state fair housing laws have existed for decades that protect renters against discrimination in housing. However, many renters are not aware of their rights under these laws.

State Level Tenant Financial Resources

CA COVID-19 Rent Relief program

CA COVID-19 Rent Relief program provides funds for 100% of back rent owed as well as up to three (3) months of prospective rent. It also provides funds for utilities. In addition, applying for this program can provide renters with an affirmative defense to evictions based on non-payment of rent.

Solutions

Education

As there are already numerous renter protection laws in existence and many have not been fully implemented due to COVID-19, education and outreach is vital. The City should undertake a broad-based education and marketing campaign for the entire community (including renters, rental housing providers, businesses, and homeowners) on all renter protection laws and the CA COVID-19 Rent Relief program. City staff can provide webinars to the community, the City's website can list information regarding the various renter protection laws and local legal aid societies, the City can include promotional materials in utility billing mailers, and the City could establish a new 800 phone number in English and Spanish to provide more confidentiality to anonymously report complaints, as well as establish an email account as an additional method of reporting complaints.

Local Level Tenant Financial Resources

The City could establish an emergency rental voucher program to provide targeted funding to low, very-low and extremely low-income renters as well as to targeted populations such as farm workers, seniors and the disabled. This would be a far better use of limited City resources versus any type of right to counsel program which would not address the root problem that renters are being evicted in most instances for failure to pay their rent.

Voluntary Rental Housing Mediation Program

A voluntary mediation program enables the amicable resolutions of disputes and misunderstandings between renters and rental housing providers. The strength of such a program is that it is voluntary and completely separate from the court system and law enforcement. As a result, more renters will feel comfortable engaging in such discussions. Also, rental housing providers will be encouraged to engage in such discussions as it will avoid expensive legal costs. Mediations can be conducted by a mixture of City staff and trained volunteers from the community. It would also allow for individualized and creative solutions to problems, including payment plans, trading of services/work, voluntary relocation, etc. Such a program could be a valuable resource to all Oxnard renters, including those renters in single family rental homes, new apartment buildings, and accessory dwelling units.

STAFF RECOMMENDATION (From the September 14th Committee staff report)

Short Term Recommendations:

1. Tenant Rights Education. Staff can develop an education program to make tenants aware of their rights under AB 1482. Components of the program could include:

- a. Education and outreach
- b. Informational notices, complaints, and voluntary compliance
- c. Local inventories of covered units and rents
- d. Lease requirements and consumer protections
- e. Strategic enforcement against bad actors (i.e., B&P Code Section 17200)
- f. Local right to counsel and legal assistance funding and programs

This effort will require a significant budget appropriation and recruitment of new professional staff. The scope and scale of this new program has not yet been determined.

2. Local Tenant Protection Act. The City of Sacramento adopted a local tenant protection act similar to the state Tenant Protection Act, except that by its local adoption created an enforcement capacity for itself and added penalties for its violation. A program summary is attached for your reference. City Council may also consider adopting a version of the State Tenant Protection Act (sample draft attached) offering Oxnard an opportunity to enforce it. This effort will require a significant budget appropriation and recruitment of new professional staff. The scope and scale of this new program has not yet been determined.

3. Density Bonus Permit. The City can also continue to increase the City's affordable housing stock via continued compliance with the State's Density Bonus law and the City's existing Density Bonus Ordinance which allows developers and owners to construct more housing units within their development or receive development concessions that would otherwise not be allowed by the local code, in exchange for the developer providing a required number of affordable units.

Long Term Recommendations:

1. Build new affordable housing. Building new affordable rental housing ensures long-term affordability, via recorded deed restrictions that require affordable rental properties to remain affordable for the term of the affordable deed restriction which can typically range for up to fifty-five years. Affordable rental housing can range in affordability from units that are affordable to extremely low-income, very low-income, low-income, and moderate-income households without regard to changes in tenancy and subsequent rental increases are based on annual changes in the area median income rather than market demand which can drive the price of rental units up.

2. Continue to Enforce the Inclusionary Ordinance. The City's Inclusionary Housing Ordinance, requires that all new residential rental developments with 10 or more units, make 5% the units in the development affordable to very low-income households and 5% of the units affordable to low-income households and requires the units to remain affordable, at the same level of affordability, for twenty years regardless of any change in tenancy or ownership. In addition, rent increases are based on changes in area median income for Ventura County. Owners of new residential developments also have the option of paying an in-lieu fee instead, which can be used by the City's Housing Department to issue gap-financing loans to developers that can then leverage those funds to receive other state and federal funding that can in turn be used to develop more affordable rental housing units in the City than would have been required by the owner of the new market-rate development. The City's Inclusionary ordinance also applies to homeownership units and requires that developers and owners of new for sale developments with ten or more units make 10% of the units affordable to households earning up to 80% of the area median income as well as require the owner and developer of the for-sale development to require the buyers of the affordable units to execute a resale restriction that keeps the units affordable for twenty years.

3. Employee Pipeline. Oxnard residents will also benefit from the Employee Pipeline program, which is a partnership between the City, Oxnard College, and the Chamber of Commerce, to provide the training and education necessary for people to be qualified for better paying jobs, especially those with health benefits. Oxnard College has created a curriculum program based on input from Oxnard companies to train residents to get the skills they need and guarantee them an interview with Oxnard companies that offer better pay and health benefits.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

There is no financial impact at this time, however implementation of any component of these tenant protection strategies will have a cost associated with them. Based on Council feedback staff will develop staffing needs, budgets, and timelines for the recommended components.

COMMITTEE OUTCOME

The Committee heard public comment and presentation from staff. The Committee deferred action or direction and directed staff to present a similar workshop before the City Council.

Prepared by: Emilio Ramirez, Housing Director

ATTACHMENTS

1. September 14, 2021 Committee Staff Report
2. September 14 Committee Staff Presentation
3. City Council Rent Control Presentation - October 19th
4. CAUSE PRESENTATION



HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.4

DATE: September 14, 2021

TO: Housing and Economic Development Committee

FROM: Emilio Ramirez, Housing Director, (805) 385-8094, emilio.ramirez@oxnard.org

SUBJECT: A Review of Rent Control and Tenant Protection Strategies (0/15/30)

RECOMMENDATION

That the Housing and Economic Development Committee conduct a study session on Rent Control and Tenant Protection Strategies.

Please click the following link to view the required Measure M pre-recorded presentation videos: <https://youtu.be/ahhQSt1FSZ4> and <https://youtu.be/tecvgLQ9Gk>

BACKGROUND

EXECUTIVE SUMMARY:

Oxnard residents have expressed serious concern over significant rent increases in recent years, and have demanded “rent control”. Rent Control already exists statewide per 2020’s Assembly Bill 1482 Tenant Protection Act (discussed below). The first problem with it is that people are not aware of it. Second, there is no clear, easy way to enforce it.

Staff believes there is value in seeking to enforce the Tenant Protection Act because it offers opportunities to address substandard housing, wrongful evictions, and illegal rent increases. However, an additional rent control policy will most likely be ineffective to close the affordability gap, which is the primary problem with housing costs for many of Oxnard’s residents. Rent control slows the rate of rent increases but it will not decrease the cost of housing.

This report discusses the various causes that have led to the reality that the average resident cannot afford the cost of housing. Essentially, wages and income have remained relatively stagnant in Oxnard while housing prices, including rent, have increased exponentially. This has led to a variety of social ills including substandard housing, overcrowding, unaffordable rents and, in some cases, homelessness. Landlords who illegally increase rents exacerbate the problem.

The report also discusses the history of rent control and its effectiveness to cure some of these social ills. Staff also reviews the current state of legislation in California, including the Costa Hawkins Act and the Ellis Act, which significantly preempt new rent control policy beyond the existing Tenant Protection Act enacted by the State of California in 2020.

Additionally, staff recommends companion efforts seeking to close the gap between wages and housing costs

including the development of new affordable housing and training of our workforce so our community can become more employable and competitive in the labor market.

BACKGROUND:

In early September 2020 the Central Coast Alliance United for A Sustainable Economy (CAUSE), presented a need for rent control in Oxnard during public comment at a City Council meeting. Several community residents expressed concerns about rising rents and asked for local rent control.

CAUSE organized and hosted two community meetings and listening sessions (April 2021 and May 2021) offering the community a forum to express their opinions on rent control. CAUSE summarized the major areas of concerns as:

1. Affordability where the initial rent was too high and yearly increases are unaffordable (wages cannot keep up with the large annual rent increases).
2. Unsafe/unhealthy housing and harassment from landlords.
3. Difficulties when trying to find housing (financial, discrimination).
4. Tenants don't know where to send their complaints or what their rights are. They would like to make the complaints anonymously.
5. Strong focus on rent control as immediate relief from the housing crisis.

City staff participated as a listener on the two community meetings. A significant portion of the comments and concerns expressed by the tenants indicate **activity that is already illegal based on AB 1482 and the need is enforcement.** Some of those concerns included overcrowding, rent gouging, rent increases, illegal evictions and substandard housing conditions.

Following these community discussions CAUSE continues to advocate for rent control in Oxnard with an online petition at https://actionnetwork.org/letters/rent-control-for-oxnard?source=direct_link&.

CAUSE has also produced a PowerPoint and video for review in coordination with this item. The video presentation is attached.

DESCRIBING THE PROBLEM:

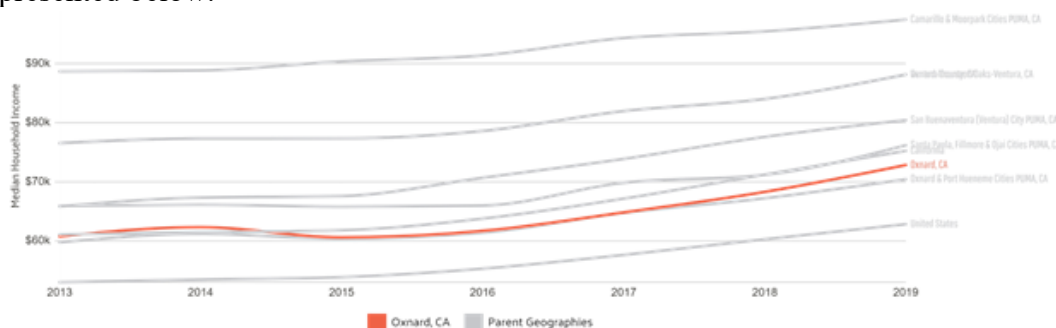
The housing affordability gap in the City of Oxnard is significant where residents earning the median income cannot afford the prevailing rents or to acquire a home at the median home price. Such a condition leads to overcrowding, substandard living conditions, and, some cases, homelessness. The contributing factors to the housing affordability gap include:

1. Income
2. Housing Prices
3. Total Housing Units Available
4. Owner vs Rental Rates
5. Age of Units
6. Vacancy Rate

Income:

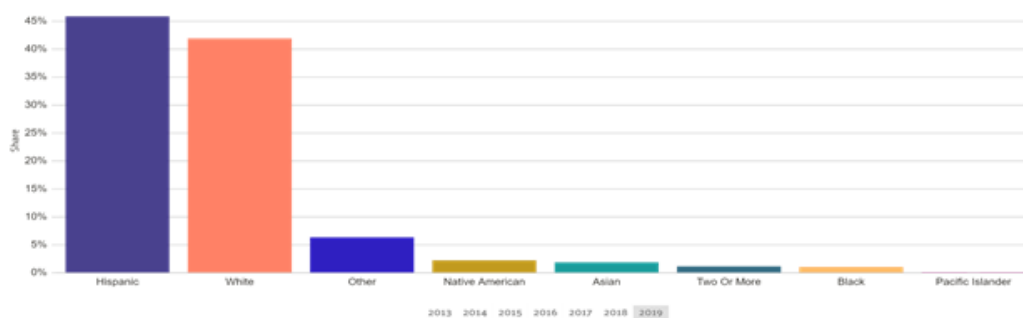
Oxnard has 98,652 workers living within its borders who work across thirteen major industrial sectors. Households in Oxnard have a median annual income of \$72,843, which is below both the State median income of \$80,440 and the Ventura County median income of \$92,236. In some cases, the median income in Oxnard is substantially lower than its neighboring cities such as \$109,378 in Thousand Oaks as shown in the graph

presented below.



Source: <https://datausa.io/profile/geo/oxnard-ca>

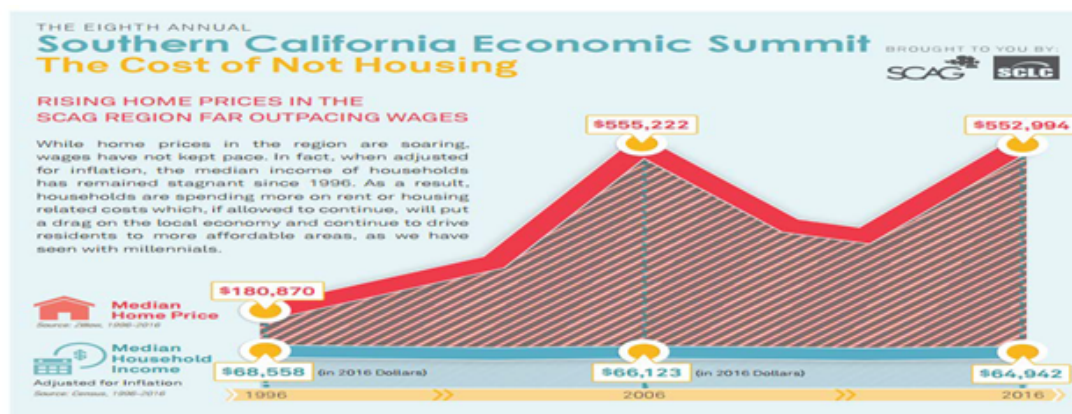
The Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who classifies as impoverished. If a family's total income is less than the family's threshold, then that family and every individual in it is considered to be living in poverty. The 2018 poverty income for a family of four is \$26,695. In Oxnard, 13.8% of the population live below the poverty line, a number that is higher than the national average of 12.3%.



Source: <https://datausa.io/profile/geo/oxnard-ca>

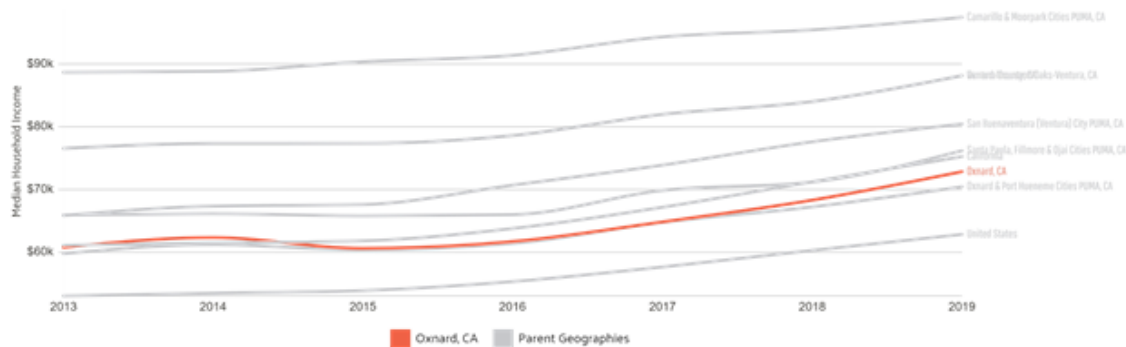
Housing Prices:

Between 1996 and 2016, median home sales prices in the SCAG region increased 206% from \$180,870 to \$552,994. During the same time period the median income decreased by \$3,616 when adjusted to 2016 dollars.

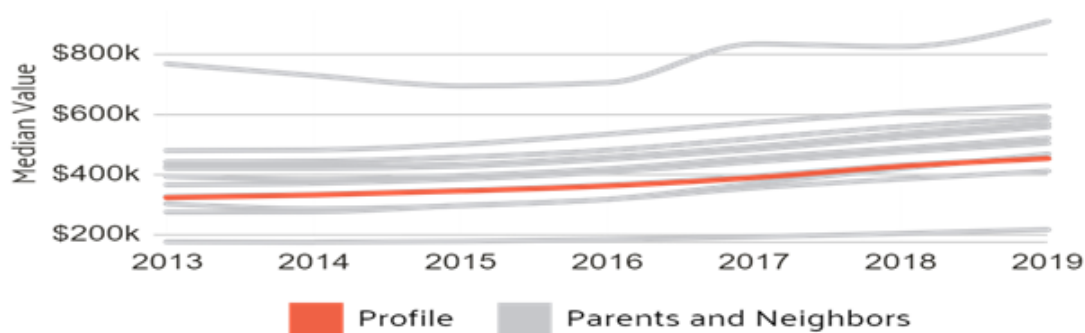


Source: Census, 1996-2016

While in Oxnard the median home increased by 40.2% in just six years from \$323,700 in 2013 to \$453,900 in 2019. During the same period the Oxnard median family income grew at a disproportionate rate of 19.8% from \$60,784 in 2013 to \$72,843 in 2019.



Source: <https://datausa.io/profile/geo/oxnard-ca>



Source: <https://datausa.io/profile/geo/oxnard-ca>

The increase in the cost of housing in Oxnard can significantly be attributed to new development over the past twenty years. New communities such as Seabridge, River Park and Victoria Estates are contributors to the income versus cost gap expressed above where a three bedroom home over those three communities range from \$700,000 to \$2,000,000.

The two-bedroom average rent in Oxnard has steadily increased by eighteen percent over the past three years from \$1,823 to \$2,155, which indicates that households with the median income of \$72,843 cannot afford the average rent.

Additionally, the low two-bedroom rent is \$1,225 indicating that a family of four living in poverty cannot afford the low two-bedroom rent.

	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Average Monthly Rent ¹	\$1,502	\$1,621	\$2,028	\$2,652
Monthly Utility Deduction	181	181	181	276
Annual Housing Costs	20,196	21,624	26,508	35,136
Percent of Income Spent on Rent	30%	30%	30%	30%
Annual Household Income Required	\$67,320	\$72,080	\$88,360	\$117,120

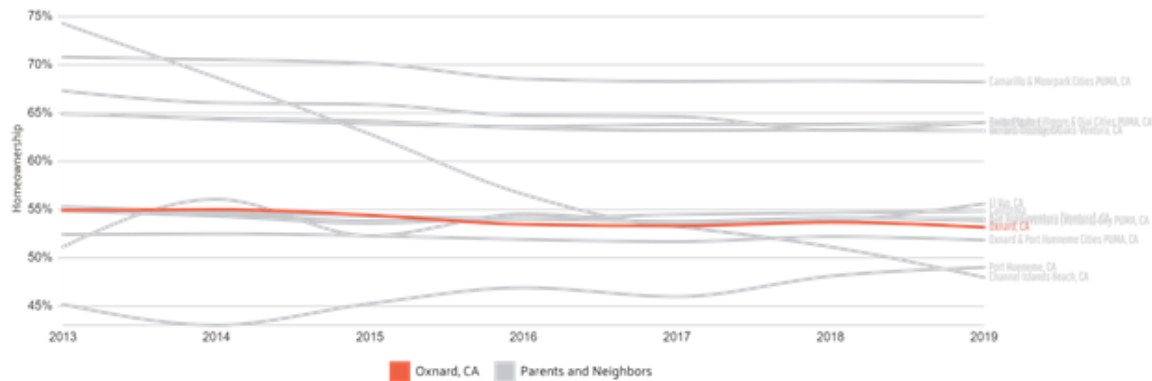
1) July 2019 Ventura County Apartment Market Survey, Dyer Sheehan Group

Total Housing Units & Ownership vs Rental:

Oxnard's housing stock consists of 51,460 total units, 27,631 of which are owner-occupied and 23,829 of which are renter-occupied.

In 2019, 53.2% of the housing units in Oxnard, CA were occupied by their owner. This percentage declined

from the previous year's rate of 53.7%. This percentage of owner-occupation is lower than the national average of 64.1%. This chart shows the ownership percentage in Oxnard compared to the County of Ventura and neighboring geographies.



Source: <https://datausa.io/profile/geo/oxnard-ca>

Housing Production and the Age of the Units:

Examining the age of the current housing stock is one way to understand how historical development patterns contribute to a city's form. The time period where the highest share of Oxnard's housing units was built is between 1970 and 1979. In contrast the most significant population growth occurred from 2000 to 2020 when Oxnard grew at a rate of 1% per year compared to the region of 0.7% per year. The preliminary 2020 census estimates the current Oxnard population to be 211,791.

Source: <https://datausa.io/profile/geo/oxnard-ca>

Vacancy Rate

The American Community Survey estimated the 2019 vacancy rate in Oxnard to be 4.1%, which is down from 5.0% in 2010. However, the vacancy rate has increased from a low point of 0.9% in 2017. The current vacancy rates are mid-range of those in the region, which is as low as 3.5% in the City of Thousand and high as 5.1% in the City of San Buenaventura.

A vacancy rate of 5.0% is not low compared to the statewide rate of 4.1% and indicates that there should be sufficient available units to meet the local demand. However, the vacancy rate of units affordable to the low-income population remains an unknown factor.

RESULT OF THE PROBLEM:

The growing gap between increasing housing costs and stagnant wages means that there are many residents in Oxnard who cannot afford the housing costs. In 2019, Food Share of Ventura County estimated that 69% of households had to choose between food and utilities, and 66% had to choose between food and medical care. After making these choices, many Oxnard residents eventually find themselves unable to pay rent, which can lead to increased overcrowding and even homelessness. In Oxnard, 2,355 owner-occupied and 6,839 renter-occupied households had more than 1.0 occupants per room, which meets the California state definition for overcrowding. 425 owner-occupied households and 2,500 renter-occupied households had more than 1.5 occupants per room, which meets the California state definition of severe overcrowding.

FRAMEWORK AND EXISTING LAWS AFFECTING TENANT PROTECTION STRATEGIES AND RENT CONTROL:

In summary there are three existing laws that greatly impact rent control and tenant protection measures in California which will be described further in this report:

- 1985 Ellis Act
- 1995 Costa Hawkins Rental Housing Act
- 2019 Tenant Protection Act

What is Rent Control?

Rent control is part of a system of rent regulation, administered by a court or a public authority, which limits the changes that can be made in the price of renting a house or other real property. Modern rent controls are intended to protect tenants in privately owned residential properties from excessive rent increases by mandating gradual rent increases, while at the same time ensuring that landlords receive a return on their investment that is deemed fair by the controlling authority, which might, or might not be a legislature. Rent Control slows the rate of rent increases but it will not decrease the cost of housing. Rent control laws are used in approximately forty countries, although they often vary from one country to another, and may vary from one jurisdiction to another within some countries.

Historically, there have been two types of rent control - vacancy control (where the rent level of a unit is controlled irrespective of whether the tenant remains in the unit or not) and vacancy decontrol (where the rent level is controlled only while the existing tenant remains in the unit). The Costa Hawkins Act outlawed vacancy control provisions.

Economists suggest that some forms of rent control regulations create housing stock shortages and exacerbate scarcity in the housing market by discouraging private investment in the rental market. Many economists suggest housing subsidies as a way to make housing more affordable to renters without distorting the housing market as much as rent control, but expanding the existing subsidy programs would require sharp increases in government spending. In a 1992 stratified, random survey of 464 US economists, economics graduate students, and members of the American public, 93% "generally agreed" or "agreed with provisos" that "A ceiling on rents reduces the quantity and quality of housing available."

See the "Case Study" section of this report for additional information on the outcomes of rent control.

The Ellis Act; 1985

The Ellis Act was enacted by the State Legislature in 1985. The Ellis Act prohibits any public entity from requiring apartment owners to continue offering their dwellings for rent or lease. The Ellis Act also defines the criteria under which the owners of apartments that are subject to rent control ordinances can remove the dwellings from the rental inventory.

Local entities are permitted to place various restrictions on the landlord's process of going out of business. For instance, cities may require landlords to file a "notice of intent to withdraw," provide the city with information about the tenancy (such as names of tenants, dates of commencement, and rental rates). Cities may require the payment of relocation assistance "to mitigate any adverse impact on persons displaced" or an extension of the termination date of tenancies from the standard 120 days to a full year from the commencement of the withdrawal process if tenants claim to be at least 62 or disabled.

The Costa Hawkins Rental Housing Act; 1995

In 1995, California approved and enacted the Costa Hawkins Rental Housing Act, which sought to protect the rights of landlords and their continued ability to develop housing. The Costa Hawkins Rental Housing Act preempted rent control for multi-family units built after February 1995 as well as separately alienable units

including single family homes and condominiums. The Costa Hawkins Rental Housing Act also prohibits vacancy control. However, the Costa Hawkins Rental Housing Act does not fully bar local rent control and allows local jurisdictions to set annual limits on rent increases on multifamily apartment units built before 1995 while an existing tenant continues to live in the unit.

Several attempts to overhaul or repeal the Costa Hawkins Rental Housing Act have failed including the recently proposed Proposition 21, the Rental Affordability Act, which would have re-empowered local jurisdictions to adopt new rental control ordinances. The Rental Affordability Act proposed to modify the three main limitations of Costa-Hawkins. Specifically, cities and counties:

- 1) would have been able to apply rent control to most housing that is more than fifteen years old (this did not include single-family homes owned by people with two or fewer properties).
- 2) could have limited how much a landlord can increase rents when a new renter moves in.
- 3) cities and counties would have been able to apply rent control to most housing that is more than fifteen years old.

Proposition 21, the Rental Affordable Act, was not authorized by the California electorate.

The Tenant Protection Act (AB 1482); 2020 - 2030

California adopted a new statewide rent control policy known as the Tenant Protection Act or Assembly Bill 1482. The Tenant Protection Act became effective in January 2020 and expires in January 2030.

The Tenant Protect Act applies to rental units that were built more than fifteen years ago and are not a hotel, owned by a nonprofit, student dormitories, a duplex where the landlord lives in one of the units, deed restricted or a single-family home not owned by a corporation.

The Tenant Protection Act affects tenants in two main ways. First, AB 1482 limits rent increase and second imposes “Just Cause” protection to existing tenants. Rent increases are limits as follows:

1. Rent cannot be increased more than 5% plus local consumer price index or 10% maximum
2. Rent can only be increased two times within any given twelve-month period
3. A master tenant cannot sublease at a higher rental rate
4. In order to raise rent, landlords must provide written notice
5. There is no vacancy control

The Tenant Protection Act also requires Just Cause eviction protection to tenants if all the tenants of a rental unit have lived there for twelve months or longer. The Tenant Protection Act permits “at fault” and “no fault” evictions.

No fault evictions exist where the tenant is not at fault for the eviction and requires relocation assistance payments from the landlord equal to one month of rent. The landlord must pay the relocation assistance within fifteen calendar days of serving the eviction notice. If agreed to in writing, the landlord can waive the final month of rent instead of paying the relocation fee. If a tenant receives a relocation payment but does not vacate, the landlord can recover the payment in court.

An eviction at the fault of the tenant is also permitted by the Tenant Protection Act after notice and an opportunity to cure. An “at fault” eviction does not require relocation assistance. At fault evictions are permitted with notice and opportunity to cure and can include:

1. Failure to pay rent
2. Violating the lease
3. Committing a nuisance

4. Damaging the property
5. Tenant refuses to sign a lease extension or renewal with similar terms
6. Criminal activity at the unit
7. Subletting contrary to the lease
8. Refusal to let the landlord enter the unit to make repairs
9. Using the property for unlawful purposes
10. Failing to vacate after tenant is terminated as an employee
11. The tenant fails to vacate after providing written notice of their intent to vacate

The Tenant Protection Act protects no fault evictions for tenants that have lived in the unit for at least twelve months. No fault evictions require relocation assistance equal to one month of rent.

The Tenant Protection Act does not contain an explicit grant of authority to local governments to enforce its provisions.

CASE STUDIES

Santa Monica:

Santa Monica voters adopted rent control in April 1979 as an amendment to the City Charter in response to a shortage of housing units, low vacancy rates, and rapidly rising rents. Santa Monica's Rent Control Ordinance was intended to alleviate the hardship of the housing shortage and rapidly rising rents by establishing a Rent Control Board empowered to regulate rentals in the City of Santa Monica. Santa Monica's Rent Control Ordinance was amended by Santa Monica voters in 1984, 2002 and 2010.

Santa Monica's Rent Control Ordinance primarily applies to properties and units that were used as a residential rental prior to April 1979. The total number of controlled units does not change significantly from year to year, but does fluctuate as units are granted exemptions or removal permits, exemptions previously granted units lapse, and units are withdrawn from, or returned to, the rental market pursuant to the state Ellis Act. Santa Monica Rent Control Board records indicate there were 27,429 controlled rental units in Santa Monica as of December 31, 2020.

Santa Monica's Rent Control Ordinance provides for an elected Rent Control Board to ensure that rents are at a fair level by requiring landlords to justify any rents in excess of the approved "Maximum Allowable Rent", giving tenants an opportunity to contest any rent increase, provide reasonable protection to tenants by controlling removal of rent controlled units from the housing market, and by requiring just cause for any eviction from a controlled rental unit. The Rent Control Board is supported by Rent Control Agency staff, including hearing examiners and inspectors, to assist them in performing their function and fulfill their obligations under the City's Rent Control Ordinance. The Rent Control Ordinance gives the Rent Control Board the authority to charge landlords a registration fee of up to \$288 per controlled unit, to finance the operations of the Rent Control Agency. **Currently, Santa Monica's Rent Control Agency has a staff of approximately twenty-four employees and the Board consists of up to five elected board members.**

Services provided by the Santa Monica Rent Control Agency are provided exclusively for tenants and landlords of rent-controlled units and include the following services:

1. Providing information for all rent-controlled properties
2. Advising how much rent may be collected for any rent-controlled unit
3. Resolving disputes and providing mediation services for owners and tenants regarding rent overcharges, property maintenance and amenities
4. Conducting hearings regarding individual rent increases and decreases
5. Providing referrals to other services and resources in the community
6. Adjusting rents for new tenancies as mandated by State law

7. Informing owners and tenants of their rights and responsibilities under the Rent Control Law

In the twenty years following the 1979 enactment of the Rent Control Charter Amendment, rent levels for most controlled units in Santa Monica were based on the rent in effect in 1978 plus annual rent increases allowed for controlled units. Regardless of how many times tenants moved in and out of a unit, the then vacancy control provision mandated that rent levels remained in place between tenancies. That changed with the state Legislature's passage of the Costa-Hawkins Rental Housing Act in 1995. Since January 1, 1999, state-mandated vacancy decontrol has allowed owners to set a new market-rate rent for each new tenancy.

The Santa Monica Rent Control 2020 Annual Report documents the impacts of Costa Hawkins and the Ellis Act on tenant occupied properties in Santa Monica. According to this report, after the implementation of Costa- Hawkins initial rents for new tenancies have risen each year except for a slight downturn after the 2009 recession. During twenty-one years of vacancy decontrol , seventy-three percent (73%) of controlled units have been rented at market-rate at least once. **Only twenty-four percent (24%) of the housing units remain occupied by long-term renters, thus have been able to experience real benefit from rent control.** While twenty-four percent of tenants that are long-term renters in Santa Monica may be reaping the benefits of staying in place, they will likely not find a comparable unit, particularly in Santa Monica, for the below market rate rent they are paying.

According to the Santa Monica Rent Control 2020 Annual Report, in the 35 years since the Ellis Act was enacted, the City of Santa Monica has experienced a net loss of 2,075 units after considering prior rent control units that were returned to the rental market. The small gain in rent-controlled units was not enough to slow the city's deepening housing affordability crisis. That coupled with Ellis Act withdrawals, incentivized by high residential real estate values in the homeownership market, have resulted in **an overall decrease in Santa Monica's housing stock, which can in turn result in higher market rents as there are less units to rent.** In addition, for those landlords that do want to stay in the rental business the Ellis Act creates an incentive for them to cater to wealthier tenants by buying existing tenants out of their leases so that they can lease the units at a higher rent.

The table below shows the availability of controlled rental units in Santa Monica that are affordable at various income levels. The table assumes an affordability standard that no more than thirty percent (30%) of income is used for rent. **Today, less than five percent of the controlled units are rented at an affordable price to low-, very low- and extremely low-income categories.** Moreover, many of these units are affordable because they are on properties that are required by agreements with governmental agencies to provide affordable housing.

Income Category Rent Level Affordability	1998		2020		Change
	Units	%	Units	%	
Extremely Low (30%)	1,849	9.2%	6	0.0%	-99.7%
Very Low (50%)	3,845	19.0%	176	0.6%	-95.4%
Low (60%)	4,860	24.4%	223	1.0%	-95.4%
Low (80%)	6,207	31.3%	582	2.6%	-90.6%
Moderate (110%)	2,406	12.1%	2,364	10.1%	-1.7%
Higher (>110%)	769	3.%	16,585	85.5%	2056.7%

The Santa Monica Rent Control program does not appear to effectively offer the positive public benefit that it sought, having been largely hampered by intervening state legislation. **The collateral effect does not create affordable rents to low-income residents but rather offers below market rents to long term residents.**

Additional case studies:

A 2000 study that compared the border areas of four California cities having vacancy control provisions (Santa Monica, Berkeley, West Hollywood, East Palo Alto) with the border areas of adjoining jurisdictions (two of which allowed vacancy decontrol, including Los Angeles, and two of which had no rent control) showed that existing tenants in the vacancy control cities had lower rents and longer tenure than in the comparison areas. Thus, **the ordinances helped protect the existing tenants and, therefore, increased community stability. However, there were fewer new rental units created in the border areas of the vacancy-controlled cities over the ten-year period.**

A study that compared the effects of local rent control measures (both vacancy control and vacancy decontrol) with other local growth management measures in 490 California cities and counties showed that **rent control was stronger than individual land use restrictions in reducing the number of rental units constructed between 1980 and 1990.** The measures (both rent control and growth management) helped displace new construction from the metropolitan areas to the interiors of the state with low income and minority populations being particularly impacted.

In 1994, San Francisco voters passed a ballot initiative which expanded the city's existing rent control laws to include small multi-unit apartments with four or fewer units, built prior to 1980 (about 30% of the city's rental housing stock at the time). A 2019 study found that San Francisco's rent control laws reduced tenant displacement from rent controlled units in the short-term, but **resulted in landlords removing 30% of the rent-controlled units from the rental market, (by conversion to other product types) which led to a 15% citywide decrease in total rental units, and a 7% increase in citywide rents.**

STAFF RECOMMENDS A MULTIPRONGED APPROACH

While staff recognize that the rents are in-fact unaffordable for the median income family in Oxnard, staff believes that rent control alone will not reach the desired public benefit. Further, the case studies above indicate that the target of affordable housing is often missed by rent control. The reality is **capping the existing rents, which are already too high for the median income family in Oxnard, does not make the rents affordable.**

Capping the rents, and limiting future rental increases, will give people breathing room for future cost of living increases and potentially keep tenants from homelessness or from moving to cheaper suburbs further away from public transit and other neighborhood amenities. However, as is evident in cities with rent control ordinances, such as Santa Monica, **rent control have failed to provide affordable housing** for the majority of renters living in rent-controlled units, while creating negative, unintended consequences including **Ellis Act withdrawals, which in turn lowers the overall number of units available for rent and drives the cost up of the rental units that remain.** The effects of Ellis Act withdrawals and Costa-Hawkins on rent control units is not exclusive to Santa Monica, and therefore, should be considered when contemplating the enactment of a local City Rent Control ordinance.

Rent control ordinances do not consider the income of the actual person that lives in the unit, as rent controlled units are not income restricted units, and as such do not necessarily assist low-income families and individuals who are most in need of affordable housing. In fact, rent controlled units are not likely to be affordable when they are initially offered for rent because initial rents are based on market rents. Rent control units also do not preserve affordability for the majority of renters, as rent control units really primarily benefit tenants that remain in their units over a long-period of time, which is likely to be the minority of renters, as was the case in Santa Monica. Based on these reasons and the underlying contributing factors to the unaffordable costs of housing, rather than rent control, staff recommends the following short and long term efforts:

Short Term Recommendations:

- 1. Tenant Rights Education.** Staff can develop an education program to make tenants aware of their rights

under AB 1482. Components of the program could include:

- a. Education and outreach
- b. Informational notices, complaints, and voluntary compliance
- c. Local inventories of covered units and rents
- d. Lease requirements and consumer protections
- e. Strategic enforcement against bad actors (i.e., B&P Code Section 17200)
- f. Local right to counsel and legal assistance funding and programs

This effort will require a significant budget appropriation and recruitment of new professional staff. The scope and scale of this new program has not yet been determined.

2. Local Tenant Protection Act. The City of Sacramento adopted a local tenant protection act similar to the state Tenant Protection Act, except that by its local adoption created an enforcement capacity for itself and added penalties for its violation. The City of Sacramento ordinance and a program summary is attached for your reference. Like Sacramento, Oxnard may consider adopting a version of the State Tenant Protection Act, which offers Oxnard an opportunity to enforce it.

This effort will require a new significant budget appropriation and recruitment of new professional staff in both the Housing Department and City Attorney's office. The scope and scale of this new program has not yet been determined.

3. Density Bonus Permit. The City can also continue to increase the City's affordable housing stock via continued compliance with the State's Density Bonus law and the City's existing Density Bonus Ordinance which allows developers and owners to construct more housing units within their development or receive development concessions that would otherwise not be allowed by the local code, in exchange for the developer providing a required number of affordable units.

Long Term Recommendations:

1. Build new affordable housing. Building new affordable rental housing ensures long-term affordability, via recorded deed restrictions that require affordable rental properties to remain affordable for the term of the affordable deed restriction which can typically range for up to fifty-five years. Affordable rental housing can range in affordability from units that are affordable to extremely low-income, very low-income, low-income, and moderate-income households without regard to changes in tenancy and subsequent rental increases are based on annual changes in the area median income rather than market demand which can drive the price of rental units up.

2. Continue to Enforce the Inclusionary Ordinance. The City's Inclusionary Housing Ordinance, requires that all new residential rental developments with 10 or more units, make 5% the units in the development affordable to very low-income households and 5% of the units affordable to low-income households and requires the units to remain affordable, at the same level of affordability, for twenty years regardless of any change in tenancy or ownership. In addition, rent increases are based on changes in area median income for Ventura County. Owners of new residential developments also have the option of paying an in-lieu fee instead of constructing affordable units, which can be used by the City's Housing Department to issue gap-financing loans to developers that can then leverage those funds to receive other state and federal funding that can in turn be used to develop more affordable rental housing units in the City than would have been required by the owner of the new market-rate development. The City's Inclusionary ordinance also applies to homeownership units and requires that developers and owners of new for sale developments with ten or more units make 10% of the units affordable to households earning up to 80% of the area median income as well as require the owner and developer of the for-sale development to require the buyers of the affordable units to execute a resale restriction that keeps the units affordable for twenty years.

3. **Employee Pipeline.** Oxnard residents will also benefit from the Employee Pipeline program, which is a partnership between the City, Oxnard College, and the Chamber of Commerce, to provide the training and education necessary for people to be qualified for better paying jobs, especially those with health benefits. Oxnard College has created a curriculum program based on input from Oxnard companies to train residents to get the skills they need and guarantee them an interview with Oxnard companies that offer better pay and health benefits.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

There is no financial impact at this time; however, implementation of any of these recommendations would have a cost associated with them. Based on Committee feedback, staff will develop program parameters and the associated impacts to staffing and budget and timelines for the implementation of the recommended efforts.

Prepared by: Emilio Ramirez, Housing Director

ATTACHMENTS

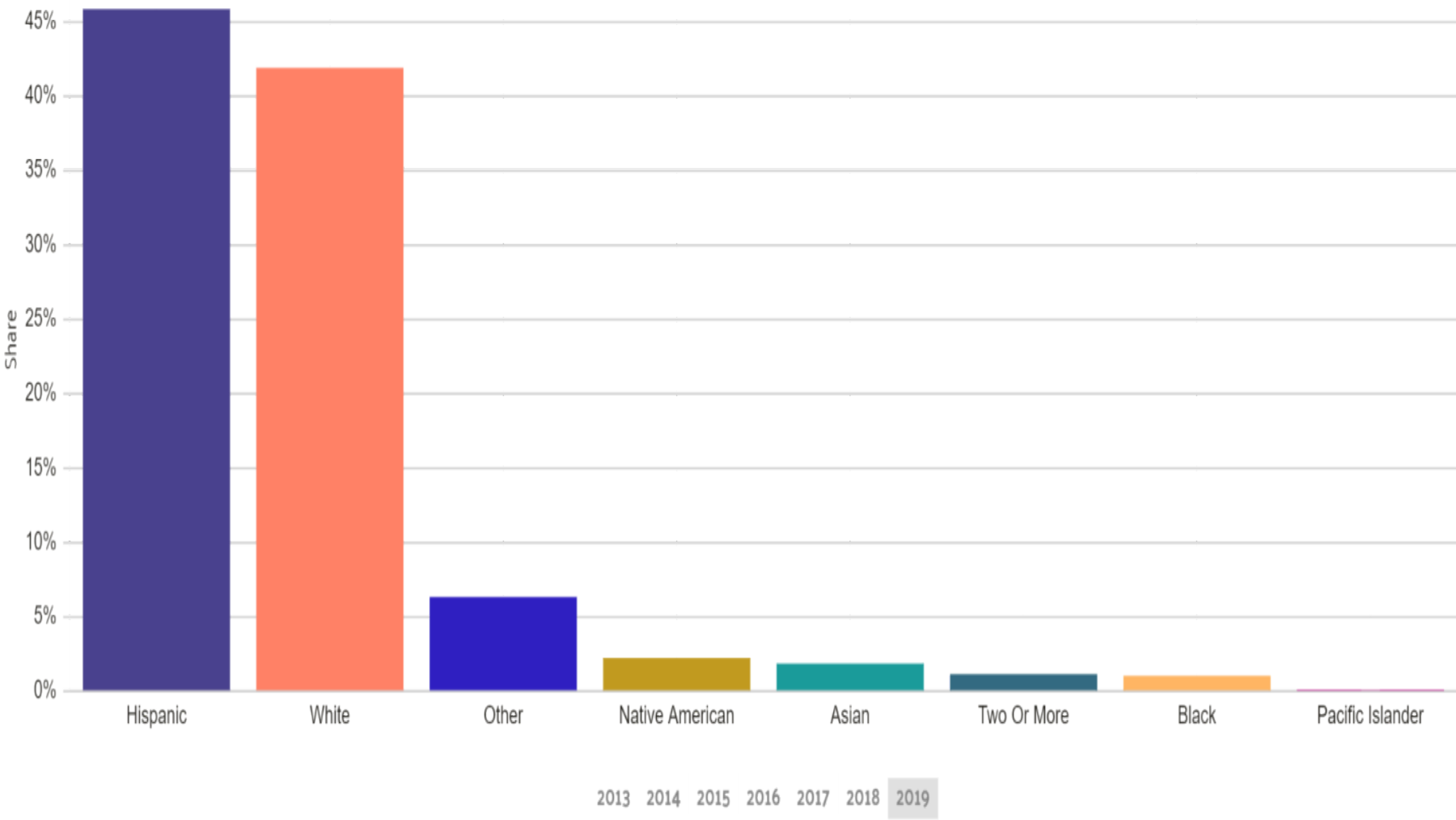
1. ATTACHMENT 1 - PRESENTATION
2. ATTACHMENT 2 - CAUSE Presentation
3. ATTACHMENT 3 - City of Sacramento Tenant Protection Ordinance
4. ATTACHMENT 4 - SACRAMENTO TENANT PROTECTION PROGRAM

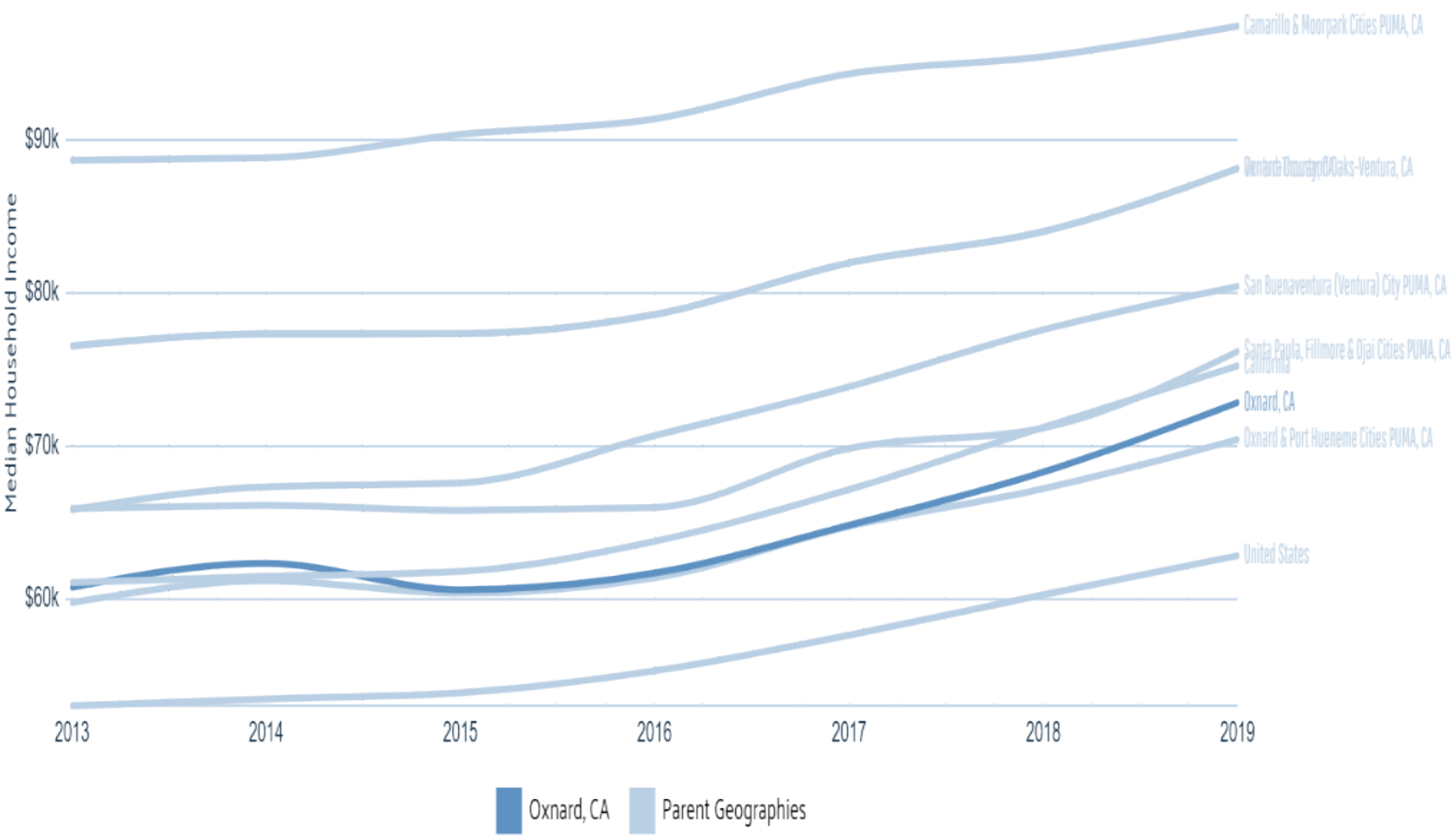
A REVIEW OF TENANT PROTECTION STRATEGIES

Emilio Ramirez, Housing Director
Community Services, Public Safety, Housing & Development Committee
September 14, 2021



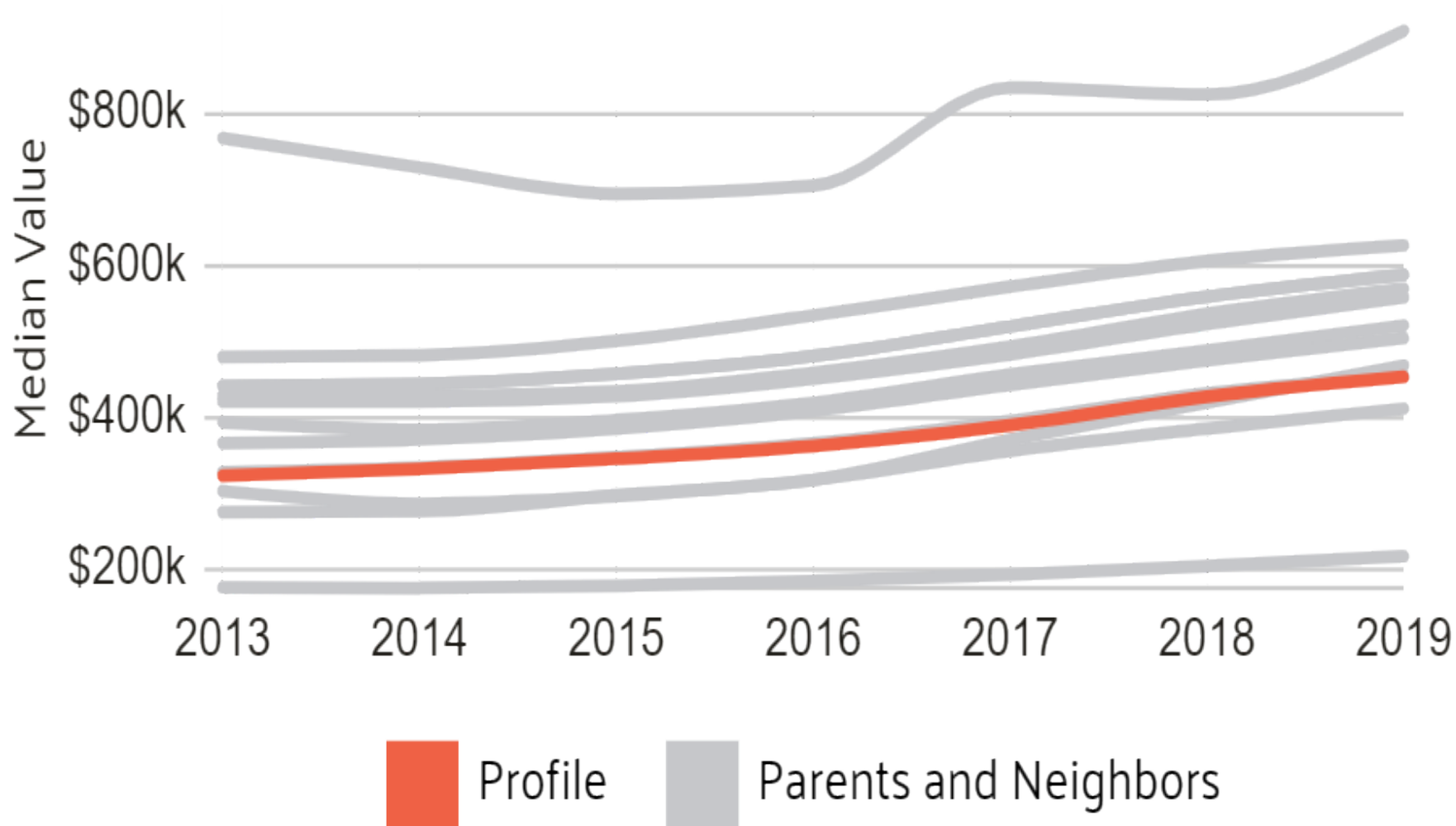
Central Coast Alliance United for A Sustainable Economy





PRICES VERSUS WAGES IN OXNARD

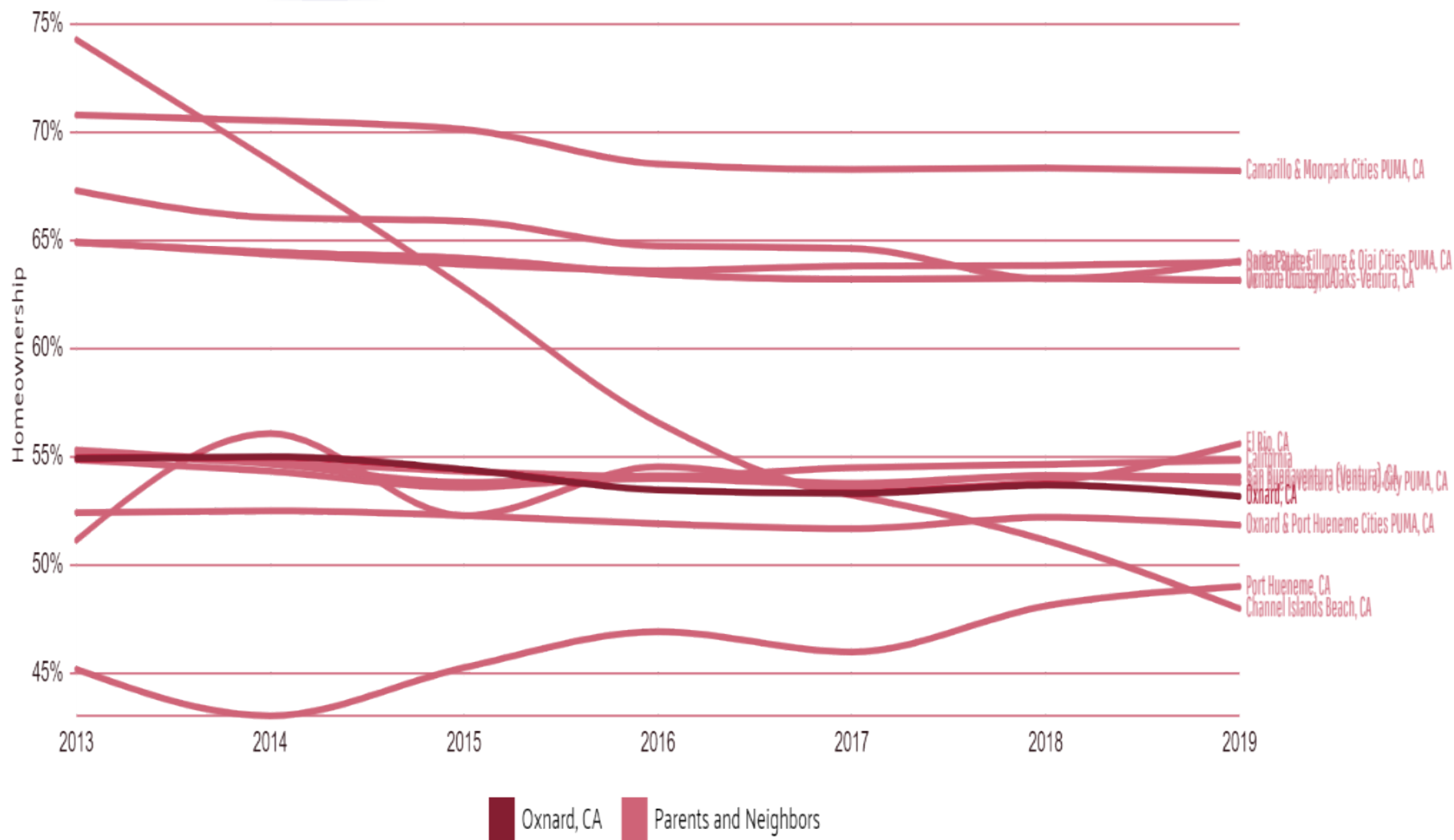
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1) July 2019 Ventura County Apartment Market Survey, Dyer Sheehan Group

7











**ATTENTION LANDLORDS & TENANTS:
California's Tenant Protection
Act of 2019 is Now in Effect**





***Rent Control:
A Cautionary Tale of the City
of Santa Monica***





Implementation of any of the options will have costs associated with them.

Based on Committee feedback staff will develop:

1. program parameters
 1. staffing and budget needs
 1. timelines for the implementation
-

That the Committee conduct a study session on Rent Control and Tenant Protection Strategies.



Thank You

END OF PRESENTATION

A REVIEW OF TENANT PROTECTION STRATEGIES

Emilio Ramirez, Housing Director
City Council
October 19, 2021



Central Coast Alliance United for A Sustainable Economy

1. The Oxnard Housing Department presented options for tenant protection strategies on September 14, 2021 to the Community Services, Public Safety, Housing & Development Committee
2. The Committee heard public but deferred action and directed staff to present this review to the full City Council and seek direction to staff on the preferred components of the tenant protection strategies
3. The Committee staff report and presentation are attached

Following the Committee meeting on September 14th staff held a meeting with the Housing Providers on September 24th.



Staff also hosted a joint meeting with CAUSE and the Housing Providers on October 6th

Some common ground between CAUSE and the Housing Providers was found:

1. A need for education for both tenants and landlords on each of their rights and obligations including where the State Tenant Protection Act applies
2. Empowering access to counsel
3. Strengthening Code Enforcement efforts against substandard and overcrowded housing conditions

As a part of this joint meeting the City asked CAUSE and the Housing Providers to provide statements

CAUSE recommends that the city council direct staff to develop a local rent control ordinance that would provide stronger protections than the Tenants Protection Act (AB 1482) in three ways:

1. An annual cap on rent increases equivalent to the increase in the Consumer Price Index
2. A requirement for landlords to pay 3 months of median market rent to the current tenant as relocation assistance if they wish to conduct a no-fault eviction for an owner-move-in, demolition, or renovation of a unit
3. The local rent control ordinance should be permanent unless repealed by the city council

The Housing Providers offer the following potential solutions:

1. Education: The City should undertake a broad-based education and marketing campaign for the entire community (including renters, rental housing providers, businesses, and homeowners) on all renter protection laws and the CA COVID-19 Rent Relief program.
2. Local Level Tenant Financial Resources: The City could establish an emergency rental voucher program to provide targeted funding to low, very-low and extremely low-income renters as well as to targeted populations such as farm workers, seniors and the disabled.
3. Voluntary Rental Housing Mediation Program: A voluntary mediation program enables the amicable resolutions of disputes and misunderstandings between renters and rental housing providers.



Implementation of any of the options will have costs associated with them.

Based on Committee feedback staff will develop:

1. program parameters
2. staffing and budget needs
3. timelines for the implementation

That the City Council:

1. Conduct a review of potential strategies regarding tenant protection strategies;
2. Give direction to staff on the preferred components of the tenant protection strategies; and
3. Direct staff to return to the City Council for consideration of specific components of the tenant protection strategies.



Thank You

END OF PRESENTATION



Housing Affordability and Tenant Protections for Oxnard Renters



Context

- Tenants make up 48% of residents in the city.
- Currently, 60% of tenants are rent burdened.
- Gross rent has increased 32% since 2014 while gross wages have increased only 9%.

Oxnard Renters - what they said...

After holding a town hall and focus group focused on Oxnard's most vulnerable tenants, we heard the following concerns from tenants:

- Biggest concern was affordability. Initial rent was too high and yearly increases are unaffordable (wages cannot keep up with large annual rent increases).
- Unsafe/unhealthy housing and harassment from landlords.
- Difficulties when trying to find housing (financial, discrimination).
- They feel like there is no support from the city. They don't know where to send their complaints or what their rights are. They would like to make the complaints anonymously.
- **Strong focus on rent control as immediate relief from housing crisis**

Existing Legislation

1. Rent Stabilization legislation can be modeled after Oxnard's Mobile Home Rent Stabilization Program. According to the 2020 report, rents in mobile home parks increased 46% from 1998-2012, compared to 81% in apartments from 1998-2013.
 - a. Rent increases capped at 67%-100% of CPI depending on the year.
 - b. Rent Board created to administer program and take on appeals.
2. AB 1482- Statewide Rent Stabilization and Just Cause Eviction Protections
 - a. Rent stabilization at 5%+CPI or no more than 10% per year
 - b. Just Cause eviction protections
 - c. Exempts recently-built units, single-family homes and some duplexes
 - d. Expires 2030
3. Many cities across the state have stronger Rent Control Ordinances
 - a. Lower annual rent increase cap
 - b. Stronger eviction protections

Example from Amazon Warehouse Worker

If an full-time Amazon warehouse employee were to rent a one-bedroom apartment in Oxnard at median price, they would have to pay approximately \$1,800/month.

- Monthly salary: $(\$15/\text{hr} \times 40 \text{ hr} \times 52 \text{ weeks}) / 12 \text{ months} = \$2,600/\text{month}$
- $1,800 / 2,600 = .69 \rightarrow 69\%$ of gross monthly income spent on rent (severely rent burdened).
- Under the current state law, rent can increase 9% (5%+ DIR All Urban CPI April 2020 CA- 4%) or **\$162**.
- Under local rent cap of CPI alone $\rightarrow$ **\$72**
- Under local rent cap of 2% $\rightarrow$ **\$36**

What Policies CAN Cities Pass to Strengthen Rent Stabilization?

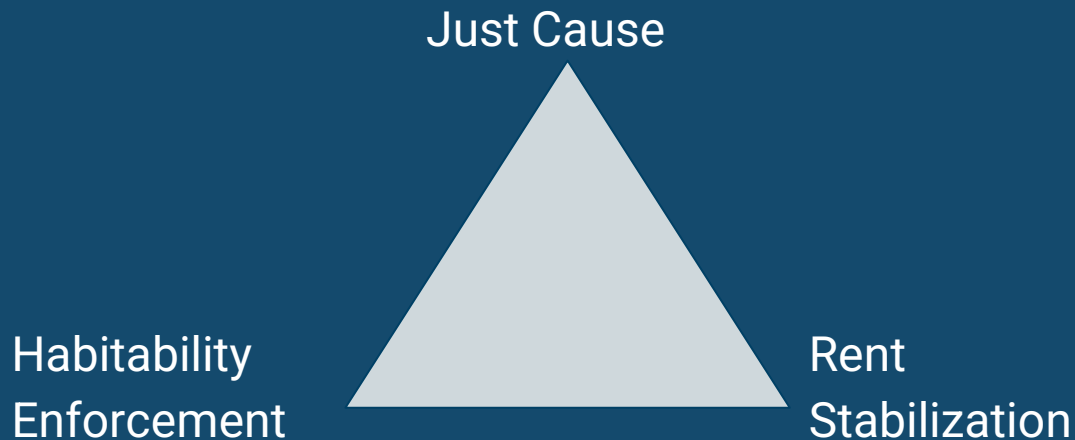
Just Cause eviction protections made permanent and expanded to all renters.

Relocation assistance amount increased for no-fault evictions

Rent cap lowered for eligible units (currently occupied multifamily housing built pre-1995)

Why pair habitability enforcement with rent stabilization?

Habitability inspections of rental units not paired with strong rent control policies can result in landlords raising tenants' rent to cover repair costs. This can ultimately displace the low-income tenants who were intended to benefit from the policy.



Recommendations

1. Move to direct staff to return to Community Services, Public Safety, Housing & Economic Development Committee with draft rent control ordinance.
2. Support other actions including habitability inspections, legal aid for tenants, and wage development.



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.4

DATE: October 19, 2021

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Formation and Levy of a Special Tax of the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) and Dissolution of the City of Oxnard Community Facilities District No. 6 (Northshore at Mandalay Bay). (0/5/5)

RECOMMENDATION

That the City Council:

1. Conduct a Second Reading and Adopt Ordinance No. 3004 authorizing the levy of a special tax within the Community Facilities District 9 (Northshore at Mandalay Bay); and
2. Introduce an Ordinance (by title only, further reading waived) Ceasing Levy of Special Tax, Extinguishing Lien and Dissolving Community Facilities District No. 6 (Northshore at Mandalay Bay).

Please click the following link to view the required Measure M pre-recorded presentation video:
<https://youtu.be/Fm6z1xhesfw>

BACKGROUND

Community Facilities Districts ("CFDs") are established pursuant to the provisions of the California Government Code Section 53311 et seq. (commonly known as the "Mello-Roos Community Facilities Act of 1982") (the "Act"), and are a form of financing district that can be used by cities, counties, school districts, and special districts. CFDs raise money through special taxes that must be approved by two-thirds ($\frac{2}{3}$) of the voters within a CFD. The City Council is the legislative body of any CFD the City forms. Most often, CFDs are formed by the landowner prior to subdivision. A CFD can be formed to finance a wide list of improvements, which include roads, water facilities, sewers and schools. They are also used to finance ongoing maintenance services of the facilities or for services such as remediation of hazardous substances, landscaping, streets, lighting and drainage facilities. The taxes are secured by a continuing lien and are levied against property within the CFD on an annual basis. The revenue stream is used to pay debt service on bonds, to finance facilities on a pay-as-you-go basis, and to pay for services, or a combination thereof.

The City established Community Facilities District No. 6 (Northshore at Mandalay Bay) of the City of Oxnard ("CFD No. 6") in 2006 for the prior proposed development located in the City, at the northeastern corner of the intersection of West Fifth Street and Harbor Boulevard, and now commonly known as "Northshore at Mandalay Bay" (the "Property"), to finance the cost and expense of providing public improvements and services within the CFD No. 6.

There were two special tax components to CFD No. 6; Special Tax A for facilities which can be levied until Fiscal Year 2045-46; and Special Tax B for annual services which can be levied in perpetuity. The City has not yet issued bonds for CFD No. 6, but the City is authorized to incur bonded indebtedness in a maximum aggregate principal amount not to exceed \$30,000,000.

The City has never levied Special Tax A as no bonds were sold and has not levied Special Tax B on parcels in CFD No. 6

since Fiscal Year 2014-15 and did not levy a 2020-21 special tax for CFD No. 6. There are currently no services being performed in CFD No. 6. CFD No. 6 has a balance of a little over \$500,000 of collected special taxes.

The current owner and developer, MPL Property Holdings LLC (the “Landowner”), has requested either a replacement CFD or a modification to the existing CFD No. 6 to include (a) a facilities special tax for the life of any bond issues, (b) a services special tax in perpetuity and (c) an environmental special tax for remediation, operation and maintenance activities as required and approved, and for the duration needed, by the Department of Toxic Substances Control (“DTSC”). The City approved the formation of a new CFD (“CFD No. 9”) to replace CFD No. 6. The current development plan is for 292 single-family residences.

DISCUSSION

Process (First through Fifth Steps). A petition to form the CFD was received from the Landowner covering the Property, consisting of approximately 90 acres. The City’s Finance and Governance Committee recommended moving forward at its regular meeting of July 27, 2021.

On September 7, 2021, the City Council declared its intention to form CFD No. 9 and issue bonds and called a public hearing for October 5, 2021 on all matters relating to CFD No. 9 including the special tax formula or the Rate and Method of Apportionment (“RMA”). All parties have reviewed the parameters of the RMA, which includes the assigned and maximum special taxes for the Facilities, the General Services and the Remediation Services. The Special Taxes will be levied each year according to the RMA and placed on the County property tax rolls.

At its regular meeting of October 5, 2021, the City Council held a public hearing at which there was no majority protest. Additionally, a special election for CFD No. 9 was called and held which authorized (a) the levy of special taxes, (b) the issuance of special tax bonds in an aggregate principal amount not to exceed \$22.5 million and (c) an appropriations limit of \$5 million. The proposition passed unanimously and the Council conducted the first reading of Ordinance No. 3004 levying the special tax.

It is the intent of CFD No. 9 to issue one or more series of bonds. The proposed maximum bond authorization is \$22,500,000. It is not expected that bonds will be authorized for issuance or sale until the development is well underway and the Facilities are at or near completion, at which time documents relating to the issuance and sale of the bonds will be brought to the Council for its approval. The Council will determine the timing and amount of bonds to be sold.

Although the City of Oxnard forms the CFD, the debt issuances are not obligations of the City, but rather obligations of the CFD. Therefore, the formation of the CFD does not obligate the City to make any expenditure or proceed with the project or obligate the City or the CFD to issue any bonds. Finally, the finances and bonds of the CFD are unrelated to, do not rely upon, and do not impact the credit rating of the City.

Sixth Step (City Council meeting of October 19): The City Council, acting as the legislative body of CFD No. 9 may adopt the Ordinance Levying Special Taxes for CFD No. 9. The City Council may also conduct the first reading of an Ordinance approving the dissolution of the CFD No. 6.

The second reading and adoption for the dissolution of CFD 6 is scheduled for the November 16, 2021 City Council Meeting.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

There is no direct financial impact at this time with this proposal to form Community Facilities District 9 (Northshore at Mandalay Bay).

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Steve Howlett, Assistant Public Works Director

ATTACHMENTS

1. CFD No. 9 (Northshore at Mandalay Bay) Ordinance
2. Notice of Special Tax
3. Ordinance Dissolving CFD No. 6
4. Notice of Cessation of Special Tax and Dissolution of CFD No. 6
5. CFD 9 Boundary Map
6. Presentation

CITY COUNCIL OF THE CITY OF OXNARD
ORDINANCE NO. 3004

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD,
CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF THE CITY
OF OXNARD COMMUNITY FACILITIES DISTRICT NO. 9
(NORTHSHORE AT MANDALAY BAY), AUTHORIZING THE LEVY
OF SPECIAL TAXES

WHEREAS, the City Council (the “City Council”) of the City of Oxnard (the “City”) has heretofore adopted Resolution No. 15,482 (“Resolution of Intention”) stating its intention to form the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) (the “CFD”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the Government Code of the State of California (the “Act”), to finance facilities, including fees related thereto, with an estimated useful life of five years or longer, which the CFD is authorized by law to construct, own or operate and that are necessary to meet increased demands placed upon the City as a result of development occurring within the proposed CFD including but not limited to all or a portion of sanitary sewer, water, street, storm drain and park facilities, public art or other real or tangible property, and related costs including design, inspection, professional fees, and acquisition costs (the “Facilities”), and to finance services which the CFD is authorized by law to provide, including but not limited to, landscaping, streetlighting, maintenance of sewer, storm drain, irrigation systems, and parks, Edison Canal and Channel Island Harbor maintenance, and weed abatement (the “General Services”), and the remediation, operation, maintenance and/or monitoring of any hazardous substance released or threatened to be released into the environment on the Property as more particularly described in the Response Plan approved by the Department of Toxic Substances Control (“DTSC”) on December 17, 2018 (the “Response Plan”), the Operation and Maintenance Plan approved by DTSC on March 7, 2019 (“O&M Plan”) and any additional remedial activities or protective measures (the “Remediation Services” and together with the General Services, the “Services”); and

WHEREAS, on September 7, 2021, the Council also adopted Resolution No. 15,483 stating its intention and the necessity to incur bonded indebtedness in the maximum aggregate principal amount of not to exceed \$22,500,000 to be issued for the purpose of financing the purchase, construction, expansion or rehabilitation of the Facilities; and

WHEREAS, notice was published as required by law relative to the intention of the Council to form the CFD and to incur bonded indebtedness in the aggregate principal amount of not to exceed \$22,500,000 within the boundaries of the CFD; and

WHEREAS, on October 5, 2021, this Council held a noticed public hearing as required by law relative to the determination to proceed with the formation of the CFD and the rate and method of apportion and manner of collection of the special taxes to be levied within the CFD (the “Special Taxes”), and relative to the necessity for authorizing the bonds, the purpose for which the bonds are to be issued, the amount of the proposed debt, the maximum term of the bonds and the maximum annual rate of interest to be paid; and

WHEREAS, at said hearing all persons desiring to be heard on all matters pertaining to the formation of the CFD, the levy of the Special Taxes and the incurring of bonded indebtedness by the CFD were heard and a full and fair hearing was held; and

WHEREAS, the Council subsequent to said hearing adopted Resolution No. 15,492 (the “Resolution of Formation”) determining the validity of prior proceedings and establishing the CFD; and

WHEREAS, the Council subsequent to said hearing adopted Resolution No. 15,494 which called an election within the CFD for October 5, 2021 on the propositions of levying the Special Taxes, incurring bonded indebtedness, and setting an appropriations limit; and

WHEREAS, on October 5, 2021, an election was held within the CFD in which the eligible electors approved by more than two-thirds vote the proposition of levying the Special Taxes, incurring bonded indebtedness, and setting an appropriations limit.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OXNARD, ACTING AS THE LEGISLATIVE BODY OF THE CITY OF OXNARD COMMUNITY FACILITIES DISTRICT NO. 9 (NORTHSHORE AT MANDALAY BAY), DOES ORDAIN AS FOLLOWS:

PART 1. A special tax (the “Special Tax - Facilities”) is levied within the boundaries of the CFD pursuant to the formula set forth in the Rate and Method of Apportionment of Special Tax set forth in Exhibit “A” attached hereto and incorporated by reference, or as may be modified or amended from time to time by a resolution of change adopted pursuant to the provisions of the Act (the “RMA”), in an amount necessary to pay all of the costs of providing the Facilities, periodic costs, and costs of the tax levy and collection, and all other costs including amounts payable with respect to the bonded indebtedness.

PART 2. A special tax (the “Special Tax - Services”) is levied within the boundaries of the CFD pursuant to the formula set forth in the RMA, in an amount necessary to pay all of the costs of providing the General Services, periodic costs, and costs of the tax levy and collection, and all other costs.

PART 3. A special tax (the “Special Tax – Environmental”) is levied within the boundaries of the CFD pursuant to the formula set forth in the RMA, in an amount necessary to pay all of the costs of providing the Remediation Services, periodic costs, and costs of the tax levy and collection, and all other costs.

PART 4. Unless amended by resolution, this legislative body is hereby further authorized each year as provided in section 53340 of the Act, by resolution adopted, on or before June 30 of each year to determine the specific Special Tax rates and amounts to be levied for the next fiscal year in accordance with the RMA and to prepare or cause to be prepared a list of all nonexempt parcels within the CFD and the specific amount of the Special Taxes for each parcel, except that the Special Tax rates to be levied shall not exceed the maximum rates contained in the RMA.

PART 5. All of the collections of the Special Taxes shall be used as provided for in the Act and the Resolution of Formation and the Funding and Acquisition Agreement. The Special Tax - Facilities and the Special Tax – Environmental shall be levied only so long as needed for its purpose as described in Resolution of Intention.

PART 6. The above authorized Special Taxes shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency and provided for ad valorem taxes; provided, however, that the CFD may collect the special tax at a different time or in a different manner if necessary to meet its financial obligations.

PART 7. If any section, subsection, sentence, clause, phrase or portion of this Ordinance, or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, the remainder of this Ordinance shall remain in full force and effect.

PART 8. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this Ordinance, and a certified copy of this Ordinance was posted in the office of the City Clerk a minimum of five days before the City Council's adoption of this Ordinance.

PART 9. The Mayor shall sign this ordinance and the City Clerk shall attest to such signature. Within fifteen days after passage, the City Clerk shall cause the title and summary or text of this Ordinance, together with the vote thereon, to be published one time in a newspaper of general circulation published and circulated within the territorial jurisdiction of the City, and to post at the main office of the City a certified copy of the full text of the adopted Ordinance along with the names of the Council Members voting for and against the Ordinance.

PART 10. This Ordinance relating to the levy of the special tax takes effect and shall be in force immediately after the date of final passage. A copy of this Ordinance shall be transmitted to the Assessor and the Treasurer-Tax Collector of Ventura County.

PART 11. Ordinance No. 3004 was first read on October 5, 2021, and finally adopted on October 19, 2021 and became effective immediately pursuant to Government Code Section 36937(a).

AYES:

NOES:

ABSTAIN:

ABSENT:

John Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

EXHIBIT A
RATE AND METHOD OF APPORTIONMENT FOR
CITY OF OXNARD
COMMUNITY FACILITIES DISTRICT NO. 9
(Northshore at Mandalay Bay)

Three Special Taxes, as hereinafter defined, shall be levied on all Assessor's Parcels in the City of Oxnard (the "City") Community Facilities District No. 9 (Northshore at Mandalay Bay) ("CFD No. 9") and collected each Fiscal Year commencing in Fiscal Year 2022/23, in amounts determined by the City or its designee, through the application of the Rate and Method of Apportionment as described below. All real property in CFD No. 9, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Accessory Dwelling Unit" means a secondary residential unit of limited size, as defined in California Government Code Section 65852.2 as that may be amended from time to time, that is accessory to a single-unit dwelling located on an Assessor's Parcel.

"Acre" or "Acreage" means that acreage shown on the Assessor's Parcel Map or in the Assessor's Data for each Assessor's Parcel. In the event that the Assessor's Parcel Map or Assessor's Data shows no acreage, the Acreage for any Assessor's Parcel may be determined by the CFD Administrator based upon the applicable condominium plan, final map, parcel map or calculated using available spatial data and GIS.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1, Division 2 of Title 5 of the Government Code of the State.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 9: the costs of any paying agents/fiscal agents/trustees related to Bond payments (including the fees and expenses of its counsel), banking and management; the costs of computing the Special Tax Requirements, the Special Taxes and of preparing the collection schedules for the Special Taxes; the costs of collecting the Special Taxes, including any charges levied by the County Auditor's Office, Tax Collector's Office or Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements of California law (including the Act) and the federal securities laws; costs of responding to public inquiries regarding the Special Taxes; the costs of the City or designee related to an appeal of the Special Taxes or interpretation of the Rate and Method of Apportionment; amounts needed to pay rebate to the federal government related to Bonds; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in the City. Administrative Expenses shall also include an allocable share of the salaries of City staff and an allocable portion of City overhead costs relating to the foregoing, or costs of the City in any way related to the establishment or administration of the City. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 9 for any other administrative purposes of CFD No. 9.

"Assessor's Data" means the property characteristic data compiled and maintained by the County Assessor for each Assessor's Parcel, including, but not limited to, Assessor's Parcel Number, Building Square Footage, and Units.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" or "APN" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax - Facilities" means the Assigned Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Assigned Special Tax - Environmental" means the Assigned Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Authorized Environmental Services" means the services related to environmental operations, maintenance, and monitoring authorized to be funded, in whole or in part, by CFD No. 9.

"Authorized Facilities" means the public facilities and capital fees, authorized to be financed, in whole or in part, by CFD No. 9, including by the proceeds of any CFD No. 9 Bonds.

"Authorized Maintenance Services" means the services authorized to be funded, in whole or in part, by CFD No. 9.

"Backup Special Tax - Environmental" means the Backup Special Tax - Environmental applicable to each Assessor's Parcel of Developed Property, as determined in accordance with Section C below.

"Backup Special Tax - Facilities" means the Backup Special Tax - Facilities applicable to each Assessor's Parcel of Developed Property, as determined in accordance with Section C below.

"Bonds" means bonds or other debt (as defined in the Act), whether in one or more series, issued or assumed by or on behalf of CFD No. 9 under the Act. Bonds also includes any bonds issued to refinance a previous bond issue.

"Boundary Map" means that map recorded with the County recorder's office on _____ in Book __ at Page __ as Document Number _____.

"Building Square Footage" or "Building Square Feet" or, singularly, "Building Square Foot" means the building square footage assigned to each Assessor's Parcel, which may be determined by referencing (i) Assessor's Data, (ii) site surveys, and/or (iii) other research by the CFD Administrator.

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirements, and providing for the levy and collection of the Special Taxes.

"CFD No. 9" means City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay).

"City" means the City of Oxnard, California.

"City Council" means the City Council, acting as the legislative body of CFD No. 9.

"Consumer Price Index" or "CPI" means the Consumer Price Index published by the U.S. Bureau of Labor Statistics for "All Urban Consumers" in the Los Angeles – Riverside – Orange County Area, measured as of the month of April in the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index.

"County" means the County of Ventura.

"Debt Service" means for each Debt Year, the total amount of principal and interest due for any Bonds of CFD No. 9.

"Debt Year" means each 12-month period designated as such, or by a similar term, in the Indenture for each series of Bonds.

"Developed Property" means for each Fiscal Year, all Taxable Property, exclusive of Taxable Contingent Property, for which a Building Permit was issued on or before June 1 of the prior Fiscal Year. For example, Taxable Property for which a Building Permit was issued on or before June 1 of the prior Fiscal Year (i.e., June 1, 2022), would be treated as Developed Property for Fiscal Year 2022/23.

"Disbursement Agreement" means the Special Tax Disbursement Agreement executed on [DATE].

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"GIS" or "Geographic Information System" means a system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data.

"Indenture" means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds for CFD No. 9 are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Maximum Special Tax" means, individually or collectively, as the context requires, the Maximum Special Tax – Facilities, the Maximum Special Tax – Services, and/or the Maximum Special Tax – Environmental.

"Maximum Special Tax - Environmental" means the Maximum Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax - Facilities" means the Maximum Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax - Services" means the Maximum Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Outstanding Bonds" means all Bonds that are outstanding under and in accordance with the provisions of the Indenture.

"Pay-As-You-Go Expenditure" means Pay-As-You-Go Revenue which is used or set aside for Authorized Facilities. Pay-As-You-Go Expenditures may be included in the Special Tax Requirement until all Authorized Facilities have been constructed or acquired.

"Pay-As-You-Go Revenue" means Special Tax - Facilities revenues that are available after being used or set aside for Debt Service and Administrative Expenses.

"Property Owner Association Property" means, for each Fiscal Year, any property within the boundaries of CFD No. 9 that is owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

"Property Type" means either Single Family Residential Property, Taxable Contingent Property, or Tax-Exempt Property.

"Proportionately" means for Developed Property, Taxable Contingent Property and Undeveloped Property that the ratio of each Special Tax levy to the related Maximum Special Tax is equal for all Assessors' Parcels of Developed Property, Taxable Contingent Property and Undeveloped Property, respectively.

"Public Property" means property within the boundaries of CFD No. 9 owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public right-of-way has been granted to the federal government, the State, the County, the City, or any local government or other public agency, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"Rate and Method of Apportionment" means this Rate and Method of Apportionment of Special Tax for CFD No. 9.

"Services Operating Reserve" means one or more accounts (whether funded by Special Taxes – Services or from funds outside of CFD No. 9) held by the City that serve as a reserve for Authorized Maintenance Services; provided, however, that the Services Operating Reserve may not exceed the Services Operating Reserve Requirement.

"Services Operating Reserve Requirement" means, in the aggregate for a Fiscal Year, an amount not in excess of the Maximum Special Tax – Services that may be levied on Taxable Property in such Fiscal Year.

"Single Family Residential Property" means all Assessor's Parcels of Developed Property with a residential structure intended for a single Unit.

"Special Tax(es)" means, individually or collectively as the context requires, Special Tax – Facilities, Special Tax – Services, and/or Special Tax – Environmental.

"Special Tax – Environmental" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property within CFD No. 9 to fund the Special Tax Requirement – Environmental.

"Special Tax – Facilities" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property within CFD No. 9 to fund the Special Tax Requirement – Facilities.

"Special Tax – Services" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property within CFD No. 9 to fund the Special Tax Requirement – Services.

"Special Tax Requirements" means, collectively, Special Tax Requirement – Facilities, Special Tax Requirement – Services, and Special Tax Requirement – Environmental.

"Special Tax Requirement - Environmental" means that amount required in any Fiscal Year for CFD No. 9 to pay for Authorized Environmental Services as determined by the budget set forth in the Disbursement Agreement (as such Disbursement Agreement may be amended from time to time). The budget set forth in the _ Disbursement Agreement is inclusive of contingency and reserves. The Special Tax – Environmental will not contribute to Administrative Expenses.

"Special Tax Requirement - Facilities" means that amount required in any Fiscal Year for CFD No. 9 to (1) pay Debt Service on all Outstanding Bonds which is due in such Fiscal Year; (2) pay Administrative Expenses; (3) provide any amount required to establish or replenish a reserve fund in connection with any Bonds; (4) through Fiscal Year 2042/43, any amounts needed for Pay-As-You-Go Expenditures eligible to be funded by CFD No. 9 under the Act, to the extent that the inclusion of such amounts does not increase the Special Tax - Facilities levy on Undeveloped Property; and (5) provide an amount equal to reasonably anticipated Special Tax - Facilities delinquencies based on the delinquency rate for the Special Tax - Facilities levied in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act, and without duplicating any amounts described in clauses (3). The amounts referred to in clauses (1) through (5) of the preceding sentence may be reduced in any Fiscal Year (in the City's sole discretion) by (i) interest earnings on or surplus balances in funds and accounts for Bonds to the extent that such earnings or balances are available to apply against Debt Service pursuant to the Indenture, (ii) proceeds from the collection of penalties associated with delinquent Special Tax - Facilities, and (iii) any other revenues available to pay Debt Service on the Outstanding Bonds or other indebtedness as determined by the CFD Administrator.

"Special Tax Requirement - Services" means that amount required in any Fiscal Year for CFD No. 9 to (1) pay for Authorized Maintenance Services; (2) pay Administrative Expenses; (3) provide an amount equal to reasonably anticipated Special Tax - Services delinquencies based on the delinquency rate for the Special Tax - Services levied in the previous Fiscal Year as determined by the CFD Administrator, as limited

by the Act; and (4) provide any amount required to establish or replenish any Services Operating Reserve, to the extent that the inclusion of such amounts does not increase the Special Tax – Services levy on Undeveloped Property. The amounts referred to in clauses (1) through (4) of the preceding sentence may be reduced in any Fiscal Year (in the City's sole discretion) by (i) proceeds from the collection of penalties associated with delinquent Special Tax – Services, (ii) any other revenues available to pay for Authorized Maintenance Services as determined by the CFD Administrator.

"State" means the State of California.

"Tax Escalation Factor" means a factor equal to the April annualized CPI for Los Angeles/Long Beach/Anaheim for all urban consumers that will be applied annually after 2022/23 and each Fiscal Year thereafter to increase the Maximum Special Tax – Services and Maximum Special Tax - Environmental over the previous year as shown in Section C. In the event that the percentage change in the annualized CPI is negative, the Maximum Special Tax Rate - Services and Maximum Special Tax – Environmental shall not be decreased, and the Tax Escalation Factor shall be 0.00%.

"Tax-Exempt Property" means all Assessor's Parcels within the boundaries of CFD No. 9 which are exempt from the Special Tax pursuant to the Act or Section E below.

"Taxable Contingent Property" means, collectively, Taxable Property Owner Association Property and Taxable Public Property.

"Taxable Property" means all Assessor's Parcels within the boundaries of CFD No. 9 which are not exempt from the Special Taxes pursuant to the Act or Section E below.

"Taxable Property Owner Association Property" means all Assessor's Parcels of Property Owner Association Property that are not exempt from the Special Taxes pursuant to Section E below.

"Taxable Public Property" means all Assessor's Parcels of Public Property that are not exempt from the Special Taxes pursuant to Section E below.

"Taxable Welfare Exempt Property" means all Assessor's Parcels of Welfare Exempt Property that are not exempt pursuant to Section E below.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Property" means all Assessor's Parcels of Taxable Property that is not Developed Property.

"Unit" means an individual residential living space. The number of Units assigned to each Assessor's Parcel may be determined by (i) referencing Assessor's Data, (ii) site surveys and physical unit counts, and/or (iii) other research by the CFD Administrator. An Accessory Dwelling Unit shall be considered a Unit for the purposes of the Special Taxes.

"Welfare Exempt Property" means (A) for the Special Tax – Facilities, all Assessor's Parcels within the boundaries of CFD No. 9 that, prior to the issuance of the first series of Bonds, have been granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code. Once the first series of Bonds have been issued for CFD No. 9, property may no longer be categorized as Welfare Exempt Property for the Special Tax – Facilities under this Rate and Method of Apportionment regardless of whether the Assessor's Parcel has been granted a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code; (B) for the Special Tax – Services, all Assessor's Parcels within the boundaries of CFD No. 9 that have been granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code, irrespective of whether Bonds have been issued; and (C) for the Special Tax – Environmental, because the Disbursement Agreement has already been executed and the Disbursement Agreement constitutes "debt" as defined by Section 53317 of the Act, all Assessor's Parcels within the

boundaries of CFD No. 9 subject to the Special Tax – Environmental shall not be eligible to be categorized as Welfare Exempt Property for the Special Tax – Environmental under this Rate and Method of Apportionment, and, therefore, all Assessor’s Parcels within the boundaries of CFD No. 9 subject to the Special Tax – Environmental shall be levied the Special Tax – Environmental regardless of whether an Assessor’s Parcel has been granted a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code.

“Zone” means the assignment of Assessor’s Parcels to a zone as shown on the Boundary Map of CFD No. 9.

“Zone A” means Assessor’s Parcels located in Zone A as shown on the Boundary Map of CFD No. 9.

“Zone B” means Assessor’s Parcels located in Zone B as shown on the Boundary Map of CFD No. 9.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, the CFD Administrator shall determine the valid Assessor’s Parcel Numbers for all Taxable Property within CFD No. 9. If any Assessor’s Parcel Numbers are no longer valid from the previous Fiscal Year, the CFD Administrator shall determine the new Assessor’s Parcel Number(s) that are in effect for the current Fiscal Year. To the extent Assessor’s Parcels of Taxable Property are subdivided, consolidated, or otherwise reconfigured, the Special Tax rates shall be assigned to the new Assessor’s Parcel(s) pursuant to Section C.

Each Fiscal Year, all Assessor’s Parcels within CFD No. 9 shall be classified as follows:

1. Each Assessor’s Parcel shall be determined to be Taxable Property or Tax-Exempt Property.
2. Each Assessor’s Parcel of Taxable Property shall be further classified as Developed Property, Undeveloped Property or Taxable Contingent Property. Taxable Property shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment determined pursuant to Sections C and D below.
3. Each Assessor’s Parcel of Developed Property shall be further classified as Single Family Residential Property. For Single Family Residential Property, the Building Square Footage for each Assessor’s Parcel shall be determined.

C. MAXIMUM SPECIAL TAX RATES

Notwithstanding the below, under no circumstances will the Special Taxes levied in any Fiscal Year against any Assessor’s Parcel for which an occupancy permit for private residential use has been issued be increased by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquency or default by the owner(s) of any other Assessor’s Parcel within CFD No. 9.

MAXIMUM SPECIAL TAX – FACILITIES

1. Developed Property

The Maximum Special Tax - Facilities for each Assessor’s Parcel of Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax - Facilities or (ii) the amount derived by application of the Backup Special Tax - Facilities.

Assigned Special Tax - Facilities

The Assigned Special Tax - Facilities for each Assessor’s Parcel of Developed Property is shown in Table 1.

**TABLE 1
ASSIGNED SPECIAL TAX - FACILITIES FOR DEVELOPED PROPERTY
FISCAL YEAR 2022/23**

Building Square Footage	Assigned Special Tax - Facilities Rate	Per	Zone
Less than 2,100 sq. ft.	\$2,418.84	Unit	A & B
2,100 - 2,249 sq. ft.	2,543.84	Unit	A & B
2,250 - 2,399 sq. ft.	2,707.07	Unit	A & B
2,400 - 2,549 sq. ft.	2,772.37	Unit	A & B
2,550 - 2,699 sq. ft.	2,919.28	Unit	A & B
2,700 - 2,849 sq. ft.	3,066.19	Unit	A & B
2,850 - 2,999 sq. ft.	3,266.19	Unit	A & B
3,000 – 3,149 sq. ft.	3,466.19	Unit	A & B
3,150 - 3,299 sq. ft.	3,653.83	Unit	A & B
3,300 - 3,449 sq. ft.	3,817.06	Unit	A & B
3,450 - 3,549 sq. ft.	3,980.29	Unit	A & B
3,550 - 3,649 sq. ft.	4,045.59	Unit	A & B
3,650 - 3,799 sq. ft.	4,135.59	Unit	A & B
3,800 - 3,949 sq. ft.	4,225.59	Unit	A & B
3,950 – 4,099 sq. ft.	4,315.59	Unit	A & B
4,100 - 4,250 sq. ft.	4,437.35	Unit	A & B
Greater than 4,250 sq. ft.	4,567.93	Unit	A & B

Increase in the Assigned Special Tax - Facilities

On each July 1, commencing on July 1, 2023, the Assigned Special Tax - Facilities for Developed Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

Backup Special Tax - Facilities

The Backup Special Tax - Facilities for each Assessor's Parcel of Developed Property shall be \$3,752 per Unit for Zone A and \$2,770 per Unit for Zone B.

The Backup Special Tax - Facilities for an Assessor's Parcel shall not change once an Assessor's Parcel is classified as Developed Property, except for the increase detailed below.

Increase in the Backup Special Tax - Facilities

On each July 1, commencing on July 1, 2023, the Backup Special Tax - Facilities for Developed Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

0. Undeveloped Property and Taxable Contingent Property

Maximum Special Tax – Facilities

The Maximum Special Tax - Facilities for each Assessor's Parcel of Undeveloped Property and Taxable Contingent Property shall be \$27,065 per Acre for Zone A and \$42,607 per Acre for Zone B.

Increase in the Maximum Special Tax – Facilities

On each July 1, commencing on July 1, 2023, the Maximum Special Tax - Facilities for Undeveloped Property and Taxable Contingent Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

MAXIMUM SPECIAL TAX – SERVICES

1. Developed Property, Taxable Contingent Property and Undeveloped Property

The Maximum Special Tax – Services for each Assessor's Parcel of Developed Property, Taxable Contingent Property and Undeveloped Property is shown in Table 2.

**TABLE 2
MAXIMUM SPECIAL TAX - SERVICES
FISCAL YEAR 2022/23**

Land Use	Maximum Special Tax - Services Rate	Per	Zone
Developed Property– Single Family Residential Property	\$1,387	Unit	A & B
Undeveloped Property/Taxable Contingent Property	\$12,478	Acre	A & B

Increase in the Maximum Special Tax - Services

On each July 1, commencing on July 1, 2023, the Maximum Special Tax – Services for Developed Property, Taxable Contingent Property and Undeveloped Property shall be increased by an amount equal to the greater of two percent (2%) or the Tax Escalation Factor, provided that the annual escalation shall not under any circumstances exceed 5%.

MAXIMUM SPECIAL TAX – ENVIRONMENTAL

1. Developed Property

The Maximum Special Tax - Environmental for each Assessor's Parcel of Developed shall be the greater of (i) the amount derived by application of the Assigned Special Tax - Environmental or (ii) the amount derived by application of the Backup Special Tax - Environmental.

Assigned Special Tax - Environmental

The Assigned Special Tax - Environmental for each Assessor's Parcel of Developed Property is shown in Table 3.

**TABLE 3
ASSIGNED SPECIAL TAX - ENVIRONMENTAL FOR DEVELOPED PROPERTY
FISCAL YEAR 2022/23**

Land Use	Assigned Special Tax - Environmental Rate	Per	Zone
Developed Property – Single Family Residential Property	\$1,760	Unit	A & B

Increase in the Assigned Special Tax - Environmental

On each July 1, commencing on July 1, 2023, the Assigned Special Tax - Environmental for Developed Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

Backup Special Tax - Environmental

The Backup Special Tax - Environmental for each Assessor's Parcel of Developed Property shall be \$1,760 per Unit for Zone A and Zone B.

Increase in the Backup Special Tax - Environmental

On each July 1, commencing on July 1, 2023, the Backup Special Tax - Environmental for Developed Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

0. Undeveloped Property and Taxable Contingent Property

Maximum Special Tax – Environmental

The Maximum Special Tax - Environmental for each Assessor's Parcel of Undeveloped Property and Taxable Contingent Property shall be \$15,649 per Acre for Zone A and Zone B.

Increase in the Maximum Special Tax – Environmental

On each July 1, commencing on July 1, 2023, the Maximum Special Tax - Environmental for Undeveloped Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAXES

Commencing with Fiscal Year 2022/23 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirements, and shall levy each Special Tax until the amount of a Special Tax equals the applicable Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

Special Tax - Facilities

First: The Special Tax - Facilities shall be levied Proportionately on each Assessor's Parcel of Developed Property at a rate up to 100% of the applicable Assigned Special Tax - Facilities for Developed Property to satisfy the Special Tax Requirement - Facilities.

Second: If additional monies are needed to satisfy the Special Tax Requirement – Facilities, the Special Tax - Facilities shall be levied Proportionately on each Assessor's Parcel of Developed Property whose Maximum Special Tax – Facilities is derived by the application of the Backup Special Tax – Facilities and shall be increased Proportionately from the Assigned Special Tax – Facilities up to the Maximum Special Tax – Facilities for each such Assessor's Parcel.

Third: If additional monies are needed to satisfy the Special Tax Requirement - Facilities, the Special Tax - Facilities shall be levied Proportionately on each Assessor's Parcels of Undeveloped Property at a rate up to 100% of the Maximum Special Tax – Facilities for Undeveloped Property.

Fourth: If additional monies are needed to satisfy the Special Tax Requirement - Facilities, the Special Tax - Facilities shall be levied Proportionately on each Assessor's Parcel of Taxable Contingent Property at a rate up to 100% of the Maximum Special Tax – Facilities for Taxable Contingent Property.

Special Tax - Services

First: The Special Tax - Services shall be levied Proportionately on each Assessor's Parcel of Developed Property at a rate up to 100% of the applicable Maximum Special Tax - Services for Developed Property to satisfy the Special Tax Requirement - Services.

Second: If additional monies are needed to satisfy the Special Tax Requirement – Services, the Special Tax - Services shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at a rate up to 100% of the applicable Maximum Special Tax - Services for Undeveloped Property to satisfy the Special Tax Requirement - Services.

Third: If additional monies are needed to satisfy the Special Tax Requirement – Services, the Special Tax – Services shall be levied Proportionately on all Taxable Contingent Property at a rate up to 100% of the Maximum Special Tax – Services for Taxable Contingent Property.

Special Tax Requirement - Environmental

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at a rate up to 100% of the applicable Assigned Special Tax - Environmental for Developed Property to satisfy the Special Tax Requirement - Environmental.

Second: If additional monies are needed to satisfy the Special Tax Requirement – Environmental, the Special Tax - Environmental shall be levied Proportionately on each Assessor's Parcel of Developed Property whose Maximum Special Tax – Environmental is derived by the application of the Backup Special Tax – Environmental and shall be increased Proportionately from the Assigned Special Tax – Environmental up to the Maximum Special Tax – Environmental for each such Assessor's Parcel.

Third: If additional monies are needed to satisfy the Special Tax Requirement - Environmental, the Special Tax - Environmental shall be levied Proportionately on each Assessor's Parcels of Undeveloped Property at a rate up to 100% of the Maximum Special Tax – Environmental for Undeveloped Property.

Fourth: If additional monies are needed to satisfy the Special Tax Requirement - Environmental, the Special Tax - Environmental shall be levied Proportionately on each Assessor's Parcel of Taxable Contingent Property at a rate up to 100% of the Maximum Special Tax – Environmental for Taxable Contingent Property.

E. EXEMPTIONS

1. No Special Taxes shall be levied on up to 50.46 Acres of Property Owner Association Property and Public Property for Zone A and up to 7.34 Acres of Property Owner Association Property and Public Property for Zone B. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Property Owner Association Property, or Public Property.

2. Any property that is granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code prior to the first series of CFD No. 9 Bonds shall thereafter be exempt from the Special Tax - Facilities. Any property that is granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code after the first series of CFD No. 9 Bonds have been issued shall not be considered Welfare Exempt Property for the Special Taxes - Facilities and shall not be exempt from Special Tax - Facilities.

3. Any property that is granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code shall thereafter be exempt from the Special Tax – Services, irrespective of whether Bonds have been issued.

4. Any property that is granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be exempt from the Special Tax - Environmental.

5. Property Owner Association Property, that is not exempt from the Special Taxes under this section, or pursuant to the Act, shall be classified as Taxable Property Owner Association Property. Taxable Property Owner Association Property shall be subject to the levy of the Special Taxes and shall be taxed Proportionately as described in Section D above, at up to 100% of the applicable Maximum Special Taxes for Taxable Contingent Property as shown in Section C above.

6. Public Property, that is not exempt from the Special Taxes under this section, or pursuant to the Act, shall be classified as Taxable Public Property. Taxable Public Property shall be subject to the levy of the Special Taxes and shall be taxed Proportionately as described in Section D above, at up to 100% of the applicable Maximum Special Taxes for Taxable Contingent Property as shown in Section C above.

7. Prior to 60 days before the issuance of the first series of CFD No. 9 Bonds, the CFD Administrator may increase or decrease the exempt Acres described in paragraph 1 to better reflect the actual tax-exempt acreage within CFD No. 9. However, notwithstanding the above, the final number of taxable Acres in CFD No. 9 shall not be decreased if it causes an increase in the Special Tax – Facilities or Special Tax - Environmental levied on any existing Assessor's Parcel of Developed Property.

F. APPEALS

Any property owner may file a written appeal of the Special Taxes with the CFD Administrator claiming that the amount or application of the Special Taxes is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Taxes to be modified or changed in favor of the property owner, the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Taxes.

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. INTERPRETATIONS

The City Council may, by resolution or ordinance, interpret, clarify and/or revise this Rate and Method of Apportionment to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Taxes, method of apportionment, classification of Assessor's Parcels, or any definition used herein, as long as such correction does not materially affect the levy and collection of Special Taxes. In addition, the interpretation and application of any section of this document shall be at the City's discretion.

H. MANNER OF COLLECTION

The Special Taxes shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the CFD Administrator may, at the sole discretion of the City,

directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of the Special Tax.

I. PREPAYMENT OF SPECIAL TAX - FACILITIES

The following definition applies to this Section I:

"Future Facilities Amount" means, \$17,000,000, all Authorized Facilities financed or anticipated by the City to be financed by CFD No. 9, minus (i) the proceeds of any previously issued Bonds which were, at the time of issuance, available to the City for Authorized Facilities, (ii) the cost of Authorized Facilities or portions thereof previously paid for by Pay-As-You-Go Revenue, and (ii) cost of Authorized Facilities or portions thereof to be paid for by Pay-As-You-Go Revenue previously received and not yet spent. The Future Facilities Amount shall not be less than \$0.

"Maximum Special Tax Percentage to be Prepaid" means the percentage of the Maximum Special Tax - Facilities prepaid as determined by the CFD Administrator after application of the prepayment calculation set forth below.

"Previously Issued Bonds" means all Bonds that have been issued by CFD No. 9 prior to the date of prepayment.

1. Prepayment in Full

The Special Tax - Facilities obligation of an Assessor's Parcel of Developed Property, Taxable Contingent Property, or Undeveloped Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent installments of the Special Tax - Facilities with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax - Facilities obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 45 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 75 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD Administrator may charge a fee for providing this service.

The Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

Bond Redemption Amount

plus	Redemption Premium
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
less	<u>Capitalized Interest Credit</u>
Total:	equals Special Tax Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount (defined below) shall be calculated as follows:

Step Number:

1. Confirm that no Special Tax - Facilities delinquencies apply to such Assessor's Parcel.

2. For Assessor's Parcels of Developed Property and Taxable Contingent Property compute the Assigned Special Tax - Facilities and Backup Special Tax - Facilities. For Assessor's Parcels of Undeveloped Property to be prepaid, compute the Assigned Special Tax - Facilities and Backup Special Tax - Facilities for that Assessor's Parcel as though it was already designated as Developed Property, based upon the number of expected Units to be developed on that Assessor's Parcel.
3. Divide the Assigned Special Tax - Facilities computed pursuant to Step 2 by the total estimated Assigned Special Tax - Facilities for CFD No. 9 based on the Developed Property Special Tax - Facilities which could be charged in the current Fiscal Year on all expected buildout of CFD No. 9, excluding any Assessor's Parcels which have prepaid the Special Tax - Facilities obligation in full pursuant to Section I.1.
 - b. Divide the Backup Special Tax - Facilities computed pursuant to Step 2 by the total estimated Backup Special Tax - Facilities for CFD No. 9 based on the Developed Property Special Tax - Facilities which could be charged in the current Fiscal Year on all expected buildout of CFD No. 9, excluding any Assessor's Parcels which have prepaid the Special Tax - Facilities obligation in full pursuant to Section I.1.
4. Multiply the larger quotient computed pursuant to Step 3.a or 3.b by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "*Bond Redemption Amount*").
5. Compute the current Future Facilities Costs.
6. Multiply the larger quotient computed pursuant to Step 3.a or 3.b by the total Future Facilities Costs to compute the amount of the Future Facilities Amount to be prepaid (the "*Future Facilities Amount*").
7. Multiply the Bond Redemption Amount computed pursuant to Step 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "*Redemption Premium*").
8. Compute the amount needed to pay interest on the Bond Redemption Amount on the earliest redemption date for the Outstanding Bonds.
9. Compute the amount the Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Amount and the Administrative Fees and Expenses from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
10. Subtract the amount computed pursuant to Step 9 from the amount computed pursuant to Step 8 (the "*Defeasance Amount*").
11. Verify the administrative fees and expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming the Outstanding Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "*Administrative Fees and Expenses*").
12. A reserve fund credit (the "*Reserve Fund Credit*") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero.
13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the larger quotient computed pursuant to Steps 3.a or 3.b by the

expected balance in the capitalized interest fund after such first interest and/or principal payment (the “*Capitalized Interest Credit*”).

14. The Special Tax - Facilities prepayment is equal to the sum of the amounts computed pursuant to Steps 4, 6, 7, 10 and 11, less the amount computed pursuant to Steps 12 and 13 (the “*Prepayment Amount*”).

15. From the Prepayment Amount, the amounts computed pursuant to Steps 4, 7, 10, 12, and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds and make debt service payments. The amount computed pursuant to Step 6 shall be deposited into the Construction Fund. The amount computed pursuant to Step 11 shall be retained by the City for the payment of Administrative Fees and Expenses.

The Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment amount that is not \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of bonds or to make debt service payments.

Any current-year Special Tax – Facilities that has been placed on the County tax roll will remain on the tax roll.

Notwithstanding the foregoing, no Special Tax - Facilities prepayment shall be allowed unless the amount of the Maximum Special Tax - Facilities that may be levied on Taxable Property both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

2. Prepayment in Part

The Special Tax – Facilities may be partially prepaid, provided that a partial prepayment may be made after all authorized CFD No. 9 Bonds have been issued and only for Assessor’s Parcels of Developed Property, or Taxable Contingent Property, and only if there are no delinquent Annual Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. The amount of the prepayment shall be calculated as in Section I.1; except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = P^{\epsilon} \times F.$$

These terms have the following meaning:

PP = the partial prepayment

P^{ϵ} = the Special Tax - Facilities Prepayment Amount calculated according to Section I.1

F = the percentage by which the owner of the Assessor’s Parcel(s) is partially prepaying the Special Tax - Facilities.

The Special Tax - Facilities partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any Assessor’s Parcel who desires such partial prepayment shall notify the CFD Administrator of such owner’s intent to partially prepay the Special Tax - Facilities and the percentage by which the Special Tax - Facilities shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax - Facilities for an Assessor’s Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor’s Parcel that is partially prepaid, the CFD Administrator shall (i) distribute

the prepayment funds remitted according to Section I.1, and (ii) indicate in the records of CFD No. 9 that there has been a partial prepayment of the Special Tax - Facilities and that a portion of the Special Tax - Facilities with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Special Tax - Facilities, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

J. TERM

The Special Tax - Facilities shall be levied commencing in Fiscal Year 2022/23 to the extent needed to satisfy the Special Tax Requirement – Facilities and shall not be levied after Fiscal Year 2065/66, however any Special Tax - Facilities that was lawfully levied for Authorized Facilities in or before Fiscal Year 2065/66 and that remains delinquent may be collected in subsequent years.

The Special Tax – Services shall be levied commencing in Fiscal Year 2022/23 to the extent necessary to satisfy the Special Tax Requirement – Services and shall be levied for as long as required to satisfy the Special Tax Requirement – Services.

The Special Tax – Environmental shall be levied commencing in Fiscal Year 2022/23 to the extent necessary to satisfy the Special Tax Requirement – Environmental and shall be levied for as long as the obligations associated with the Authorized Environmental Services are outstanding.

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Oxnard Community Facilities
District No. 9 (Northshore at Mandalay Bay)
c/o Maryann L. Goodkind, Esq.
Norton Rose Fulbright US LLP
555 South Flower Street, 41st Floor
Los Angeles, California 90071

NOTICE OF SPECIAL TAX LIEN

CITY OF OXNARD COMMUNITY FACILITIES DISTRICT NO. 9 (NORTHSHORE AT MANDALAY BAY)

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code, the undersigned City Clerk of the City of Oxnard, State of California, hereby gives notice that a lien to secure payment of special taxes is hereby imposed by the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) (the "District"). The special taxes secured by this lien are authorized to be levied for the purpose of (a) replacing the previously established City of Oxnard Community Facilities District No. 6 (Northshore at Mandalay Bay), (b) financing the purchase, construction, expansion, modification, rehabilitation or improvement of all or a portion of certain facilities, including fees related thereto, with an estimated useful life of five years or longer, which the District is authorized by law to construct, own or operate and that are necessary to meet increased demands placed upon the City as a result of development occurring within the proposed District, including but not limited to sanitary sewer, water, street, storm drain and park facilities, public art or other real or tangible property with an estimated useful life of five years or longer (the "Facilities") and (c) financing services which the District is authorized by law to provide, including but not limited to, landscaping, streetlighting, maintenance of sewer, storm drain, irrigation systems, and parks, Edison Canal and Channel Island Harbor maintenance, and weed abatement (the "General Services"), and the remediation, operation, maintenance and/or monitoring of any hazardous substance released or threatened to be released into the environment on the Property as more particularly described in the Response Plan approved by DTSC on December 17, 2018 (the "Response Plan"), the Operation and Maintenance Plan approved by DTSC on March 7, 2019 ("O&M Plan") and any additional remedial activities or protective measures (collectively, the "Remediation Services" and together with the General Services, the "Services"), which Services are in addition to and do not supplant those services already provided in the territory within the proposed District prior to the establishment of the District, and which Facilities and Services are directly or indirectly related to the development of the territory within the proposed District.

The special taxes are authorized to be levied within the District which has now been officially formed pursuant to the Mello-Roos Community Facilities Act of 1982, as amended,

commencing with Section 53311 of the California Government Code (the “Act”), and the lien of the special taxes is a continuing lien which shall secure each annual levy of the special taxes and which shall continue in force and effect until the special taxes cease to be levied and a notice of cessation of special taxes is recorded in accordance with Section 53330.5 of the Act.

The rate and method of apportionment, and manner of collection of authorized special tax, is as set forth in Exhibit “A” attached hereto and hereby made a part hereof (the “Rate and Method of Apportionment”). Parcels within the District may prepay the Special Tax – Facilities levied to fund Facilities in whole or in part as set forth in Section I of Exhibit “A” attached hereto. The special taxes levied to fund Services is not subject to prepayment.

Notice is further given that upon the recording of this notice in the Office of the Ventura County Recorder, the obligation to pay the levies of the special taxes shall become a lien upon all real property within the District in accordance with Section 3115.5 of the Streets and Highways Code.

The name of the owner(s) and the assessor’s tax parcel number(s) of the real property included within the District and not exempt from the special taxes are as set forth in Exhibit “B” attached hereto.

Reference is made to the boundary map of the District recorded at Book 20 of Maps of Assessment and Community Facilities Districts at page 27 and as Document No. _____, in the office of the County Recorder for the County of Ventura, California which map is now and final boundary map of the District.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Finance Director of the City of Oxnard, 300 West Third Street, Oxnard, CA 93030, (805) 385-7461.

The County Recorder shall endorse upon the notice the time and date of filing, and shall cross index the notice by reference to the page of the book of maps of assessment and community facilities districts in which the boundary map of the District was filed.

Dated: _____, 2021

ROSE CHAPARRO, CITY CLERK OF
CITY OF OXNARD, CALIFORNIA

EXHIBIT A

RATE AND METHOD OF APPORTIONMENT FOR CITY OF OXNARD COMMUNITY FACILITIES DISTRICT NO. 9 (Northshore at Mandalay Bay)

Three Special Taxes, as hereinafter defined, shall be levied on all Assessor's Parcels in the City of Oxnard (the "City") Community Facilities District No. 9 (Northshore at Mandalay Bay) ("CFD No. 9") and collected each Fiscal Year commencing in Fiscal Year 2022/23, in amounts determined by the City or its designee, through the application of the Rate and Method of Apportionment as described below. All real property in CFD No. 9, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Accessory Dwelling Unit" means a secondary residential unit of limited size, as defined in California Government Code Section 65852.2 as that may be amended from time to time, that is accessory to a single-unit dwelling located on an Assessor's Parcel.

"Acre" or "Acreage" means that acreage shown on the Assessor's Parcel Map or in the Assessor's Data for each Assessor's Parcel. In the event that the Assessor's Parcel Map or Assessor's Data shows no acreage, the Acreage for any Assessor's Parcel may be determined by the CFD Administrator based upon the applicable condominium plan, final map, parcel map or calculated using available spatial data and GIS.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1, Division 2 of Title 5 of the Government Code of the State.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 9: the costs of any paying agents/fiscal agents/trustees related to Bond payments (including the fees and expenses of its counsel), banking and management; the costs of computing the Special Tax Requirements, the Special Taxes and of preparing the collection schedules for the Special Taxes; the costs of collecting the Special Taxes, including any charges levied by the County Auditor's Office, Tax Collector's Office or Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements of California law (including the Act) and the federal securities laws; costs of responding to public inquiries regarding the Special Taxes; the costs of the City or designee related to an appeal of the Special Taxes or interpretation of the Rate and Method of Apportionment; amounts needed to pay rebate to the federal government related to Bonds; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in the City. Administrative Expenses shall also include an allocable share of the salaries of City staff and an allocable portion of City overhead costs relating to the foregoing, or costs of the City in any way related to the establishment or administration of the City. Administrative Expenses shall also

include amounts estimated or advanced by the City or CFD No. 9 for any other administrative purposes of CFD No. 9.

"Assessor's Data" means the property characteristic data compiled and maintained by the County Assessor for each Assessor's Parcel, including, but not limited to, Assessor's Parcel Number, Building Square Footage, and Units.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" or **"APN"** means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax - Facilities" means the Assigned Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Assigned Special Tax - Environmental" means the Assigned Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Authorized Environmental Services" means the services related to environmental operations, maintenance, and monitoring authorized to be funded, in whole or in part, by CFD No. 9.

"Authorized Facilities" means the public facilities and capital fees, authorized to be financed, in whole or in part, by CFD No. 9, including by the proceeds of any CFD No. 9 Bonds.

"Authorized Maintenance Services" means the services authorized to be funded, in whole or in part, by CFD No. 9.

"Backup Special Tax - Environmental" means the Backup Special Tax - Environmental applicable to each Assessor's Parcel of Developed Property, as determined in accordance with Section C below.

"Backup Special Tax - Facilities" means the Backup Special Tax - Facilities applicable to each Assessor's Parcel of Developed Property, as determined in accordance with Section C below.

"Bonds" means bonds or other debt (as defined in the Act), whether in one or more series, issued or assumed by or on behalf of CFD No. 9 under the Act. Bonds also includes any bonds issued to refinance a previous bond issue.

"Boundary Map" means that map recorded with the County recorder's office on _____ in Book ____ at Page ____ as Document Number _____.

"Building Square Footage" or **"Building Square Feet"** or, singularly, **"Building Square Foot"** means the building square footage assigned to each Assessor's Parcel, which may be determined by referencing (i) Assessor's Data, (ii) site surveys, and/or (iii) other research by the CFD Administrator.

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirements, and providing for the levy and collection of the Special Taxes.

"CFD No. 9" means City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay).

"City" means the City of Oxnard, California.

"City Council" means the City Council, acting as the legislative body of CFD No. 9.

"Consumer Price Index" or "CPI" means the Consumer Price Index published by the U.S. Bureau of Labor Statistics for "All Urban Consumers" in the Los Angeles – Riverside – Orange County Area, measured as of the month of April in the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index.

"County" means the County of Ventura.

"Debt Service" means for each Debt Year, the total amount of principal and interest due for any Bonds of CFD No. 9.

"Debt Year" means each 12-month period designated as such, or by a similar term, in the Indenture for each series of Bonds.

"Developed Property" means for each Fiscal Year, all Taxable Property, exclusive of Taxable Contingent Property, for which a Building Permit was issued on or before June 1 of the prior Fiscal Year. For example, Taxable Property for which a Building Permit was issued on or before June 1 of the prior Fiscal Year (i.e., June 1, 2022), would be treated as Developed Property for Fiscal Year 2022/23.

"Disbursement Agreement" means the Special Tax Disbursement Agreement executed on [DATE].

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"GIS" or "Geographic Information System" means a system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data.

"Indenture" means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds for CFD No. 9 are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Maximum Special Tax" means, individually or collectively, as the context requires, the Maximum Special Tax – Facilities, the Maximum Special Tax – Services, and/or the Maximum Special Tax – Environmental.

"Maximum Special Tax - Environmental" means the Maximum Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax - Facilities" means the Maximum Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax - Services" means the Maximum Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Outstanding Bonds" means all Bonds that are outstanding under and in accordance with the provisions of the Indenture.

"Pay-As-You-Go Expenditure" means Pay-As-You-Go Revenue which is used or set aside for Authorized Facilities. Pay-As-You-Go Expenditures may be included in the Special Tax Requirement until all Authorized Facilities have been constructed or acquired.

"Pay-As-You-Go Revenue" means Special Tax - Facilities revenues that are available after being used or set aside for Debt Service and Administrative Expenses.

"Property Owner Association Property" means, for each Fiscal Year, any property within the boundaries of CFD No. 9 that is owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

"Property Type" means either Single Family Residential Property, Taxable Contingent Property, or Tax-Exempt Property.

"Proportionately" means for Developed Property, Taxable Contingent Property and Undeveloped Property that the ratio of each Special Tax levy to the related Maximum Special Tax is equal for all Assessors' Parcels of Developed Property, Taxable Contingent Property and Undeveloped Property, respectively.

"Public Property" means property within the boundaries of CFD No. 9 owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public right-of-way has been granted to the federal government, the State, the County, the City, or any local government or other public agency, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"Rate and Method of Apportionment" means this Rate and Method of Apportionment of Special Tax for CFD No. 9.

"Services Operating Reserve" means one or more accounts (whether funded by Special Taxes – Services or from funds outside of CFD No. 9) held by the City that serve as a reserve for Authorized Maintenance Services; provided, however, that the Services Operating Reserve may not exceed the Services Operating Reserve Requirement.

"Services Operating Reserve Requirement" means, in the aggregate for a Fiscal Year, an amount not in excess of the Maximum Special Tax – Services that may be levied on Taxable Property in such Fiscal Year.

“Single Family Residential Property” means all Assessor’s Parcels of Developed Property with a residential structure intended for a single Unit.

"Special Tax(es)" means, individually or collectively as the context requires, Special Tax – Facilities, Special Tax – Services, and/or Special Tax – Environmental.

“Special Tax – Environmental” means the special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property within CFD No. 9 to fund the Special Tax Requirement – Environmental.

“Special Tax – Facilities” means the special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property within CFD No. 9 to fund the Special Tax Requirement – Facilities.

“Special Tax – Services” means the special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property within CFD No. 9 to fund the Special Tax Requirement – Services.

"Special Tax Requirements” means, collectively, Special Tax Requirement – Facilities, Special Tax Requirement – Services, and Special Tax Requirement – Environmental.

"Special Tax Requirement - Environmental" means that amount required in any Fiscal Year for CFD No. 9 to pay for Authorized Environmental Services as determined by the budget set forth in the Disbursement Agreement (as such Disbursement Agreement may be amended from time to time). The budget set forth in the _ Disbursement Agreement is inclusive of contingency and reserves. The Special Tax – Environmental will not contribute to Administrative Expenses.

"Special Tax Requirement - Facilities" means that amount required in any Fiscal Year for CFD No. 9 to (1) pay Debt Service on all Outstanding Bonds which is due in such Fiscal Year; (2) pay Administrative Expenses; (3) provide any amount required to establish or replenish a reserve fund in connection with any Bonds; (4) through Fiscal Year 2042/43, any amounts needed for Pay-As-You-Go Expenditures eligible to be funded by CFD No. 9 under the Act, to the extent that the inclusion of such amounts does not increase the Special Tax - Facilities levy on Undeveloped Property; and (5) provide an amount equal to reasonably anticipated Special Tax - Facilities delinquencies based on the delinquency rate for the Special Tax - Facilities levied in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act, and without duplicating any amounts described in clauses (3). The amounts referred to in clauses (1) through (5) of the preceding sentence may be reduced in any Fiscal Year (in the City’s sole discretion) by (i) interest earnings on or surplus balances in funds and accounts for Bonds to the extent that such earnings or balances are available to apply against Debt Service pursuant to the Indenture, (ii) proceeds from the collection of penalties associated with delinquent Special Tax - Facilities, and (iii) any other revenues available to pay Debt Service on the Outstanding Bonds or other indebtedness as determined by the CFD Administrator.

"Special Tax Requirement - Services" means that amount required in any Fiscal Year for CFD No. 9 to (1) pay for Authorized Maintenance Services; (2) pay Administrative Expenses; (3) provide an amount equal to reasonably anticipated Special Tax - Services delinquencies based on the delinquency rate for the Special Tax - Services levied in the previous Fiscal Year as determined by

the CFD Administrator, as limited by the Act; and (4) provide any amount required to establish or replenish any Services Operating Reserve, to the extent that the inclusion of such amounts does not increase the Special Tax – Services levy on Undeveloped Property. The amounts referred to in clauses (1) through (4) of the preceding sentence may be reduced in any Fiscal Year (in the City's sole discretion) by (i) proceeds from the collection of penalties associated with delinquent Special Tax – Services, (ii) any other revenues available to pay for Authorized Maintenance Services as determined by the CFD Administrator.

"State" means the State of California.

"Tax Escalation Factor" means a factor equal to the April annualized CPI for Los Angeles/Long Beach/Anaheim for all urban consumers that will be applied annually after 2022/23 and each Fiscal Year thereafter to increase the Maximum Special Tax – Services and Maximum Special Tax - Environmental over the previous year as shown in Section C. In the event that the percentage change in the annualized CPI is negative, the Maximum Special Tax Rate - Services and Maximum Special Tax – Environmental shall not be decreased, and the Tax Escalation Factor shall be 0.00%.

"Tax-Exempt Property" means all Assessor's Parcels within the boundaries of CFD No. 9 which are exempt from the Special Tax pursuant to the Act or Section E below.

"Taxable Contingent Property" means, collectively, Taxable Property Owner Association Property and Taxable Public Property.

"Taxable Property" means all Assessor's Parcels within the boundaries of CFD No. 9 which are not exempt from the Special Taxes pursuant to the Act or Section E below.

"Taxable Property Owner Association Property" means all Assessor's Parcels of Property Owner Association Property that are not exempt from the Special Taxes pursuant to Section E below.

"Taxable Public Property" means all Assessor's Parcels of Public Property that are not exempt from the Special Taxes pursuant to Section E below.

"Taxable Welfare Exempt Property" means all Assessor's Parcels of Welfare Exempt Property that are not exempt pursuant to Section E below.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Property" means all Assessor's Parcels of Taxable Property that is not Developed Property.

"Unit" means an individual residential living space. The number of Units assigned to each Assessor's Parcel may be determined by (i) referencing Assessor's Data, (ii) site surveys and physical unit counts, and/or (iii) other research by the CFD Administrator. An Accessory Dwelling Unit shall be considered a Unit for the purposes of the Special Taxes.

"Welfare Exempt Property" means (A) for the Special Tax – Facilities, all Assessor's Parcels within the boundaries of CFD No. 9 that, prior to the issuance of the first series of Bonds, have been granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code. Once the first series of Bonds have been issued

for CFD No. 9, property may no longer be categorized as Welfare Exempt Property for the Special Tax – Facilities under this Rate and Method of Apportionment regardless of whether the Assessor’s Parcel has been granted a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code; (B) for the Special Tax – Services, all Assessor’s Parcels within the boundaries of CFD No. 9 that have been granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code, irrespective of whether Bonds have been issued; and (C) for the Special Tax – Environmental, because the Disbursement Agreement has already been executed and the Disbursement Agreement constitutes “debt” as defined by Section 53317 of the Act, all Assessor’s Parcels within the boundaries of CFD No. 9 subject to the Special Tax – Environmental shall not be eligible to be categorized as Welfare Exempt Property for the Special Tax – Environmental under this Rate and Method of Apportionment, and, therefore, all Assessor’s Parcels within the boundaries of CFD No. 9 subject to the Special Tax – Environmental shall be levied the Special Tax – Environmental regardless of whether an Assessor’s Parcel has been granted a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code.

“**Zone**” means the assignment of Assessor’s Parcels to a zone as shown on the Boundary Map of CFD No. 9.

“**Zone A**” means Assessor’s Parcels located in Zone A as shown on the Boundary Map of CFD No. 9.

“**Zone B**” means Assessor’s Parcels located in Zone B as shown on the Boundary Map of CFD No. 9.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, the CFD Administrator shall determine the valid Assessor’s Parcel Numbers for all Taxable Property within CFD No. 9. If any Assessor’s Parcel Numbers are no longer valid from the previous Fiscal Year, the CFD Administrator shall determine the new Assessor’s Parcel Number(s) that are in effect for the current Fiscal Year. To the extent Assessor’s Parcels of Taxable Property are subdivided, consolidated, or otherwise reconfigured, the Special Tax rates shall be assigned to the new Assessor’s Parcel(s) pursuant to Section C.

Each Fiscal Year, all Assessor’s Parcels within CFD No. 9 shall be classified as follows:

1. Each Assessor’s Parcel shall be determined to be Taxable Property or Tax-Exempt Property.
2. Each Assessor’s Parcel of Taxable Property shall be further classified as Developed Property, Undeveloped Property or Taxable Contingent Property. Taxable Property shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment determined pursuant to Sections C and D below.
3. Each Assessor’s Parcel of Developed Property shall be further classified as Single Family Residential Property. For Single Family Residential Property, the Building Square Footage for each Assessor’s Parcel shall be determined.

C. MAXIMUM SPECIAL TAX RATES

Notwithstanding the below, under no circumstances will the Special Taxes levied in any Fiscal Year against any Assessor's Parcel for which an occupancy permit for private residential use has been issued be increased by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquency or default by the owner(s) of any other Assessor's Parcel within CFD No. 9.

MAXIMUM SPECIAL TAX – FACILITIES

1. Developed Property

The Maximum Special Tax - Facilities for each Assessor's Parcel of Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax - Facilities or (ii) the amount derived by application of the Backup Special Tax - Facilities.

Assigned Special Tax - Facilities

The Assigned Special Tax - Facilities for each Assessor's Parcel of Developed Property is shown in Table 1.

**TABLE 1
ASSIGNED SPECIAL TAX - FACILITIES FOR DEVELOPED PROPERTY
FISCAL YEAR 2022/23**

Building Square Footage	Assigned Special Tax - Facilities Rate	Per	Zone
Less than 2,100 sq. ft.	\$2,418.84	Unit	A & B
2,100 - 2,249 sq. ft.	2,543.84	Unit	A & B
2,250 - 2,399 sq. ft.	2,707.07	Unit	A & B
2,400 - 2,549 sq. ft.	2,772.37	Unit	A & B
2,550 - 2,699 sq. ft.	2,919.28	Unit	A & B
2,700 - 2,849 sq. ft.	3,066.19	Unit	A & B
2,850 - 2,999 sq. ft.	3,266.19	Unit	A & B
3,000 – 3,149 sq. ft.	3,466.19	Unit	A & B
3,150 - 3,299 sq. ft.	3,653.83	Unit	A & B
3,300 - 3,449 sq. ft.	3,817.06	Unit	A & B
3,450 - 3,549 sq. ft.	3,980.29	Unit	A & B
3,550 - 3,649 sq. ft.	4,045.59	Unit	A & B
3,650 - 3,799 sq. ft.	4,135.59	Unit	A & B
3,800 - 3,949 sq. ft.	4,225.59	Unit	A & B
3,950 – 4,099 sq. ft.	4,315.59	Unit	A & B

4,100 - 4,250 sq. ft.	4,437.35	Unit	A & B
Greater than 4,250 sq. ft.	4,567.93	Unit	A & B

Increase in the Assigned Special Tax - Facilities

On each July 1, commencing on July 1, 2023, the Assigned Special Tax - Facilities for Developed Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

Backup Special Tax - Facilities

The Backup Special Tax - Facilities for each Assessor's Parcel of Developed Property shall be \$3,752 per Unit for Zone A and \$2,770 per Unit for Zone B.

The Backup Special Tax - Facilities for an Assessor's Parcel shall not change once an Assessor's Parcel is classified as Developed Property, except for the increase detailed below.

Increase in the Backup Special Tax - Facilities

On each July 1, commencing on July 1, 2023, the Backup Special Tax - Facilities for Developed Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

2. Undeveloped Property and Taxable Contingent Property

Maximum Special Tax – Facilities

The Maximum Special Tax - Facilities for each Assessor's Parcel of Undeveloped Property and Taxable Contingent Property shall be \$27,065 per Acre for Zone A and \$42,607 per Acre for Zone B.

Increase in the Maximum Special Tax – Facilities

On each July 1, commencing on July 1, 2023, the Maximum Special Tax - Facilities for Undeveloped Property and Taxable Contingent Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

MAXIMUM SPECIAL TAX – SERVICES

1. Developed Property, Taxable Contingent Property and Undeveloped Property

The Maximum Special Tax – Services for each Assessor's Parcel of Developed Property, Taxable Contingent Property and Undeveloped Property is shown in Table 2.

**TABLE 2
MAXIMUM SPECIAL TAX - SERVICES
FISCAL YEAR 2022/23**

Land Use	Maximum Special Tax - Services Rate	Per	Zone
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Developed Property– Single Family Residential Property	\$1,387	Unit	A & B
Undeveloped Property/Taxable Contingent Property	\$12,478	Acre	A & B

Increase in the Maximum Special Tax - Services

On each July 1, commencing on July 1, 2023, the Maximum Special Tax – Services for Developed Property, Taxable Contingent Property and Undeveloped Property shall be increased by an amount equal to the greater of two percent (2%) or the Tax Escalation Factor, provided that the annual escalation shall not under any circumstances exceed 5%.

MAXIMUM SPECIAL TAX – ENVIRONMENTAL

1. Developed Property

The Maximum Special Tax - Environmental for each Assessor’s Parcel of Developed shall be the greater of (i) the amount derived by application of the Assigned Special Tax - Environmental or (ii) the amount derived by application of the Backup Special Tax - Environmental.

Assigned Special Tax - Environmental

The Assigned Special Tax - Environmental for each Assessor’s Parcel of Developed Property is shown in Table 3.

**TABLE 3
ASSIGNED SPECIAL TAX - ENVIRONMENTAL FOR DEVELOPED PROPERTY
FISCAL YEAR 2022/23**

Land Use	Assigned Special Tax - Environmental Rate	Per	Zone
Developed Property – Single Family Residential Property	\$1,760	Unit	A & B

Increase in the Assigned Special Tax - Environmental

On each July 1, commencing on July 1, 2023, the Assigned Special Tax - Environmental for Developed Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

Backup Special Tax - Environmental

The Backup Special Tax - Environmental for each Assessor’s Parcel of Developed Property shall be \$1,760 per Unit for Zone A and Zone B.

Increase in the Backup Special Tax - Environmental

On each July 1, commencing on July 1, 2023, the Backup Special Tax - Environmental for Developed Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

2. **Undeveloped Property and Taxable Contingent Property**

Maximum Special Tax – Environmental

The Maximum Special Tax - Environmental for each Assessor's Parcel of Undeveloped Property and Taxable Contingent Property shall be \$15,649 per Acre for Zone A and Zone B.

Increase in the Maximum Special Tax – Environmental

On each July 1, commencing on July 1, 2023, the Maximum Special Tax - Environmental for Undeveloped Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

D. **METHOD OF APPORTIONMENT OF THE SPECIAL TAXES**

Commencing with Fiscal Year 2022/23 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirements, and shall levy each Special Tax until the amount of a Special Tax equals the applicable Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

Special Tax - Facilities

First: The Special Tax - Facilities shall be levied Proportionately on each Assessor's Parcel of Developed Property at a rate up to 100% of the applicable Assigned Special Tax - Facilities for Developed Property to satisfy the Special Tax Requirement - Facilities.

Second: If additional monies are needed to satisfy the Special Tax Requirement – Facilities, the Special Tax - Facilities shall be levied Proportionately on each Assessor's Parcel of Developed Property whose Maximum Special Tax – Facilities is derived by the application of the Backup Special Tax – Facilities and shall be increased Proportionately from the Assigned Special Tax – Facilities up to the Maximum Special Tax – Facilities for each such Assessor's Parcel.

Third: If additional monies are needed to satisfy the Special Tax Requirement - Facilities, the Special Tax - Facilities shall be levied Proportionately on each Assessor's Parcels of Undeveloped Property at a rate up to 100% of the Maximum Special Tax – Facilities for Undeveloped Property.

Fourth: If additional monies are needed to satisfy the Special Tax Requirement - Facilities, the Special Tax - Facilities shall be levied Proportionately on each Assessor's Parcel of Taxable Contingent Property at a rate up to 100% of the Maximum Special Tax – Facilities for Taxable Contingent Property.

Special Tax - Services

First: The Special Tax - Services shall be levied Proportionately on each Assessor's Parcel of Developed Property at a rate up to 100% of the applicable Maximum Special Tax - Services for Developed Property to satisfy the Special Tax Requirement - Services.

Second: If additional monies are needed to satisfy the Special Tax Requirement – Services, the Special Tax - Services shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at a rate up to 100% of the applicable Maximum Special Tax - Services for Undeveloped Property to satisfy the Special Tax Requirement - Services.

Third: If additional monies are needed to satisfy the Special Tax Requirement – Services, the Special Tax – Services shall be levied Proportionately on all Taxable Contingent Property at a rate up to 100% of the Maximum Special Tax – Services for Taxable Contingent Property.

Special Tax Requirement - Environmental

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at a rate up to 100% of the applicable Assigned Special Tax - Environmental for Developed Property to satisfy the Special Tax Requirement - Environmental.

Second: If additional monies are needed to satisfy the Special Tax Requirement – Environmental, the Special Tax - Environmental shall be levied Proportionately on each Assessor's Parcel of Developed Property whose Maximum Special Tax – Environmental is derived by the application of the Backup Special Tax – Environmental and shall be increased Proportionately from the Assigned Special Tax – Environmental up to the Maximum Special Tax – Environmental for each such Assessor's Parcel.

Third: If additional monies are needed to satisfy the Special Tax Requirement - Environmental, the Special Tax - Environmental shall be levied Proportionately on each Assessor's Parcels of Undeveloped Property at a rate up to 100% of the Maximum Special Tax – Environmental for Undeveloped Property.

Fourth: If additional monies are needed to satisfy the Special Tax Requirement - Environmental, the Special Tax - Environmental shall be levied Proportionately on each Assessor's Parcel of Taxable Contingent Property at a rate up to 100% of the Maximum Special Tax – Environmental for Taxable Contingent Property.

E. EXEMPTIONS

1. No Special Taxes shall be levied on up to 50.46 Acres of Property Owner Association Property and Public Property for Zone A and up to 7.34 Acres of Property Owner Association Property and Public Property for Zone B. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Property Owner Association Property, or Public Property.
2. Any property that is granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code prior to the first series of CFD No. 9 Bonds shall thereafter be exempt from the Special Tax - Facilities. Any property that is granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code after the first series of CFD No. 9 Bonds have been issued shall not be considered Welfare Exempt Property for the Special Taxes - Facilities and shall not be exempt from Special Tax - Facilities.

3. Any property that is granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code shall thereafter be exempt from the Special Tax – Services, irrespective of whether Bonds have been issued.
4. Any property that is granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be exempt from the Special Tax - Environmental.
5. Property Owner Association Property, that is not exempt from the Special Taxes under this section, or pursuant to the Act, shall be classified as Taxable Property Owner Association Property. Taxable Property Owner Association Property shall be subject to the levy of the Special Taxes and shall be taxed Proportionately as described in Section D above, at up to 100% of the applicable Maximum Special Taxes for Taxable Contingent Property as shown in Section C above.
6. Public Property, that is not exempt from the Special Taxes under this section, or pursuant to the Act, shall be classified as Taxable Public Property. Taxable Public Property shall be subject to the levy of the Special Taxes and shall be taxed Proportionately as described in Section D above, at up to 100% of the applicable Maximum Special Taxes for Taxable Contingent Property as shown in Section C above.
7. Prior to 60 days before the issuance of the first series of CFD No. 9 Bonds, the CFD Administrator may increase or decrease the exempt Acres described in paragraph 1 to better reflect the actual tax-exempt acreage within CFD No. 9. However, notwithstanding the above, the final number of taxable Acres in CFD No. 9 shall not be decreased if it causes an increase in the Special Tax – Facilities or Special Tax - Environmental levied on any existing Assessor's Parcel of Developed Property.

F. APPEALS

Any property owner may file a written appeal of the Special Taxes with the CFD Administrator claiming that the amount or application of the Special Taxes is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Taxes to be modified or changed in favor of the property owner, the CFD Administrator shall determine if sufficient Special Tax revenue is

available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Taxes.

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. INTERPRETATIONS

The City Council may, by resolution or ordinance, interpret, clarify and/or revise this Rate and Method of Apportionment to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Taxes, method of apportionment, classification of Assessor's Parcels, or any definition used herein, as long as such correction does not materially affect the levy and collection of Special Taxes. In addition, the interpretation and application of any section of this document shall be at the City's discretion.

H. MANNER OF COLLECTION

The Special Taxes shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the CFD Administrator may, at the sole discretion of the City, directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of the Special Tax.

I. PREPAYMENT OF SPECIAL TAX - FACILITIES

The following definition applies to this Section I:

"Future Facilities Amount" means, \$17,000,000, all Authorized Facilities financed or anticipated by the City to be financed by CFD No. 9, minus (i) the proceeds of any previously issued Bonds which were, at the time of issuance, available to the City for Authorized Facilities, (ii) the cost of Authorized Facilities or portions thereof previously paid for by Pay-As-You-Go Revenue, and (ii) cost of Authorized Facilities or portions thereof to be paid for by Pay-As-You-Go Revenue previously received and not yet spent. The Future Facilities Amount shall not be less than \$0.

"Maximum Special Tax Percentage to be Prepaid" means the percentage of the Maximum Special Tax - Facilities prepaid as determined by the CFD Administrator after application of the prepayment calculation set forth below.

"Previously Issued Bonds" means all Bonds that have been issued by CFD No. 9 prior to the date of prepayment.

1. Prepayment in Full

The Special Tax - Facilities obligation of an Assessor's Parcel of Developed Property, Taxable Contingent Property, or Undeveloped Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent installments of the Special Tax - Facilities with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax - Facilities obligation shall provide the

CFD Administrator with written notice of intent to prepay. Within 45 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 75 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD Administrator may charge a fee for providing this service.

The Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount	
	plus	Redemption Premium
	plus	Defeasance Amount
	plus	Administrative Fees and Expenses
	less	Reserve Fund Credit
	<u>less</u>	<u>Capitalized Interest Credit</u>
Total:	equals	Special Tax Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount (defined below) shall be calculated as follows:

Step Number:

1. Confirm that no Special Tax - Facilities delinquencies apply to such Assessor's Parcel.
2. For Assessor's Parcels of Developed Property and Taxable Contingent Property compute the Assigned Special Tax - Facilities and Backup Special Tax - Facilities. For Assessor's Parcels of Undeveloped Property to be prepaid, compute the Assigned Special Tax - Facilities and Backup Special Tax - Facilities for that Assessor's Parcel as though it was already designated as Developed Property, based upon the number of expected Units to be developed on that Assessor's Parcel.
3. Divide the Assigned Special Tax - Facilities computed pursuant to Step 2 by the total estimated Assigned Special Tax - Facilities for CFD No. 9 based on the Developed Property Special Tax - Facilities which could be charged in the current Fiscal Year on all expected buildout of CFD No. 9, excluding any Assessor's Parcels which have prepaid the Special Tax - Facilities obligation in full pursuant to Section I.1.
 - b. Divide the Backup Special Tax - Facilities computed pursuant to Step 2 by the total estimated Backup Special Tax - Facilities for CFD No. 9 based on the Developed Property Special Tax - Facilities which could be charged in the current Fiscal Year on all expected buildout of CFD No. 9, excluding any Assessor's Parcels which have prepaid the Special Tax - Facilities obligation in full pursuant to Section I.1.
4. Multiply the larger quotient computed pursuant to Step 3.a or 3.b by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "*Bond Redemption Amount*").

5. Compute the current Future Facilities Costs.
6. Multiply the larger quotient computed pursuant to Step 3.a or 3.b by the total Future Facilities Costs to compute the amount of the Future Facilities Amount to be prepaid (the *"Future Facilities Amount"*).
7. Multiply the Bond Redemption Amount computed pursuant to Step 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the *"Redemption Premium"*).
8. Compute the amount needed to pay interest on the Bond Redemption Amount on the earliest redemption date for the Outstanding Bonds.
9. Compute the amount the Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Amount and the Administrative Fees and Expenses from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
10. Subtract the amount computed pursuant to Step 9 from the amount computed pursuant to Step 8 (the *"Defeasance Amount"*).
11. Verify the administrative fees and expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming the Outstanding Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the *"Administrative Fees and Expenses"*).
12. A reserve fund credit (the *"Reserve Fund Credit"*) shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero.
13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the larger quotient computed pursuant to Steps 3.a or 3.b by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the *"Capitalized Interest Credit"*).
14. The Special Tax - Facilities prepayment is equal to the sum of the amounts computed pursuant to Steps 4, 6, 7, 10 and 11, less the amount computed pursuant to Steps 12 and 13 (the *"Prepayment Amount"*).
15. From the Prepayment Amount, the amounts computed pursuant to Steps 4, 7, 10, 12, and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds and make debt service payments. The amount computed pursuant to Step 6 shall be deposited into the Construction Fund. The amount computed pursuant to Step 11 shall be retained by the City for the payment of Administrative Fees and

Expenses.

The Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment amount that is not \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of bonds or to make debt service payments.

Any current-year Special Tax – Facilities that has been placed on the County tax roll will remain on the tax roll.

Notwithstanding the foregoing, no Special Tax - Facilities prepayment shall be allowed unless the amount of the Maximum Special Tax - Facilities that may be levied on Taxable Property both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

2. Prepayment in Part

The Special Tax – Facilities may be partially prepaid, provided that a partial prepayment may be made after all authorized CFD No. 9 Bonds have been issued and only for Assessor's Parcels of Developed Property, or Taxable Contingent Property, and only if there are no delinquent Annual Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. The amount of the prepayment shall be calculated as in Section I.1; except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = P_E \times F.$$

These terms have the following meaning:

PP = the partial prepayment

P_E = the Special Tax - Facilities Prepayment Amount calculated according to Section I.1

F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax - Facilities.

The Special Tax - Facilities partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any Assessor's Parcel who desires such partial prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax - Facilities and the percentage by which the Special Tax - Facilities shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax - Facilities for an Assessor's Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the prepayment funds remitted according to Section I.1, and (ii) indicate in the records of CFD No. 9 that there has been a partial prepayment of the Special Tax - Facilities and that a portion of the Special Tax - Facilities with respect to such Assessor's Parcel, equal to the

outstanding percentage (1.00 - F) of the remaining Maximum Special Tax - Facilities, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

J. TERM

The Special Tax - Facilities shall be levied commencing in Fiscal Year 2022/23 to the extent needed to satisfy the Special Tax Requirement – Facilities and shall not be levied after Fiscal Year 2065/66, however any Special Tax - Facilities that was lawfully levied for Authorized Facilities in or before Fiscal Year 2065/66 and that remains delinquent may be collected in subsequent years.

The Special Tax – Services shall be levied commencing in Fiscal Year 2022/23 to the extent necessary to satisfy the Special Tax Requirement – Services and shall be levied for as long as required to satisfy the Special Tax Requirement – Services.

The Special Tax – Environmental shall be levied commencing in Fiscal Year 2022/23 to the extent necessary to satisfy the Special Tax Requirement – Environmental and shall be levied for as long as the obligations associated with the Authorized Environmental Services are outstanding.

EXHIBIT B

PROPERTY OWNER NAME AND ASSESSOR'S TAX PARCEL NUMBERThe following described property is situated in the City of Oxnard, County of Ventura, State of California, and is owned by MPL Property Holdings LLC, a Delaware limited liability company:

196-0-091-355	196-0-093-015	196-0-091-055	196-0-100-055	196-0-110-345	196-0-120-235
196-0-091-345	196-0-093-025	196-0-091-065	196-0-100-045	196-0-110-335	196-0-120-245
196-0-091-335	196-0-093-035	196-0-091-075	196-0-100-035	196-0-110-325	196-0-120-255
196-0-091-325	196-0-093-045	196-0-091-085	196-0-100-025	196-0-110-195	196-0-120-265
196-0-091-315	196-0-093-055	196-0-091-095	196-0-100-015	196-0-110-205	196-0-120-275
196-0-091-305	196-0-093-065	196-0-091-105	196-0-100-175	196-0-110-215	196-0-120-285
196-0-091-295	196-0-093-075	196-0-091-115	196-0-100-195	196-0-110-225	196-0-120-295
196-0-091-285	196-0-093-085	196-0-091-125	196-0-100-185	196-0-110-235	196-0-120-305
196-0-091-275	196-0-093-095	196-0-091-135	196-0-100-075	196-0-110-245	196-0-120-315
196-0-091-265	196-0-093-105	196-0-091-145	196-0-110-045	196-0-110-255	196-0-120-325
196-0-091-255	196-0-092-125	196-0-091-155	196-0-110-055	196-0-110-025	196-0-120-335
196-0-091-245	196-0-092-135	196-0-091-165	196-0-110-065	196-0-110-035	196-0-120-345
196-0-094-095	196-0-092-145	196-0-091-175	196-0-110-075	196-0-110-415	196-0-120-355
196-0-094-105	196-0-092-155	196-0-091-185	196-0-110-085	196-0-110-425	196-0-120-365
196-0-094-115	196-0-092-165	196-0-091-195	196-0-110-095	196-0-110-015	196-0-120-375
196-0-094-125	196-0-092-175	196-0-091-205	196-0-110-105	196-0-110-445	196-0-120-385
196-0-094-135	196-0-092-185	196-0-091-215	196-0-110-115	196-0-110-435	196-0-120-395
196-0-094-145	196-0-092-195	196-0-091-225	196-0-110-125	196-0-120-015	196-0-120-405
196-0-094-155	196-0-092-205	196-0-091-365	196-0-110-135	196-0-120-025	196-0-120-415
196-0-094-015	196-0-092-215	196-0-091-375	196-0-110-145	196-0-120-035	196-0-120-425
196-0-094-025	196-0-092-225	196-0-090-015	196-0-110-155	196-0-120-045	196-0-120-435
196-0-094-035	196-0-092-015	196-0-091-415	196-0-110-165	196-0-120-055	196-0-120-445
196-0-094-045	196-0-092-025	196-0-091-395	196-0-110-175	196-0-120-065	196-0-120-455
196-0-094-055	196-0-092-035	196-0-091-405	196-0-110-185	196-0-120-075	196-0-120-465
196-0-094-065	196-0-092-045	196-0-091-235	196-0-110-315	196-0-120-085	196-0-120-485
196-0-094-075	196-0-092-055	196-0-091-385	196-0-110-305	196-0-120-095	196-0-120-475
196-0-094-085	196-0-092-065	196-0-100-165	196-0-110-295	196-0-120-105	196-0-120-535
196-0-093-115	196-0-092-075	196-0-100-155	196-0-110-285	196-0-120-115	196-0-120-205
196-0-093-125	196-0-092-085	196-0-100-145	196-0-110-275	196-0-120-125	196-0-120-525
196-0-093-135	196-0-092-095	196-0-100-135	196-0-110-265	196-0-120-135	196-0-120-495
196-0-093-145	196-0-092-105	196-0-100-125	196-0-110-405	196-0-120-145	196-0-120-505
196-0-093-155	196-0-092-115	196-0-100-115	196-0-110-395	196-0-120-155	196-0-120-515
196-0-093-165	196-0-091-015	196-0-100-105	196-0-110-385	196-0-120-165	196-0-120-195
196-0-093-175	196-0-091-025	196-0-100-095	196-0-110-375	196-0-120-175	196-0-120-215
196-0-093-185	196-0-091-035	196-0-100-085	196-0-110-365	196-0-120-185	
196-0-093-195	196-0-091-045	196-0-100-065	196-0-110-355	196-0-120-225	

CITY COUNCIL OF THE CITY OF OXNARD
ORDINANCE NO. _____

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD,
CALIFORNIA, IN CONNECTION WITH THE COMMUNITY
FACILITIES DISTRICT NO. 6 (NORTHSHORE AT MANDALAY
BAY) OF THE CITY OF OXNARD, AUTHORIZING THE CESSATION
OF THE LEVY OF RELATED SPECIAL TAXES AND THE
EXTINGUISHMENT AND CANCELLATION OF ALL RELATED
LIENS, AND DISSOLVING SAID COMMUNITY FACILITIES
DISTRICT

WHEREAS, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), on March 21, 2006, the City Council (the “Council”) of the City of Oxnard (the “City”) established the Community Facilities District No. 6 (Northshore at Mandalay Bay) of the City of Oxnard (“CFD No. 6”), and pursuant to an election held on such date, levied a special tax in accordance with Ordinance No. 2717 adopted on March 28, 2006 (the “2006 Ordinance”) and a rate and method of apportionment (the “Rate and Method”); and

WHEREAS, two special taxes for CFD No. 6 (Special Tax A for facilities and Special Tax B for annual services) were authorized to be levied; and

WHEREAS, CFD No. 6 was authorized to incur bonded indebtedness in a maximum aggregate principal amount not to exceed \$30,000,000, but to date has yet issued bonds for the CFD No. 6; and

WHEREAS, CFD No. 6 has never levied Special Tax A as no bonds were sold and has not levied Special Tax B on parcels in the CFD No. 6 since Fiscal Year 2014/15 and did not levy a 2020/21 special tax for CFD No. 6 as there are currently no services being performed in CFD No. 6; and

WHEREAS, at the request of the landowner, on October 5, 2021, the Council formed City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) (“CFD No. 9”) to replace CFD No. 6; and

WHEREAS, the City now desires to cease the levy of any CFD No. 6 special tax within CFD No. 6, transfer all special taxes previously collected and remaining in the CFD No. 6 fund to CFD No. 9, extinguish and cancel all CFD No. 6 liens on property within CFD No. 6, and dissolve CFD No. 6.

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

PART 1. With the formation of CFD No. 9 and the adoption of the Ordinance levying special taxes related thereto, the Council, acting on behalf of itself and CFD No. 6, declares and determines that the obligation to pay special taxes relating to CFD No. 6 against all of the parcels

of CFD No. 6 shall cease, and the recorded liens against such parcels shall be extinguished and cancelled.

PART 2. The City finds and determines that CFD No. 6 is not obligated to pay any outstanding debt and has no authorization to levy any future special tax.

PART 3. CFD No. 6, and all associated liens, if any, are hereby dissolved.

PART 4. Any monies remaining in the fund related to CFD No. 6 shall be transferred to a fund relating to CFD No. 9.

PART 5. The City, on behalf of CFD No. 9, hereby assumes liability for any outstanding debts of CFD No. 6 discovered to exist after the dissolution of CFD No. 6.

PART 6. The City Clerk is hereby directed to cause an addendum to be recorded in the office of the Ventura County Recorder to the Notice of Special Tax Lien for CFD No. 6 which shall state that the obligation to pay all special taxes relating to CFD No. 6 has ceased, all associated liens have been extinguished and CFD No. 6 is dissolved.

PART 7. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this Ordinance, and a certified copy of this Ordinance was posted in the office of the City Clerk a minimum of five days before the City Council's adoption of this Ordinance.

PART 8. The Mayor shall sign this ordinance and the City Clerk shall attest to such signature. Within fifteen days after passage, the City Clerk shall cause the title and summary or text of this Ordinance, together with the vote thereon, to be published one time in a newspaper of general circulation published and circulated within the territorial jurisdiction of the City, and to post at the main office of the City a certified copy of the full text of the adopted Ordinance along with the names of the Council Members voting for and against the Ordinance.

PART 9. This Ordinance shall take effect thirty (30) days upon its final passage.

PART 10. Ordinance No. _____ was first read on October 19, 2021, and finally adopted on November ___, 2021.

AYES:

NOES:

ABSTAIN:

ABSENT:

John Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

RECORDING REQUESTED BY
AND RETURN TO:

City of Oxnard
c/o Maryann L. Goodkind, Esq.
Norton Rose Fulbright US LLP
555 South Flower Street, 41st Floor
Los Angeles, California 90071

**NOTICE OF CESSATION OF SPECIAL TAX
AND
DISSOLUTION OF
CITY OF OXNARD COMMUNITY FACILITIES DISTRICT NO. 6**

Reference is hereby made to the Notice of Special Tax Lien (the “Notice of Special Tax Lien”) with respect to Community Facilities District No. 6 (Northshore at Mandalay Bay) of the City of Oxnard (the “CFD No. 6”) recorded on April 5, 2006, as Document No. 20060405-0072622, in the office of the Ventura County Recorder, State of California, which contains a list of the owners and assessor tax parcel numbers within the original boundaries of CFD No. 6.

Reference is also hereby made to the Boundary Map of CFD No. 6 filed in Book 19 of Maps of Assessment and Community Facilities Districts at Page 42, in the office of the Ventura County Recorder, State of California. This map constitutes the final boundary map of CFD No. 6.

Pursuant to California Government Code Section 53330.5, California Streets and Highways Code Section 3115.5(c), and Ordinance No. _____, the City Clerk of the City of Oxnard (the “City”) hereby gives notice that the obligation to pay special taxes against all of the parcels of CFD No. 6 shall cease and the recorded liens against such parcels are extinguished and cancelled.

Pursuant to California Government Code Section 53338.5 and Ordinance No. _____ of the City, the City Clerk of the City hereby gives notice that Community Facilities District No. 6 (Northshore at Mandalay Bay) of the City of Oxnard, and all associated liens, if any, have been dissolved. The City shall be liable for any outstanding debt discovered to exist after the dissolution of CFD No. 6.

Dated: _____

ROSE CHAPARRO, CITY CLERK OF THE CITY
OF OXNARD

MAP OF PROPOSED BOUNDARIES OF
CITY OF OXNARD
COMMUNITY FACILITIES DISTRICT NO. 9
(NORTHSHORE AT MANDALAY BAY)

CITY OF OXNARD
COUNTY OF VENTURA
STATE OF CALIFORNIA

ID	APN	ID	APN	ID	APN	ID	APN	ID	APN
1	196-0-090-015	51	196-0-092-095	101	196-0-100-035	151	196-0-110-345	201	196-0-120-405
2	196-0-091-015	52	196-0-092-105	102	196-0-100-045	152	196-0-110-355	202	196-0-120-415
3	196-0-091-025	53	196-0-092-115	103	196-0-100-055	153	196-0-110-365	203	196-0-120-425
4	196-0-091-035	54	196-0-092-125	104	196-0-100-065	154	196-0-110-375	204	196-0-120-435
5	196-0-091-045	55	196-0-092-135	105	196-0-100-075	155	196-0-110-385	205	196-0-120-445
6	196-0-091-055	56	196-0-092-145	106	196-0-100-085	156	196-0-110-395	206	196-0-120-455
7	196-0-091-065	57	196-0-092-155	107	196-0-100-095	157	196-0-110-405	207	196-0-120-465
8	196-0-091-075	58	196-0-092-165	108	196-0-100-105	158	196-0-110-415	208	196-0-120-475
9	196-0-091-085	59	196-0-092-175	109	196-0-100-115	159	196-0-110-425	209	196-0-120-485
10	196-0-091-095	60	196-0-092-185	110	196-0-100-125	160	196-0-110-435	210	196-0-120-495
11	196-0-091-105	61	196-0-092-195	111	196-0-100-135	161	196-0-110-445	211	196-0-120-505
12	196-0-091-115	62	196-0-092-205	112	196-0-100-145	162	196-0-120-015	212	196-0-120-515
13	196-0-091-125	63	196-0-092-215	113	196-0-100-155	163	196-0-120-025	213	196-0-120-525
14	196-0-091-135	64	196-0-092-225	114	196-0-100-165	164	196-0-120-035	214	196-0-120-535
15	196-0-091-145	65	196-0-093-015	115	196-0-100-175	165	196-0-120-045		
16	196-0-091-155	66	196-0-093-025	116	196-0-100-185	166	196-0-120-055		
17	196-0-091-165	67	196-0-093-035	117	196-0-100-195	167	196-0-120-065		
18	196-0-091-175	68	196-0-093-045	118	196-0-110-015	168	196-0-120-075		
19	196-0-091-185	69	196-0-093-055	119	196-0-110-025	169	196-0-120-085		
20	196-0-091-195	70	196-0-093-065	120	196-0-110-035	170	196-0-120-095		
21	196-0-091-205	71	196-0-093-075	121	196-0-110-045	171	196-0-120-105		
22	196-0-091-215	72	196-0-093-085	122	196-0-110-055	172	196-0-120-115		
23	196-0-091-225	73	196-0-093-095	123	196-0-110-065	173	196-0-120-125		
24	196-0-091-235	74	196-0-093-105	124	196-0-110-075	174	196-0-120-135		
25	196-0-091-245	75	196-0-093-115	125	196-0-110-085	175	196-0-120-145		
26	196-0-091-255	76	196-0-093-125	126	196-0-110-095	176	196-0-120-155		
27	196-0-091-265	77	196-0-093-135	127	196-0-110-105	177	196-0-120-165		
28	196-0-091-275	78	196-0-093-145	128	196-0-110-115	178	196-0-120-175		
29	196-0-091-285	79	196-0-093-155	129	196-0-110-125	179	196-0-120-185		
30	196-0-091-295	80	196-0-093-165	130	196-0-110-135	180	196-0-120-195		
31	196-0-091-305	81	196-0-093-175	131	196-0-110-145	181	196-0-120-205		
32	196-0-091-315	82	196-0-093-185	132	196-0-110-155	182	196-0-120-215		
33	196-0-091-325	83	196-0-093-195	133	196-0-110-165	183	196-0-120-225		
34	196-0-091-335	84	196-0-094-015	134	196-0-110-175	184	196-0-120-235		
35	196-0-091-345	85	196-0-094-025	135	196-0-110-185	185	196-0-120-245		
36	196-0-091-355	86	196-0-094-035	136	196-0-110-195	186	196-0-120-255		
37	196-0-091-365	87	196-0-094-045	137	196-0-110-205	187	196-0-120-265		
38	196-0-091-375	88	196-0-094-055	138	196-0-110-215	188	196-0-120-275		
39	196-0-091-385	89	196-0-094-065	139	196-0-110-225	189	196-0-120-285		
40	196-0-091-395	90	196-0-094-075	140	196-0-110-235	190	196-0-120-295		
41	196-0-091-405	91	196-0-094-085	141	196-0-110-245	191	196-0-120-305		
42	196-0-091-415	92	196-0-094-095	142	196-0-110-255	192	196-0-120-315		
43	196-0-092-015	93	196-0-094-105	143	196-0-110-265	193	196-0-120-325		
44	196-0-092-025	94	196-0-094-115	144	196-0-110-275	194	196-0-120-335		
45	196-0-092-035	95	196-0-094-125	145	196-0-110-285	195	196-0-120-345		
46	196-0-092-045	96	196-0-094-135	146	196-0-110-295	196	196-0-120-355		
47	196-0-092-055	97	196-0-094-145	147	196-0-110-305	197	196-0-120-365		
48	196-0-092-065	98	196-0-094-155	148	196-0-110-315	198	196-0-120-375		
49	196-0-092-075	99	196-0-100-015	149	196-0-110-325	199	196-0-120-385		
50	196-0-092-085	100	196-0-100-025	150	196-0-110-335	200	196-0-120-395		

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF OXNARD THIS _____ DAY OF _____, 20__.

CITY CLERK _____

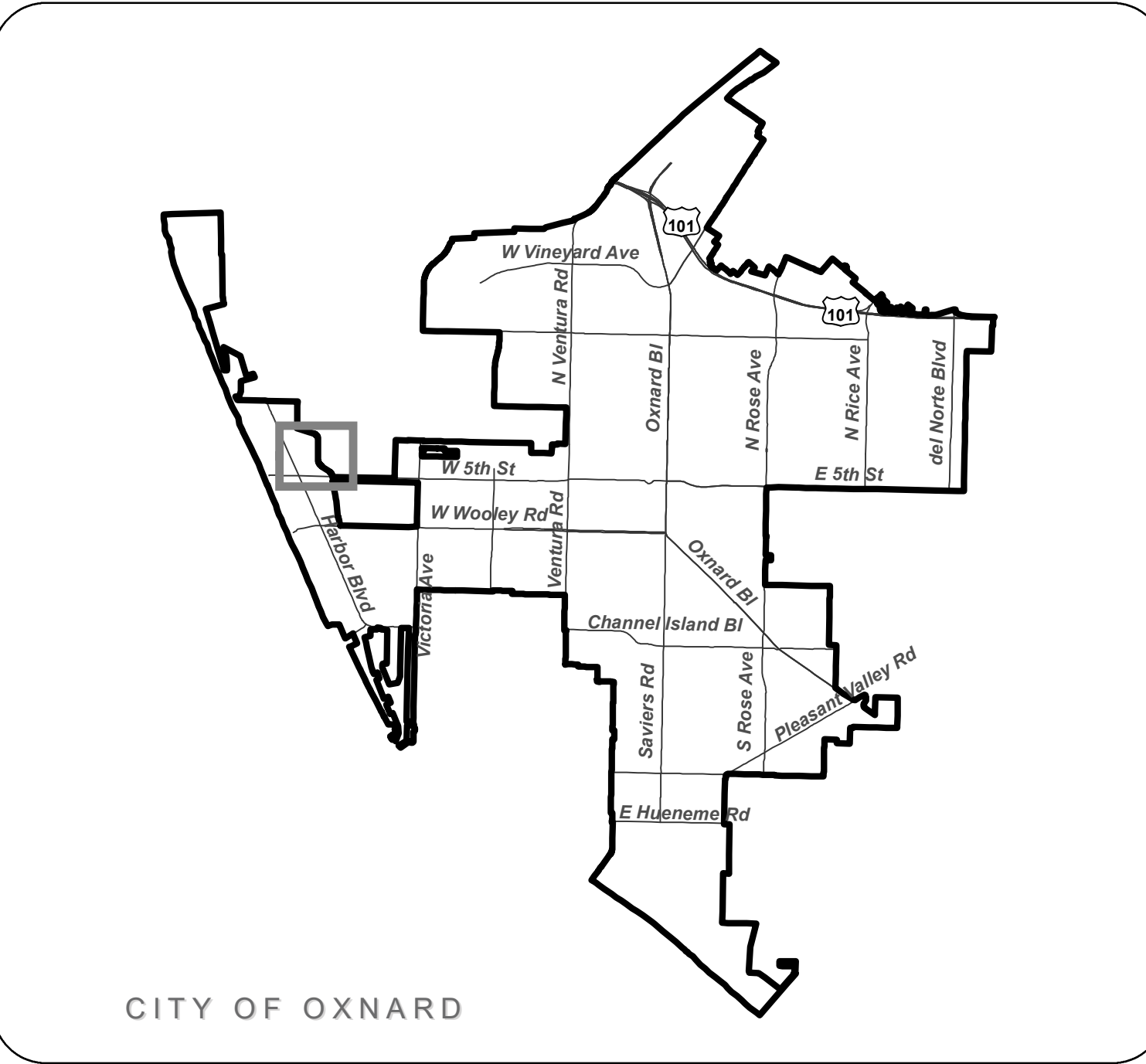
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF THE CITY OF OXNARD COMMUNITY FACILITIES DISTRICT NO. 9 (NORTHSHORE AT MANDALAY BAY), COUNTY OF VENTURA, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF OXNARD, AT A MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20__, BY ITS RESOLUTION NO. _____.

CITY CLERK _____

FILED THIS _____ DAY OF _____, 20__, AT THE HOUR OF _____ O'CLOCK ____ M, IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF VENTURA, STATE OF CALIFORNIA.

COUNTY RECORDER
COUNTY OF VENTURA, CALIFORNIA

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF VENTURA, STATE OF CALIFORNIA.



Source: Ventura County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California V FIPS 0405 Feet



Formation and Levy of Special Tax of the City of Oxnard Community Facilities District No.9 (Northshore at Mandalay Bay) and Dissolution of the City of Oxnard Community Facilities District No.6 (Northshore at Mandalay Bay)

City Council
October 19, 2021

Steve Howlett
Assistant Public Works Director

RECOMMENDATION

That the City Council:

1. Conduct a Second Reading and Adopt Ordinance No. 3004 authorizing the levy of a special tax within the Community Facilities District 9 (Northshore at Mandalay Bay); and
2. Introduce an Ordinance (by title only, further reading waived) Ceasing Levy of Special Tax, Extinguishing Lien and Dissolving Community Facilities District No. 6 (Northshore at Mandalay Bay).

BACKGROUND

Community Facilities Districts (CFDs)

- Are established pursuant to the provisions of the California Government Code Section 53311 *et seq.* (commonly known as the “Mello-Roos”).
- Raise money through special taxes that must be approved by 2/3 of the voters within a CFD. The City Council is the legislative body of the any CFD the City forms. Most often, CFDs are formed by the landowner prior to subdivision.
- Can be formed to finance a wide list of improvements, which include roads, water facilities, sewers, and schools. They are also used to finance ongoing maintenance services of the facilities or for services such as landscaping, streets, lighting, and drainage facilities. The taxes are secured by a continuing lien and are levied against property within the CFD on an annual basis.

Northshore CFD

- The City established 2006 CFD (Northshore at Mandalay Bay) in 2006 for an earlier proposed development located at the northeastern corner of Fifth Street and Harbor Boulevard.
- There were two special tax components (A and B) to 2006 CFD
 - Special Tax A (currently at \$5,581,558.89) is the special tax which could be levied each year to fund the annual facilities special tax component. It can be levied until Fiscal Year 2045/46
 - Special Tax B (currently at \$1,897,411.41) can be levied in perpetuity in order to satisfy the services special tax requirement. The City has not yet issued bonds for the CFD, but the City is authorized to incur bonded indebtedness in a maximum aggregate principal amount not to exceed \$30,000,000.

Northshore CFD

- The City has never levied Special Tax A as no bonds were sold and has not levied Special Tax B on parcels in 2006 CFD since Fiscal Year 2014/15. Currently, no services are being performed in the CFD, but it has a balance of a little over \$500,000 of collected special taxes.
- The current owner and developer, MPL Property Holdings LLC, has a current development plan for 292 single family residences within the 90 acre development and is requesting either a replacement or modification of 2006 CFD to include: (a) a facilities special tax for the life of any bond issues; (b) a services special tax in perpetuity; and, (c) an environmental special tax for remediation, operation and maintenance activities as required by the Department of Toxic Substances Control (“DTSC”).

DISCUSSION

Purpose

CFD #9 is proposed to be established for the purpose of funding the following:

1. Public infrastructure facilities and other governmental facilities, including fees related thereto, with an estimated useful life of five years or longer, including but not limited to all or a portion of sanitary sewer, water, streets, storm drains, park facilities, public art, or other real or tangible property, and related costs including design, inspection, professional fees, and acquisition costs through the levy of a Special Tax; and
2. Services including, but not limited to, landscaping, street lighting, maintenance of sewer, storm drain, irrigation systems, and parks, Edison Canal and Channel Islands Harbor maintenance, and weed abatement (the “General Services”) through the annual levy of a Special Tax in perpetuity; and

DISCUSSION

3. Remediation of any hazardous substance released or threatened to be released into the environment on the Property and any associated operation, maintenance and/or monitoring activities as more particularly described in the Response Plan approved by DTSC on December 17, 2018, the Operation and Maintenance Plan approved by DTSC on March 7, 2019, and any additional remedial activities or protective measures through the levy of a Special Tax on an annual basis as long as determined by DTSC.

DISCUSSION

Six-Step Process

Steps 1 - 5 (Completed). A petition to form the CFD was received from the Landowner covering the Property, consisting of approximately 90 acres. The formal Council approval process to create a new CFD takes approximately 60 to 75 days. On July 27, 2021, the Finance & Governance Committee recommended the CFD formation to the City Council.

September 7, 2021: City Council City Council declared its intention to form the new CFD and issue bonds and called a public hearing for October 5, 2021 on all matters relating to the CFD including the special tax formula or the Rate and Method of Apportionment (“RMA”). All parties have reviewed the parameters of the RMA, which includes the assigned and maximum special taxes for the Facilities, the General Services, and the Remediation Services. The Special Taxes will be levied each year according to the RMA and placed on the County property tax rolls.

DISCUSSION

Step Four (Completed). October 5, 2021: City Council held a public hearing (Landowner has waived the 30-day waiting period). No majority protest at the public hearing, (a) the CFD may be formed and a funding and acquisition agreement with the Landowner was approved and (b) an election was called. The funding and acquisition agreement provides for the method and terms for the CFD to acquire the Facilities from the Landowner using the future bond proceeds.

Step Five (Completed). October 5, 2021: a waiver regarding election time limits is received from the Landowner, so a special election can be called to authorize (a) the levy of special taxes, (b) the issuance of special tax bonds not to exceed \$22.5 million and (c) an appropriations limit for the CFD. The City Council, acting as the legislative body of the CFD, conducted the special mailed ballot election. The proposition passed with a two-thirds vote from the qualified voters (the Landowner), and the City Council conducted the first reading of an Ordinance levying the special tax.

DISCUSSION

Step Six. October 19, 2021: City Council, acting as the legislative body of the CFD may adopt the Ordinance, along with a resolution transferring assets of the 2006 CFD to the CFD, and approve the dissolution of the 2006 CFD.

The second reading for the dissolution of CFD 6 is scheduled for the November 16, 2021 City Council Meeting.

Once the CFD is formed and the election has concluded, it is the intent of the CFD to issue one or more series of bonds. The proposed maximum bond authorization is \$22,500,000. The “not to exceed” bond amount for the CFD is based on Facilities' costs and available Special Tax - Facilities. Currently, it is not expected that bonds will be authorized for issuance or sale until the development is well underway and the Facilities are at or near completion, at which time documents relating to the issuance and sale of the bonds will be brought to the Council for its approval. The CFD will determine the timing and amount of bonds to be sold.

DISCUSSION

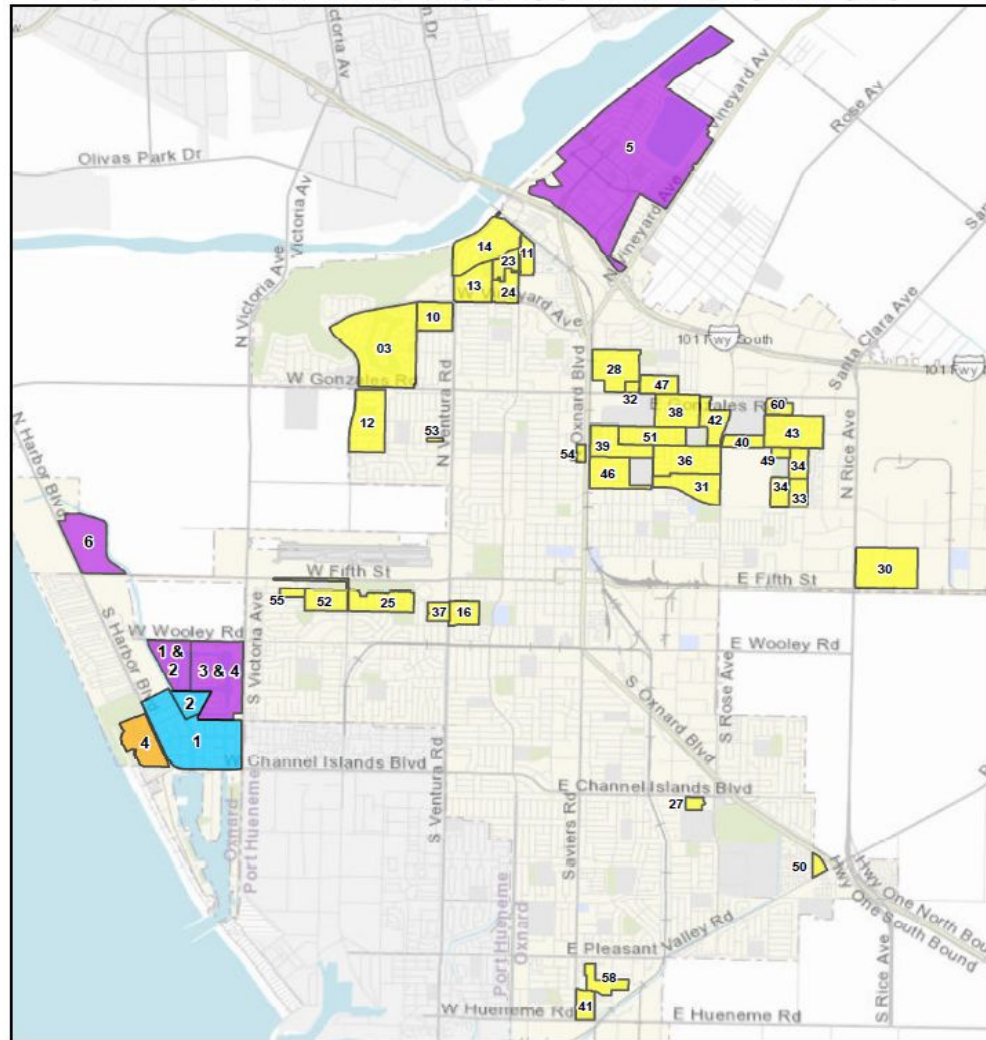
On behalf of the City, NBS Government Finance Group, as special tax consultant, has prepared a CFD Report describing the proposed CFD 9.

Although the City of Oxnard forms the CFD, the debt issuances are not obligations of the City, but rather obligations of CFD 9. Therefore, the formation of the CFD does not obligate the City to make any expenditure or proceed with the project or obligate the City or the CFD to issue any bonds. Finally, the finances and bonds of the CFD are unrelated to, do not rely upon, and do not impact the credit rating of the City.

FINANCIAL IMPACT

There is no direct financial impact at this time with this proposal to form Community Facilities District 9 (Northshore at Mandalay Bay).

CITY OF OXNARD ASSESSMENT DISTRICTS



 Maintenance Assessment District (District No.)  Community Facilities District (District No.)
 Waterway Assessment District (Zone No.)  Landscape Maintenance District (District No.)

PROPOSED CFD 9 BOUNDARIES



QUESTIONS

ANSWERS



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.5

DATE: October 19, 2021

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Award Agreements for Automated Meter Infrastructure Installation Project PW 17-32. (0/10/30)

RECOMMENDATION

That the City Council approve and authorize the following for a total of \$30,481,628.12 in Project funds for the Advanced Meter Infrastructure (AMI) Installation Project PW 17-32 (Project No. 206503):

1. The Mayor to award and execute Agreement A-8371 with Badger Meter, Inc., for \$22,062,283.12 for Installation of Water Meters;
2. A Project contingency amount of \$2,206,228;
3. A Project allocation of \$2,206,228 for engineering, inspection, survey and project management; and
4. The Mayor to award and execute Agreement A-8350 with Carollo Engineers, Inc., for \$4,006,889 for Construction Management Services.

(Public Works and Transportation Committee approved 3-0).

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/jfz8NvVjbac>

BACKGROUND

The City currently has a Sensus drive and ready automated meter reading (AMR) system. These meters have a 10-year expected life and most of the meters were installed between 2002 - 2008 and, as a result, are experiencing increased failures as well as under registering throughout the system. The automated failures most commonly occur within the Meter Transceiver Unit (MXU) that collects data from the meter and transmits the meter reading through radio signals to the interrogator device found on City trucks to take readings as they drive by. The automated failures have increasingly required that staff read meters and enter billing information manually. There are over 41,000 existing meters throughout the City, and of those, approximately 10,000 meters are currently being read manually with approximately an additional 20-30 meters failing to read automatically every week.

In addition to the large number of aged meters, the current software technology used to support the City's AMR system is no longer supported and existing meters are far less accurate than the new solid state type meters that will be installed as part of this project.

The AMI Installation Project will replace every water meter in the water distribution system with high accuracy, stainless steel meters. The project is scheduled to take three years and replacement will be scheduled by meter reading route. Water consumption is sent on a monthly basis via a cellular network, eliminating manual reads. The new meters are

equipped with leak detection and include a web-based customer interface showing historical and average consumption. This system will be able to integrate directly with the City's enterprise software. A pilot study of 250 meters will be conducted prior to citywide installation and implementation.

As part of this Project, the Contractor will perform a survey of each water meter providing GPS locations and photos of existing conditions, information that does not currently exist. Concurrently the City, Contractor, and Construction Manager will engage the public by providing a schedule, meter "how to read" guide, and instructions for accessing the customer interface. Each customer will be notified two weeks prior to their meter being replaced. Meter replacements typically take less than 20 minutes and the installers will be identifiable via uniform with the company name and phone number. Residents will not be asked for any personal information during this project and will only be contacted in cases where the Contractor is not able to locate their meter due to obstructions and seek permission to enter onto their property.

Capital Improvement Program (CIP) Reference:

Project No. **206503** - Automated Meter Infrastructure (AMI) Replacement - CIP 2021-2026 - Adopted May 18, 2021 - Page 168.

DISCUSSION

INSTALLATION

The installation will include all new meters, meter endpoint, meter box lid, and incidental piping for the services. The benefits of a new AMI system include high accuracy reads, real-time water usage reporting, leak detection, optional integrated shut-offs, customer interface and engagement, lead-free stainless steel body, and a 20-year warranty. Additionally, there will be a full inventory of all water meters in the City which will provide the classification, global positioning system (GPS) location, size, associated address, and installation date. The meters are anticipated to begin being installed in summer 2022.

The notice inviting formal bids (NIFB) on the Project was initially published on June 24, 2021, with bids due on July 29, 2021. The City received three (3) bids for this project but two (2) were rejected as being non-responsive. The lowest bidder was Badger Meter, Inc., at \$22,062,283.12 and its bid is responsive to the City's NIFB.

Following this determination, procurement staff reviewed all documentation received from the bidder, verified possession of required current 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). At this time, the contractor or its subcontractors are believed to be legally responsible, which means trustworthy and fit and capable to satisfactorily complete the Project. Thus, it is recommended that the City Council award the contract for this Project to Badger Meter, Inc.

Additional funds are needed for the Project, which includes \$2,206,228 for Project contingency (10% of the contract costs) and \$2,206,228 for the cost for engineering services and City staff (10% of the contract cost) to perform the following activities during construction: engineering, inspection, survey and project management bringing the total estimated cost of the construction portion of the Project to \$26,474,739.12.

CONSTRUCTION MANAGEMENT

A project of this scale, the installation of 41,000 new water meters, requires the full attention of a dedicated construction management team in order to execute the project effectively and successfully. Construction management services for the AMI installation will include daily inspection, contract administration, document management, preparing a Construction Management Plan, managing daily project progress, conducting progress meetings, and change order/claims management.

The request for proposals (RFP) for construction management services was published on April 8, 2021, and all proposals were due on April 29, 2021. The City received two (2) proposals, with all proposals deemed complete. The proposals were reviewed by three (3) City staff members consisting of the Water Division Manager, Water Operations Supervisor and the Project Manager.

Carollo Engineers, Inc. was selected as the most qualified firm to provide construction management services for the AMI Installation Project. The selection was based upon the firm's extensive construction management experience, including specific meter replacement projects, and dedicated local presence. Thus, staff recommends that the City Council award the contract for this project to Carollo Engineers, Inc.

Community outreach will be a collaborative effort between City staff and Carollo. A website will be dedicated to this Project with periodic status updates. City customers will be notified of scheduled meter installation dates.

STRATEGIC PRIORITIES

This agenda item supports Economic Development strategy. The purpose of Economic Development strategy is to focus on the retention and expansion of Oxnard businesses by increasing the skills and employability of our local workforce, invite new business investments, and target site-based redevelopment opportunities.

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

The total estimated cost of this Project is \$30,481,628.12 which includes Agreement A-8371 with Badger Meter, Inc., for \$22,062,283.12, Agreement A-8350 with Carollo Engineers, Inc., for \$4,006,889, \$2,206,228 in EISPM funds and \$2,206,228 in contingency funds. The Advanced Metering Infrastructure (AMI) Installation Project 206503 is being funded from the Water Operating Fund (601) and Security Contamination Prevention Fund (608) which has an available project budget balance of approximately \$13,763,962. Additional budget appropriations of \$16,717,666 will be requested in subsequent fiscal years for this Project as needed and will be funded from the available fund balance in the Water Operating Fund (601).

Project	Fund Number	Fund Name	Project Appropriations	Current Available Project Budget
206503 – Advanced Metering Infrastructure Installation Project	601	Water Operating Fund	\$13,725,000	\$13,723,962
	608	Security Contam. Prevention Fund	\$100,000	\$40,000
TOTAL			\$13,825,000	\$13,763,962

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on September 28, 2021 to approve the staff recommendation and to forward the item for Council approval.

Prepared by: Tatiana Arnaout, City Engineer

ATTACHMENTS

1. A-8371 Badger Meter PW 17-32R

2. A-8350 Carollo Engineers Inc. (AMI Project)
3. AMI Presentation

CONTRACT

CITY OF OXNARD CONTRACT FOR ADVANCED METERING INFRASTRUCTURE (AMI) INSTALLATION PROJECT (REBID) SPECIFICATION NO. PW 17-32R

THIS CONTRACT ("Contract") is made and entered this _____ day of _____, 2021 ("Effective Date"), by and between the CITY OF OXNARD, a California municipal corporation ("City") and BADGER METER, INC. ("Contractor"). Contractor's license number is 1032065.

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 Notice Inviting Bids, Instructions to Bidders, General Provisions, Special Provisions, Plans, Standard Plans, Greenbook, Reference Specifications, Bid (including documentation accompanying the Bid and post-Bid documentation submitted before the notice of award), insurance documentation, Bonds, the City business license, permits from regulatory agencies, Addenda, Change Orders and Supplemental Agreements. These documents are incorporated herein by reference.
2. Scope of Services. Contractor shall perform the Work in a good and workmanlike manner for the project identified as Advanced Metering Infrastructure (AMI) Installation Project (Rebid) Specification No. PW 17-32R ("Project"), as described in this Contract and in the incorporated Contract Documents.
3. Compensation. In consideration of the services rendered hereunder, City shall pay Contractor a not to exceed amount of twenty two million sixty two thousand two hundred eighty three dollars and twelve cents (\$22,062,283.12) in accordance with the prices as submitted in the Bid, attached hereto as Exhibit "A" and incorporated herein by this reference.
4. 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. This assignment shall be made and become effective at the time City tenders final payment to Contractor without further acknowledgment by the parties.
5. Prevailing Wages. City and Contractor acknowledge that the Project is a public work to which prevailing wages apply. Copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Project are 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.
6. 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.”

7. 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.

8. 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.

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

10. Amendment. No Contract modification, amendment or supplement to this Contract other than Change Orders will be binding unless written and signed by the parties' duly authorized representatives.

11. 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.

[signatures on following page]

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

CITY OF OXNARD

BADGER METER, INC.

x John C. Zaragoza, Mayor¹ Date
☐ Alexander Nguyen, City Manager
☐ Purchasing Manager
☐ , Buyer

Kimberly K. Stoll, Vice President² Date

Jennifer Awah-Manga,
Assistant Secretary Date

ATTEST:

Rose Chaparro, City Date
Clerk (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.

**Exhibit INS-G
INSURANCE REQUIREMENTS FOR CONSTRUCTION PROJECTS
(WITHOUT BUILDER'S RISK REQUIREMENT)**

1. Contractor shall obtain and maintain during the performance of any services under this Contract the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by Contractor, its agents, representatives, employees or subcontractors.
 - a. Commercial General Liability Insurance, including Contractual Liability, in an amount not less than \$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;
 - b. Business Automobile Liability Insurance in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for automobile liability with coverage equivalent to Insurance Services Office Automobile Liability Coverage (Occurrence Form CA0001) covering Code No. 1, "any auto;"
 - c. If architectural, engineering, or electrical work will be performed under the Contract, Professional Liability/Errors and Omissions Insurance appropriate to the work being done in an amount not less than \$1,000,000, with neither Contractor nor listed subcontractors having less than \$500,000 individually. The Professional Liability/Errors and Omissions Insurance must be project specific with at least a one year extended reporting period, or longer upon request.
 - d. Workers' Compensation Insurance in compliance with the laws of the State of California, and Employer's Liability Insurance in an amount not less than \$1,000,000 per claimant. Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City.
2. Contractor shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-G. 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. A-8371
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007
3. Contractor agrees that all insurance coverages shall be provided by a California admitted insurance carrier with an A.M. Best rating of A:VII or better and shall be endorsed to state that coverage may not be suspended, voided, canceled by either party, or reduced in coverage or limits without 30 days' prior written notice to the Risk Manager. The Risk Manager shall not approve or accept any endorsement if the endorsement contains "best effort" modifiers or if the insurer is relieved from the responsibility to give such notice.
4. Contractor agrees that the Commercial General Liability and Business Automobile Liability Insurance policies shall be endorsed to name City, its City Council, officers, employees and volunteers as additional insureds as respects: liability arising out of activities performed by or on behalf of Contractor; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, its City Council, officers, employees and volunteers. **The General Liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-G or substitute forms containing the same information and acceptable to the Risk Manager shall be used to provide the endorsements (ISO form CG 2010 11/85 or if not available, CG 2010 with an edition date prior to 01/04 and CG 2037).**
5. The coverages provided to City shall be primary and not contributing to or in excess of any existing City insurance or self-insurance coverages (**this must be endorsed**). Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its City Council, officers, employees and volunteers.

The insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6. Any deductibles or self-insured retentions must be declared to and approved by the Risk Manager. At the option of the Risk Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its City Council, officers, employees and volunteers, or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
7. All insurance standards applicable to Contractor shall also be applicable to Contractor's subcontractors. Contractor agrees to maintain appropriate agreements with subcontractors and to provide proper evidence of coverage upon receipt of a written request from the Risk Manager.

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS

Certificates of Insurance

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

Endorsement Forms

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

INS-G.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 ☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☒ OCCUR. ☒ OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$2,000,000 PRODUCTS COMP/OP AGG. \$2,000,000 PERSONAL & ADV. INJURY \$2,000,000 EACH OCCURRENCE \$2,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER 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				Minimum coverage \$1,000,000 Each consultant/ \$500,000 & listed sub-consultant

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

CERTIFICATE HOLDER

CITY OF OXNARD

Attn: Insurance Compliance

Reference No. A-8371

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 ACity@)**

SUBMIT IN DUPLICATE

ENDORSEMENT NO. _____

ISSUE DATE (MM/DD/YY) _____

PRODUCER

POLICY INFORMATION:

Insurance Company: _____

Policy No.: _____

Policy Period: (from) _____ (to) _____

LOSS ADJUSTMENT EXPENSE

☐ Included in Limits

☐ In Addition to Limits

Telephone: _____

NAMED INSURED

☐ 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

☐ _____

☐ _____

CLAIMS: Underwriter=s representative for claims pursuant to this insurance.

Name: _____

Address: _____

Telephone: (_____) _____

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

1. **INSURED.** The City, its officers, agents, 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:

a. Insurance Services Office Commercial General Liability Coverage, Aoccurrence@ form CG0001; or

b. If excess, affords coverage which is at least as broad as the primary insurance form CG0001.

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-8371

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 _____

ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
-----------------	-----------------------

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 ADVANCED METERING INFRASTRUCTURE (AMI) INSTALLATION PROJECT (REBID) SPECIFICATION NO. PW 17-32R.

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 Payment 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 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 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.

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 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)

Notes: 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. Date of Bond must not be before the Effective Date of the Contract. 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 _____

(Name and address of Contractor) ("Principal")

a contract (the "Contract") for the Work described as ADVANCED METERING INFRASTRUCTURE (AMI) INSTALLATION PROJECT (REBID) SPECIFICATION NO. PW 17-32R.

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 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, assignees, 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, 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, then this obligation shall become null and void one (1) year from the date of recordation of the Notice of Completion for the Project; 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 thereunder or the Specifications accompanying the same 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 or to the Specifications. 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)

Notes: 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. Date of Bond must not be before the Effective Date of the Contract. 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.

EXHIBIT A

REVISED CITY OF OXNARD

BID SHEETS FOR ADVANCED METERING INFRASTRUCTURE (AMI) INSTALLATION PROJECT (REBID) SPECIFICATION NO. PW 17-32R

Bidder's Name: Badger Meter, 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 Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer at the following prices:

BASE AMOUNT:

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT OF MEASURE	UNIT PRICE	EXTENDED AMOUNT
1.	Mobilization/Demobilization (3% maximum of Total Bid Price)	1	Lump Sum	N/A	Included
2.	Prop Study	1	Lump Sum	N/A	Included
3.	Sequence and Scheduling	1	Lump Sum	N/A	Included
4.	Data/Information Transfer Platform	1	Lump Sum	N/A	Included
5.	Field survey each meter reading route	32	Each	\$12,278.00	\$392,896.00

PILOT TEST

6.	Procure and install 3/4-inch meter and cellular endpoint.	260	Each	\$334.32	\$86,923.20
7.	Pilot Test meter reading, billing, and staff training	1	Lump Sum	N/A	\$12,500.00

METER REPLACEMENT

8.	3/4-inch meter and cellular endpoint.	27,868	Each	\$334.32	\$9,316,829.76
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REVISED B 3

Due to continuous improvements and redesign of Badger Meter products and technology solutions, Badger Meter reserves the right to provide our newest product solutions as an alternative to the proposed products provided they are in conformance with the requirements of the specifications and do not exceed the prices quoted.

9.	1-inch meter and cellular endpoint.	10,441	Each	\$358.06	\$3,738,504.46
10.	1-1/2-inch meter and cellular endpoint.	1,467	Each	\$818.42	\$1,200,622.14
11.	2-inch meter and cellular endpoint.	1,331	Each	\$941.42	\$1,253,030.02
12.	3-inch meter and cellular endpoint.	200	Each	\$2,533.88	\$506,776.00
13.	4-inch meter and cellular endpoint.	104	Each	\$3,302.98	\$343,509.92
14.	6-inch meter and cellular endpoint	39	Each	\$4,558.13	\$177,767.07
15.	8-inch meter and cellular endpoint	19	Each	\$5,879.88	\$111,717.72
16.	10-inch meter and cellular endpoint	2	Each	\$6,820.88	\$13,641.76
17.	12-inch meter and cellular endpoint	3	Each	\$8,821.66	\$26,464.98

REGISTERS AND ENDPOINT

18.	3/4-inch meter and cellular endpoint on fire lines with existing tattle-tale meter.	1,666	Each	\$234.50	\$390,677.00
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METER BOX REPLACEMENT

19.	Procure and install traffic rated lid for 3/4-inch and 1-inch meter box	10,000	Each	\$94.80	\$948,000.00
20.	Procure and install non-traffic rated lid for 3/4-inch and 1-inch meter box	28,309	Each	\$93.87	\$2,657,362.74
21.	Procure and install traffic rated lid for 1-1/2-inch and 2-inch meter box	1,000	Each	\$131.97	\$131,966.27
22.	Procure and install non-traffic rated lid for 1-1/2-inch and 2-inch meter box	1,798	Each	\$139.37	\$250,594.56

REVISED B 4

Due to continuous improvements and redesign of Badger Meter products and technology solutions, Badger Meter reserves the right to provide our newest product solutions as an alternative to the proposed products provided they are in conformance with the requirements of the specifications and do not exceed the prices quoted.

PHASE COMPLETION

23.	Training	1	Lump Sum	N/A	\$2,500.00
24.	Disposal	1	Lump Sum	N/A	Included

ALLOWANCE COST FOR TIME AND MATERIALS WORK

25.	Meter box replacement	\$250,000	N/A	N/A	\$250,000
26.	Customer side pipework modification (within 5' of meter)	\$250,000	N/A	N/A	\$250,000
TOTAL BASE AMOUNT:					\$22,062,283.60 See * Below

ADDITIVE ITEMS:

27.	3/4-inch meter with integrated shutoff valve	1	Each	\$450.00	\$450.00
28.	1-inch meter with integrated shutoff valve	1	Each	NO BID	NO BID
29.	1-1/2-inch meter with integrated shutoff valve	1	Each	NO BID	NO BID
30.	2-inch meter with integrated shutoff valve	1	Each	NO BID	NO BID
31.	Cellular endpoint	1	Each	\$82.00	\$82.00
32.	Monthly meter subscription <i>This is not an additive item. Required for BEACON AMA</i>	1	Each	\$.60	\$.60 per endpoint per month
TOTAL ADDITIVE ITEMS:					

REVISED B 5

Due to continuous improvements and redesign of Badger Meter products and technology solutions, Badger Meter reserves the right to provide our newest product solutions as an alternative to the proposed products provided they are in conformance with the requirements of the specifications and do not exceed the prices quoted.

Note: Several items may be adjusted or deleted. Any changes to the quantities for these items shall not classify as a substantial change as stipulated in Greenbook Section 7-3.5.1. Regardless of total actual volume compared to estimated quantities, the unit prices provided above shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities, and if this right is exercised, the Contractor will not be entitled to any additional compensation. The cost of all labor, materials, export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

TOTAL BID PRICE = BASE AMOUNT

TOTAL BID PRICE IN DIGITS: \$ ***\$22,374,763.60 ***See note below for included items. **See * Below**
TOTAL BID PRICE IN WORDS: ***Twenty-Two Million Three Hundred Seventy-Four Thousand Seven Hundred Sixty-Three and 60/100 Dollars

*** The lowest Bid will be determined on the basis of the lowest Total Base Amount without considering the amounts listed for the Additive Items.

Contractor must complete all Work within seven hundred and fifty (750) Working Days of the City's Notice to Proceed.

Bidder acknowledges receipt of all addenda

Addendum:	Date Received:	Addendum:	Date Received:
#01	<u>6/24/2021</u>	#04	<u>7/2/2021</u>
#02	<u>6/30/2021</u>	#05	<u>7/20/2021</u>
#03	<u>7/1/2021</u>	#06	<u></u>

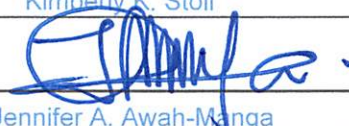
Bidder's Name (Company): Badger Meter, Inc.

Signature: 

Print: Kimberly K. Stoll

Title: Vice President - Sales & Marketing

Date: 7/22/2021

Signature: 

Print: Jennifer A. Awah-Manga

Title: Assistant Secretary

Date: 7/26/2021

*** The Total Bid Price above includes pricing for the "Pilot test", all product, installation, integration, training and twelve full months of Service Units charged at \$.60 per endpoint per month.

*** Contract amount shall be \$22,062,283.12 which is the corrected Base Amount Total.**

REVISED B 6

**AGREEMENT FOR PROFESSIONAL SERVICES
COVER PAGE**

- (1) Agreement Start Date: October 19, 2021
- (2) Consultant: Carollo Engineers, Inc.
- (3) Services: Construction Management for Advanced Metering Infrastructure Project
- (4) Schedule of Services: The services must be completed within three (3) years of the Agreement Start Date listed above
- (5) Agreement Ending Date: October 19, 2024
- (6) Total Agreement Amount: \$4,006,889
- (7) City's Project Manager: Timothy Beaman, Supervising Civil Engineer
- (8) Consultant's Project Manager: Eric Mills, PE, Senior Vice President
- (9) Insurance Coverage: INS-A
- (10) Addresses for Notice:

FOR CONSULTANT:

Carollo Engineers, Inc.
707 Wilshire Boulevard, Suite 3920
Los Angeles, CA 90017
Attn: Eric Mills, PE, Senior Vice President

FOR CITY:

305 West Third Street, East Wing, Second Floor
Oxnard, CA 93030
Attn: Timothy Beaman, Supervising Civil Engineer

- (11) Contact Emails:

*CONSULTANT'S PROJECT
MANAGER:*

CITY'S PROJECT MANAGER:

emills@carollo.com

timothy.beaman@oxnard.org

The Agreement for Professional 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
- ☒ Rates and Costs Exhibit
- ☒ Insurance Exhibit (INS-A)

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL 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) Consultant" on the Cover Page, subject to the following terms and conditions:

1. Scope of Services. Consultant shall provide to City the services listed as "(3) Services" on the Cover Page (the "Services"). Consultant 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. Standard of Performance. Consultant shall undertake and complete the Services to conclusion using the standard of care, skill and diligence normally provided by a professional person in the performance of similar consulting services.
3. Correction of Errors. Consultant shall correct, at its expense, all errors which may be disclosed during review of the Services. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be paid by Consultant.
4. 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.
5. Compensation. For the Services performed during the term of this Agreement, City shall pay Consultant an amount not to exceed the amount that is listed as "(6) Total Agreement Amount" on the Cover Page, at the rates listed in Rates and Costs Exhibit, attached hereto and incorporated herein by this reference. The rates in Rates and Costs Exhibit shall be in effect through the end of this Agreement. Except as otherwise expressly provided in this Agreement, City shall not be responsible for expenses incurred by Consultant in performing the Services.
6. Invoices. Consultant 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: pwinvoices@oxnard.org.
7. Acceptance of Payment. Consultant's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant 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 Consultant 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 Consultant and its employees, agents and subcontractors. Consultant 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 Consultant or materials or products provided to City by Consultant, Consultant shall pay the sales tax. City shall not reimburse Consultant for sales taxes paid by Consultant.
8. Non-Appropriation of Funds. Payments to be made to Consultant 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 and Department Director. Consultant hereby designates the person in the position listed in “(8) Consultant’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 Consultant.

10. Personnel. Consultant represents that it has, or shall secure at its own expense, all personnel required to perform the Services. Any person who performs engineering services pursuant to this Agreement shall be licensed as a Civil Engineer by the State of California and in good standing. Consultant shall make reasonable efforts to maintain the continuity of Consultant’s staff who are assigned to perform the Services. Consultant 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 Consultant’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 Consultant’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. Consultant shall perform such work, and City shall pay for such additional work, in accordance with Rates and Costs Exhibit. Should the work not fall under any such listed rate or cost, Consultant 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 Consultant for any work that does not fall under a rate or cost listed in the Rates and Costs Exhibit, and for which Consultant 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. Audit. City shall have the option of inspecting, auditing and/or reproducing all records and other written materials used by Consultant in preparing its billings to City as a condition precedent to any payment to Consultant. Consultant 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 Consultant for a period of 3 years after final payment under the Agreement. Regardless of whether a State audit is permitted, Consultant shall maintain and preserve all such records for a period of at least 3 years after final payment under the Agreement. Consultant shall include a copy of this Section 12 in all contracts with its subcontractors, and Consultant 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.

13. Termination. City may terminate this Agreement at any time, with or without cause and without penalty, upon 15 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice. Consultant may terminate this Agreement at any time, with or without cause and without penalty, upon 30 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice and only if all assignments accepted by Consultant 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 Consultant, City shall pay Consultant 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 Consultant receive an amount exceeding that which would have been paid to Consultant for the full performance of the Services.

14. Hold Harmless, Defense and Indemnity.

To the maximum extent permitted by law, Consultant shall hold harmless, defend, and indemnify City, its legislative and advisory bodies, and the City’s officials, directors, officers, employees, and agents (collectively, “Indemnitees”) from and against any and all claims, demands, causes of action, damages, injuries, liabilities, losses, penalties, fines, judgments, costs or expenses, including reimbursement of attorneys’ fees, court costs and costs of alternative dispute resolution, including but not limited to those relating to death or injury to any person and injury to any property (collectively, “Claims”), to the extent that the Claims arise out of, pertain to, or relate to the negligence, recklessness,

or willful misconduct of Consultant or of any of its officers, employees, subcontractors or agents in the performance of the Agreement or in the failure to comply with any of the obligations contained in this Agreement. Consultant's obligation to defend is a separate and distinct obligation from Consultant's duty to indemnify and applies through final judgment, including exhaustion of any appeals. Consultant shall be obligated to defend Indemnitees in all legal, equitable, administrative, or special proceedings, with counsel approved by the City Attorney, to the extent required herein immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding. The defense obligation includes the obligation to provide independent defense counsel if Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of any of the Indemnitees. If it is finally adjudicated that liability was caused, in whole or in part, by the active negligence or willful misconduct of the City, Consultant may submit a claim for the reimbursement of attorney's fees and defense costs actually incurred by Consultant in proportion to the percentage of fault allocated to the City in a final determination.

a. The review, acceptance or approval of Consultant's work or work product by any of the Indemnitees shall not affect, relieve or reduce Consultant's indemnification or defense obligations. This Section 14 shall survive completion of the Services or termination of this Agreement. The provisions of this Section 14 shall not be restricted by and does not affect the provisions of this Agreement relating to insurance.

15. Insurance. Consultant 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 City's Risk Manager waives, in writing, the requirement that Consultant obtain and maintain such insurance coverages. Consultant shall, before performance of any Services, file with the City's 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 Consultant is a material element of this Agreement. Consultant's failure to maintain or renew insurance coverages or to provide renewal evidence, and any lapse in insurance coverage, may be considered a material breach of this Agreement.

16. 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 Consultant pursuant to this Agreement ("Documents and Materials") shall be the City's property without restriction or limitation upon its use, duplication or dissemination. 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. Consultant shall not obtain or attempt to obtain copyright protection as to any Documents and Materials. Consultant 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 16.

b. Consultant 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 Consultant 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 Consultant prepares Documents and Materials on a computer, Consultant shall provide City with said Documents and Materials both in a printed format and in an electronic format that is acceptable to the City. Consultant may retain copies of these Documents and Materials but must request permission from the City before use, duplication or dissemination of 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 incomplete Documents and Materials, without the written consent of Consultant, shall be at City's sole risk and without liability or legal exposure to Consultant.

d. Consultant 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. Consultant 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. Consultant 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, Consultant, 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 16 shall survive the termination of this Agreement.

17. 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 Consultant or is developed by Consultant 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 Consultant without the written consent of the City, except as may be necessary for Consultant to fulfill its obligations to the City.

c. Notwithstanding the above, these limitations shall not apply to information that (i) is already known to Consultant at the time of that information's disclosure or becomes publicly known through no wrongful act or omission of Consultant, (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 Consultant 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, Consultant 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. Consultant 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 Consultant. 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 Consultant in reliance on any Confidential Information disclosed under this Agreement.

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

18. Independent Contractor. Consultant 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 Consultant or any of its employees, except as stated in this Agreement. Consultant 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 Consultant, 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 Consultant wishes except as expressly provided in this Agreement. This Agreement shall not be interpreted to prevent or preclude Consultant from rendering any services for Consultant's own account or to any other person or entity as Consultant in its sole discretion shall determine; provided, however, that performing such services shall not materially interfere with the Services Consultant shall perform for the City. Except as City's Project Manager specifies in writing, Consultant 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. Consultant and its employees are not employees of City. Consultant 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. Consultant 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. Consultant agrees to pay all required taxes on amounts paid to Consultant 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. Consultant shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Consultant'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 Consultant under this Agreement any amount due to City from Consultant as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section 18.

19. Nondiscriminatory Employment. Consultant 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. Consultant understands and agrees that it is bound by and will comply with all legal nondiscrimination mandates. For every subcontractor who will perform Services, Consultant shall be responsible for such subcontractor's compliance with this Section 19.

20. Consultant's Representations. Consultant represents, covenants and guarantees that: a) Consultant 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 Consultant's full performance under this Agreement; c) to the extent required by the standard of practice, Consultant 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.

21. Compliance with Laws. In performing the Services under this Agreement, Consultant shall comply with all applicable laws, ordinances and regulations. Before providing any Services under this Agreement, Consultant shall, at its own expense, obtain and maintain all required certificates, licenses and permits, including a City business tax certificate.

22. Conflict of Interest. If, in performing the Services set forth in this Agreement, Consultant 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, Consultant 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 Consultant's personnel providing the Services set forth in this Agreement. Furthermore, Consultant 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 Consultant “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 Consultant has been retained pursuant to this Agreement.

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

24. Non-Assignability. This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant’s personnel’s unique competence, experience and specialized personal knowledge. Consultant 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 Consultant shall hold harmless, defend and indemnify Indemnitees from and against all Claims arising from or relating to any unauthorized assignment.

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

26. 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.

27. 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.

28. Force Majeure. Neither City nor Consultant 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.

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

30. 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.

31. Integration; Amendment. This Agreement, including any other documents incorporated herein by specific reference, constitutes the entire and integrated agreement of City and Consultant 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.

32. 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.

33. 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 Consultant 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 Consultant, 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.

34. 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.

35. 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) the third business day following deposit in the United States mail, postage prepaid—to the addresses listed as "(10) Addresses for Notice" on the Cover Page or at such other address as one party may notify the other in writing.

36. 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 Project Managers' emails listed in "(11) 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.

37. 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.

38. City's Responsibility. City shall cooperate with Consultant as may be reasonably necessary for Consultant to perform the Services. Manager agrees to provide direction to Consultant as requested regarding particular project requirements. City shall furnish Consultant available studies, reports and other data pertinent to Consultant's services; and obtain or authorize Consultant to obtain or provide additional reports and data as required. Consultant shall be entitled to use and rely upon all such information and services provided by City or others in performing the Services.

39. Estimates and Projections. In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for potential projects, Consultant has no control over cost or price of labor and materials; unknown or latent conditions of existing equipment or structures that may affect operation and maintenance costs; competitive bidding procedures and market conditions; time or quality of performance of third parties other than Consultant's agents and/or subcontractors, if any; and quality, type, management, or direction of operating personnel. Therefore, Consultant makes no warranty that City's actual project costs, financial aspects, economic feasibility, or schedules will not vary from Consultant's opinions, analyses, projections, or estimates due to the aforementioned unknown information.

40. Third Parties. The Services are intended solely for the benefit of the City. No entity other than the City, and no person other than City employees and agents, shall be entitled to rely on Consultant's performance of the Services.

41. Contractor Means, Methods and Safety. Consultant shall not be responsible for the means, methods, techniques, sequences, or procedures of construction selected by contractors or the safety precautions and programs incident to the work of construction contractors and will not be responsible for construction contractors' failure to carry out work in accordance with the contract documents.

[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

CAROLLO ENGINEERS, INC.

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

Eric M. Mills, Senior Vice President,² _____ Date

Jaime Burrola, Vice President _____ Date

ATTEST:

Rose Chaparro, City _____ Date
Clerk (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; 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

Task 1 Program Management

1. **Project Management:** The purpose of this task is to establish and maintain effective project management and communication throughout the project. The CM shall coordinate all work efforts of the Project Team including representatives from the City and shall facilitate regular Project progress meetings and provide regular updates on the Project status and budget. The CM shall become familiar with City processes, procedures and objectives to provide services and assistance as directed by City staff. The CM shall work under the direction of the City Project Manager, develop and maintain open lines of communications and cooperation between City staff, CM staff, and contractors.
2. **Project Kick-off Meeting:** At the commencement of the Project, the CM shall facilitate a "kick-off" meeting with the City to discuss the scope and parameters of the Project. The CM shall prepare and distribute a draft agenda in advance of the meeting for review and comment by the Project Manager. Specific Project goals will be identified and a strategy to accomplish these goals will be developed during the kick-off meeting. The CM shall prepare and distribute meeting minutes within two (2) working days of the meeting.
3. **Progress Meetings:** The CM shall conduct bi-weekly progress meetings with the City for the duration of the project. The CM shall prepare an agenda that will include topics such as safety, RFI, submittals, change order, schedule, and progress. The CM shall be responsible for preparing and distributing meeting minutes from each meeting. Meeting minutes shall be in a format acceptable to the City's Project Manager and shall be distributed within two (2) working days of the project meeting. Project progress meetings will be held at the Water Division Campus. At least monthly, the CM will present a summary progress reports and discuss outstanding or upcoming project issues with the City. The CM shall budget a minimum of five (5) hours per meeting to include preparation, attendance, minutes, and travel time.
4. **Monthly Invoicing:** The CM shall submit invoices on a monthly basis with all supporting documentation in a format acceptable to the City. Invoices requiring amendment shall be dated according to when the revised invoice is delivered to the City. Invoices shall be delivered electronically to the Project Manager and to PWInvoices@Oxnard.org.
5. **CM Plan:** The CM shall prepare a CM Plan utilizing the final conformed, contract documents that will include the following elements:
 - Organization Chart
 - CM Project Team and description of duties and responsibilities
 - Safety compliance
 - Claims avoidance strategy
 - Inspection procedures
 - Document management system
 - Field office location
 - Project close out process
6. **CM Staffing:** The CM shall provide appropriate staffing to accommodate meter replacements occurring in multiple locations, the CM shall make themselves familiar with all contract documents.

Task 2 – Construction Administration

The CM shall provide a qualified and competent construction administration manager (CA Manager) to provide construction administration and direct contractor activities whenever the contractor is working onsite. For budgetary purposes, the CM shall assume that the CA Manager shall be dedicated full time to this project for 156 weeks from Contractor being granted Notice to Proceed (NTP). The Construction Administration tasks are described below.

A. **Contract Administration:** The CM shall have the responsibility for the daily management of the construction project. The CM shall provide and coordinate construction management services of the following activities.

- **Administration:** The CM shall administer construction contracts and provide technical Construction Management support to City staff to facilitate project completion.
- **Contractor Communication:** CM shall provide effective written and oral communication to the contractor and other stakeholders in the administration of the contract. CM shall provide for timely, thorough, clear, effective and responsible communications to Requests for Information (RFI's), Requests for Change (RFC's), Requests for Proposal (RFP's), submittals, and other miscellaneous correspondence. CM shall receive, log, and tract requests for information. CM shall develop a project directory of key City and Contractor personnel working on the project.
- **Quality Assurance:** CM shall manage the Contractor's Quality Assurance.
- **Substitution Requests:** CM shall evaluate requests for material and equipment substitutions and changes based on compliance with contract specifications and taking into account the impacts to cost and schedule. Based upon the CMs evaluation of the request for substitutions, the CM shall inform the PM and Design Engineer of the substitution request and request an evaluation and decision of the merits of the substitution.
- **Resource Loading:** CM shall monitor the contractor's resource loading and advise on corrective actions needed to maintain schedule.

B. **Safety and Security Monitoring:** The Contractor is responsible for enforcing its safety program on its employees and subcontractors' employees. It is the CM's responsibility to monitor the Contractor and promote a safe overall environment for all workers. Safety shall comply with all Federal, State and locally accepted safety regulations and measures including.

- **Safety:** The CM shall be responsible for providing all necessary personal protective equipment (PPE) including hard hats, vests, footwear, lights and other safety equipment for the CM Team. The CM shall prepare a safety plan for the CM team.
- **Job Site Security Verification:** Routinely check job site security and measures taken to protect the public from hazards.
- **Emergency Response Plan Review:** Review Contractor's emergency response plans. CM shall ensure that Contractor complies with State and Federal requirements but shall not be responsible for defining Contractor's safety programs. CM shall notify Contractor of potential unsafe working conditions.

C. **Controls and Scheduling:** CM shall provide comprehensive project scheduling and control expertise as follows:

- **Progress Schedule Review:** CM shall review and monitor contractor's schedule monthly to monitor project progress and detect early delays.
- **Cost and Budget:** CM shall monitor project construction costs, budgets, schedule and maintain current workflow projections.
- **Reporting:** CM shall prepare and distribute monthly construction reports. CM shall provide at a minimum:
 - Daily inspection reports
 - Bi-weekly job site meeting minutes

- Monthly report overview
- Project cost to date
- Schedule updates
- Recommendations to mitigate project delays
- **Progress Payment Review:** CM shall review and approve monthly contractor invoices, verify compliance to all terms and conditions of contract and make payment recommendations. The CM shall ensure that the contractor's request for payment does not represent more than the amount for work performed on a monthly basis.
- **Contract Extensions:** CM shall review, analyze, and make recommendations on contractor time extensions/requests.
- **Miscellaneous Coordination:** CM shall coordinate and monitor work to be performed by others.
- **Project Notice Coordination:** CM shall receive and review project notices, and submit to the City with appropriate recommendations.
- **Performance Evaluation:** CM shall provide quarterly Contractor performance evaluations during construction.
- **Time Impact Analysis (TIA) Review:** CM shall monitor and log Contractor labor time, attendance, labor cost, minimize compliance risk and evaluate in coordination with potential change order claims. CM shall perform an analysis of contractor TIA as submitted by the contractor. The TIA shall be used in conjunction with a contractors request to determine if a time impact has occurred, and how to mitigate the potential impact.
- **Monitor Time and Materials Work:** CM shall monitor contractor work performed on a time and materials (T&M) basis to ensure that the contractor labor charges are fair and appropriate, and that materials purchased are of quantity and quality necessary to the project, and documented on invoices.

D. **Document Control:** The CM shall establish a document management system for the following:

- **Filing:** The CM shall utilize a filing system. CM shall use a web based document management system as approved by the City. CM shall be responsible for the cost of the document management system and training.
- **Claims:** The CM shall identify, analyze and prepare construction claims and disputes by assessing or validating entitlement and quantification of damages and promoting a successful resolution within 21 calendar days (assuming the Contractor is cooperative.) The CM shall provide associated cost estimates and time impact analysis concurrently for Claims Evaluation.
- **Document Tracking:** All central receipts, control, storage, distribution, indexing and tracking of all documents.
- **Document Managing:** All documents, incoming and outgoing, associated with the construction management activity of all assigned projects, including, but not limited to submittals, requests for information (RFIs), requests for clarifications (RFCs), pay requests, change orders (COs) and correspondence.
- **Document Maintenance:** Maintaining all field documents, storing original documentation and furnishing to the City at project completion.
- **Contractor Document Monitoring:** The CM shall monitor the Contractor's web-based document control for accuracy and compliance with the contract's Special Provisions.

E. **Change Order and Claims Management:** The CM shall review proposed change orders. The CM shall provide a change order review standard that includes a detailed process, forms, and recommendations of actions to the PM. CM's change order review shall provide additional analysis of both cost and time concurrently. Time impact analysis shall not be deferred to a later time. The CM

shall implement a comprehensive claims management program to evaluate change order requests and recommend equitable disposition.

When agreement cannot be reached, the CM shall support the City's position and assist in formulating a claims defense and participate in resolution including:

- **Document Managing:** Coordinate, assemble and review supporting documentation for change order processing and make final recommendations to City staff.
- **Contractor Request Review:** Review requests of alleged cost increases and/or time impacts for merit concurrently.
- **Change Order Review:** Thoroughly analyze the proposal and develop a negotiating position. When necessitated by variations between contractor price for change and the CM's fair cost estimate CM shall negotiate an equitable resolution with guidance from the City's Project Manager.
- **Change Order Expediting:** After the equitable resolution is reached the CM shall expedite approval of the negotiated change order.

Task 3 – Inspection

The CM shall provide inspection services and monitoring of construction to ensure construction is in compliance with the project construction documents. The CM's inspection staff shall verify construction compliance and QAQC with applicable permits, codes, construction documents, and public outreach requirements.

1. Daily and Weekly Documentation:

- **Documentation of Construction Activities:** Provide documentation of construction activities, duration of activities, labor resources, and equipment allocation.
- **Construction Reporting:** Provide daily construction activity reports, labor resources, on-site equipment, and work conditions.
- **Non-Conformance Reporting:** Provide non-conformance reports.
- **Photographic Records:** Provide weekly photographic/digital records of the project during construction.

2. Inspections: The CM shall provide qualified and competent inspectors for all improvements to inspect, monitor, and report on meter replacement and required improvements. Inspections shall include:

- Meter and endpoint installation
- Meter box lid replacement
- Meter box replacement
- Water service line replacement
- Pavement restoration
- Striping restoration
- Landscaping restoration

Task 4 – Meter Reading and Software Integration

Meter software integration and operator training shall occur according to the construction contract's Special Provisions.

1. **Integration Coordination:** The CM shall coordinate and oversee meter and software integration with City staff, project management, contractor, and the manufacturer's field service representatives.
2. **Facilitate Operator Training:** The CM shall coordinate training of Operators by the Contractor.

Task 5 – Construction Closeout

The CM shall manage the turnover of the assigned project to Operations, including contract closeout, management of warranty period activities and demobilization of CM staff including:

A. **Phase Closeout:** The CM oversee the completion of each phase of the meter replacement process. Phase Closeout tasks shall include:

- **Phase Final Walk-Through:** Coordinate and conduct a site final walk-through to verify completion of contract and all related items of work within 7 days of substantial completion.
- **Phase Punch List:** Develop site punch list and verify completion and obtain final documentation and releases within 7 days of substantial completion.
- **Phase Final Reporting:** Prepare site summary report in accordance with the City within 7 days of final completion.
- **Phase Documentation Turnover:** Review the Contractor's replacement log for each phase and turnover correspondence and documentation within 14 calendar days of final completion.
- **Warranty Coordination:** The CM shall prepare a list of warranty items, warranty period, and warranty repair procedures, and turn over to the City's Project Manager.
- **Phase Demobilization:** Demobilize the CM staff and facilities in accordance with agreed upon plan.

B. **Construction Contract Close Out:** The CM shall oversee the contract closeout process and assist in resolving O&M service disputes. The closeout shall entail sign offs by responsible parties and include:

- **Project-wide Final Walk-Through:** Coordinate and conduct a final walk-through to verify completion of contract and all related items of work within 7 days of substantial completion.
- **Project-wide Punch List:** Develop punch list and verify completion and obtain final documentation and releases within 7 days of substantial completion.
- **Final Payment/Close-Out Change Order Review:** Review final payment and close out change orders within 7 days of substantial completion.
- **Final Reporting:** Prepare final summary report in accordance with the City within 7 days of final completion.
- **Documentation Turnover:** Turnover project files, contract, correspondence, and documentation within 14 calendar days of final completion.
- **Project Warranty Coordination:** The CM shall review and updated as needed the list of warranty items, warranty period, and warranty repair procedures, and turn over to the City's Project Manager.
- **Final Demobilization:** Demobilize the CM staff and facilities in accordance with agreed upon plan.

RATES AND COSTS EXHIBIT

CITY OF Oxnard, // CONSTRUCTION MANAGEMENT FOR
ADVANCED METERING INFRASTRUCTURE PROJECT

FEE PROPOSAL

	Hourly Rate		Senior Professional (Program Director/PIC)		Lead Project Professional (Program Manager)		Project Professional (Program Specialist)		Professional (Construction Manager)		Assistant Professional (Field Engineer)		Senior Technician (Lead Inspector)		Technician (Inspector #1)		Support Staff (Specialty Inspection)		Total
	Hours	\$295	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Hours	Amount	Lump Sum Allowance	Hours	
Task 1 - Program Management	16	\$4,720	349	\$95,975	15	\$3,150	912	\$200,640	172	\$30,100	5	\$814	0	\$-	-	\$-	-	1,469	\$335,399
	3	\$885	144	\$39,600	-	-	288	\$63,360	-	-	-	-	-	-	-	-	-	435	\$103,845
	3	\$885	3	\$825	3	\$630	12	\$2,640	4	\$700	3	\$488	-	-	-	-	-	28	\$5,168
	4	\$1,180	144	\$39,600	-	-	360	\$79,200	-	-	-	-	-	-	-	-	-	508	\$119,980
	2	\$590	2	\$550	4	\$840	16	\$3,520	8	\$1,400	2	\$326	-	-	-	-	-	34	\$7,226
Task 2 - Construction Administration	1	\$295	-	-	-	-	36	\$7,920	-	-	-	-	-	-	-	-	-	37	\$8,215
	2	\$590	40	\$11,000	8	\$1,680	160	\$35,200	160	\$28,000	-	-	-	-	-	-	-	370	\$76,470
	1	\$295	16	\$4,400	-	-	40	\$8,800	-	-	-	-	-	-	-	-	-	57	\$13,495
	0	\$-	720	\$198,000	0	\$-	3,232	\$711,040	2,372	\$415,100	0	\$-	0	\$-	-	\$-	-	6,324	\$1,324,140
	-	-	144	\$39,600	-	-	1,152	\$253,440	288	\$50,400	-	-	-	-	-	-	-	1,584	\$343,440
Task 3 - Inspection	-	-	-	-	-	-	144	\$31,680	36	\$6,300	-	-	-	-	-	-	-	180	\$37,980
	-	-	288	\$79,200	-	-	1,152	\$253,440	1,728	\$302,400	-	-	-	-	-	-	-	3,168	\$635,040
	-	-	-	-	-	-	144	\$31,680	160	\$28,000	-	-	-	-	-	-	-	304	\$59,680
	-	-	288	\$79,200	-	-	640	\$140,800	160	\$28,000	-	-	-	-	-	-	-	1,088	\$248,000
	0	\$-	0	\$-	0	\$-	576	\$126,720	660	\$115,500	5,280	\$859,320	4,800	\$756,000	4,800	\$756,000	\$12,000	11,316	\$1,869,540
Task 4 - Meter Reading and Software Integration	-	-	-	-	-	-	576	\$126,720	660	\$115,500	660	\$107,415	600	\$94,500	-	\$94,500	-	2,496	\$444,135
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	4,620	\$751,905	4,200	\$661,500	-	\$661,500	-	8,820	\$1,413,405
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$3,000	Allowance	\$3,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$9,000	Allowance	\$9,000
	0	\$-	80	\$22,000	360	\$75,600	640	\$140,800	240	\$42,000	0	\$-	0	\$-	-	\$-	-	1,320	\$280,400
	-	-	40	\$11,000	180	\$37,800	320	\$70,400	160	\$28,000	-	-	-	-	-	-	-	700	\$147,200
	-	-	40	\$11,000	180	\$37,800	320	\$70,400	80	\$14,000	-	-	-	-	-	-	-	620	\$133,200
	0	\$-	28	\$7,700	0	\$-	400	\$88,000	304	\$53,200	0	\$-	0	\$-	-	\$-	-	732	\$148,900
	-	-	12	\$3,300	-	-	240	\$52,800	144	\$25,200	-	-	-	-	-	-	-	396	\$81,300
	-	-	16	\$4,400	-	-	160	\$35,200	160	\$28,000	-	-	-	-	-	-	-	336	\$67,600
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$48,510
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$37,800
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$7,875
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$2,835	
Total Hours			16	\$4,720	1,177	\$323,675	375	\$78,750	5,760	\$1,267,200	3,748	\$655,500	5,285	\$860,134	4,800	\$756,000	\$60,510	21,161	\$4,006,889

INSURANCE EXHIBIT
Exhibit INS-A
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@ebix.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 \$1,000,000 LIMIT 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/ \$500,000 & listed sub-consultant

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

SUBMIT IN DUPLICATE

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

ENDORSEMENT NO.

ISSUE DATE (MM/DD/YY)

PRODUCER

POLICY INFORMATION:

Insurance Company:

Policy No.:

Policy Period: (from) (to)

LOSS ADJUSTMENT EXPENSE ☐ Included in Limits☐ In Addition to Limits

Telephone:

☐ Deductible ☐ Self-Insured Retention (check which) of \$ _____

with an Aggregate of \$ _____ applies to _____

coverage. ☐ Per Occurrence ☐ Per Claim (which)

NAMED INSURED

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**☐ GENERAL☐ PRODUCTS/COMPLETED
OPERATIONS☐ PERSONAL & ADVERTISING INJURY☐ FIRE DAMAGE☐ _____☐ _____**LIABILITY LIMITS IN THOUSANDS \$**

EACH OCCURRENCE

AGGREGATE

CLAIMS: Underwriter's representative for claims pursuant to this insurance.

Name: _____

Address: _____

Telephone: () _____

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

1. **INSURED.** The City, its officers, agents, 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:

a. Insurance Services Office Commercial General Liability Coverage, "occurrence" form CG0001; or

b. If excess, affords coverage which is at least as broad as the primary insurance form CG0001.

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. _____

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: _____

AWARD AGREEMENTS FOR ADVANCED METERING INFRASTRUCTURE INSTALLATION PROJECT PW 17-32

Public Works and Transportation Committee
September 28, 2021

City Council
October 5, 2021

Tatiana Arnaout, PE
City Engineer

FOR THE PUBLIC WORKS AND TRANSPORTATION COMMITTEE:

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the following for a total of \$30,481,628.12 in Project funds for the Advanced Meter Infrastructure (AMI) Installation Project PW 17-32 (Project No. 206503):

1. The Mayor to award and execute Agreement A-8371 with Badger Meter, Inc. for \$22,062,283.12 for Installation of Water Meters;
2. A Project contingency amount of \$2,206,228;
3. A Project allocation of \$2,206,228 for engineering, inspection, survey and project management; and
4. The Mayor to award and execute Agreement A-8350 with Carollo Engineers, Inc. for \$4,006,889 for Construction Management Services.

FOR THE CITY COUNCIL:

That the City Council approve and authorize the following for a total of \$30,481,628.12 in Project funds for the Advanced Meter Infrastructure (AMI) Installation Project PW 17-32 (Project No. 206503):

1. The Mayor to award and execute Agreement A-8371 with Badger Meter, Inc. for \$22,062,283.12 for Installation of Water Meters;
2. A Project contingency amount of \$2,206,228;
3. A Project allocation of \$2,206,228 for engineering, inspection, survey and project management; and
4. The Mayor to award and execute Agreement A-8350 with Carollo Engineers, Inc. for \$4,006,889 for Construction Management Services.

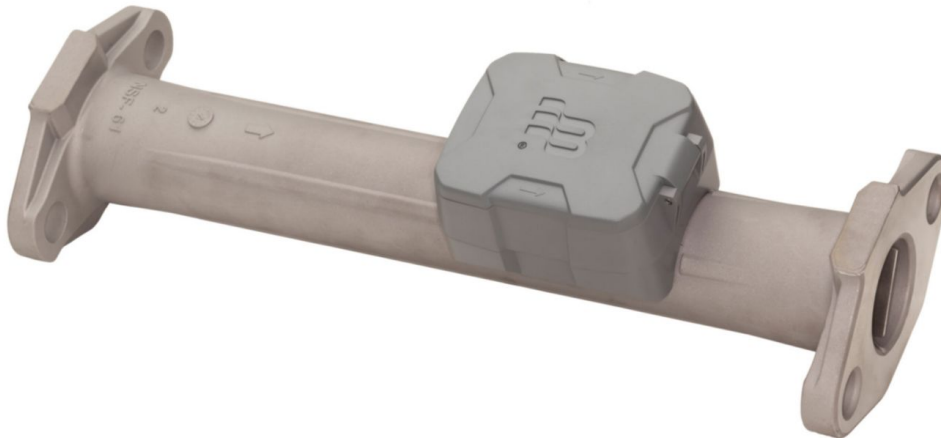
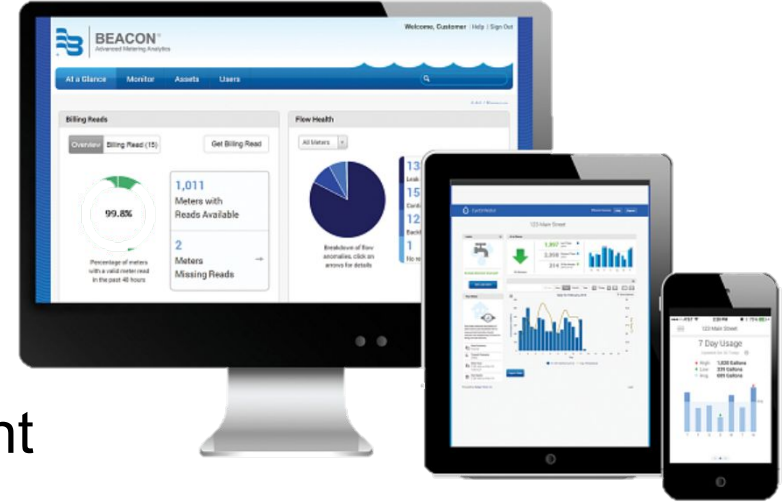
- Existing meters were installed in between 2002 – 2008 and have reached the end of their useful life
- Older meters are less accurate and can miss “nuisance” flow
- Existing meter reading software is no longer supported



- Radio reads are failing at a rate of 20-30 per week
- All newly installed meters must be ready manually
- Approximately 25% of the existing meters are read manually (>10,000 meter)



- High accuracy reads
- Real-time water usage
- Leak detection
- Optional integrated shutoff
- Customer interface and engagement
- Lead-free stainless steel body
- 20-year warranty



- Visual inspection of each meter, meter box, and lid
- Accurate documentation of meter:
 - Classification (i.e. residential, commercial, irrigation)
 - GPS location
 - Size
 - Associated address
 - Installation date and photos



- Each resident will be provided a schedule, a meter “how to read” guide, and instructions for accessing the customer interface
- Each customer will be notified two weeks prior to their meter being replaced
- Meter replacements typically take less than 20 minutes and the installers will be identifiable via uniform with the company name and phone number

PLEASE NOTE

- Residents will not be asked for any personal information during this project
- Residents will only be contacted in cases where the Contractor is not able to locate their meter due to obstructions and seek permission to enter onto their property.

Advanced Metering Infrastructure Installation Project

- Installation will include all new meters, meter endpoint, meter box lid, and incidental piping for the services
- Full inventory of all water meters in the City which will provide the classification, global positioning system (GPS) location, size, associated address, and installation date
- The meters are anticipated to begin being installed in summer 2022

Advanced Metering Infrastructure Installation Project

- Notice inviting formal bids (NIFB) for the project was published on June 24, 2021 with bids due on July 29, 2021
- City received 3 bids; 2 were rejected as being non-responsive.
- Lowest, responsive bidder was Badger Meter, Inc., at \$22,062,283.12

Advanced Metering Infrastructure Installation Project - CM Services

- Request for Proposals (RFP) for the Project was published on April 8, 2021 with proposals due on April 29, 2021
- The City received two (2) proposals
- Proposals were reviewed by three (3) staff members: Water Division Manager, Water Operations Supervisor and the Project Manager.
- Carollo Engineers, Inc. was selected as the most qualified firm to provide construction management services for this Project

Advanced Metering Infrastructure Installation Project

Badger Meter, Inc. (A-8371)	\$22,062,283.12
Carollo Engineers, Inc. (A-8350)	\$4,006,889
Engineering, Inspection, Survey and Project Management	\$2,206,228
Project Contingency	\$2,206,228
Total Project Cost:	\$30,481,628.12

- Project funded from Water Operating Fund (601) and Security Contamination Prevention Fund (608)
- Current project budget balance is approximately \$13,763,962
- Additional budget appropriation of \$16,717,666 will be requested in subsequent fiscal years as needed and funded from the available fund balance in the Water Operating Fund (601)

QUESTIONS?



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.6

DATE: October 19, 2021

TO: City Council

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Update of Bicycle and Pedestrian Projects. (0/5/5)

RECOMMENDATION

That the City Council receive and file a report on the status of the City's Bicycle and Pedestrian Master Plan. (Public Works and Transportation Committee approved 3-0.)

Please click the following link to view the required Measure M pre-recorded presentation video:

<https://youtu.be/vnVxtYkvxno>

BACKGROUND

In May of 2021, Councilmember Teran requested that staff provide an update to the Council on the implementation of the City's Bicycle and Pedestrian Plan and a discussion of projects, programs and other issues that affect bicycle usage within the city. This report provides a brief description of the current Bicycle Plan and its recommendations, a listing of projects completed to date and a summary of major efforts underway to update and further implement projects and safety programs for non-motorized users of the City's transportation system.

DISCUSSION

The City of Oxnard Bicycle & Pedestrian Facilities Master Plan (BPMP) was first adopted in 2002 and was a major step forward in planning for bicyclists and pedestrians within the City of Oxnard. The BPMP focused on these non-motorized users of the transportation system and helped guide infrastructure investment and project programming for the community. The BPMP can be found here on the City's website: [City of Oxnard BPMP](#)

The BPMP received a major update in 2011 that included identification of barriers to bicycling efforts, recommended programs and policies that could enhance safety and infrastructure, and recommended a robust list of projects. The BPMP listed over 90 bicycle projects that encompassed over 110 linear miles of bicycle paths, lanes and new routes throughout the city. The City has accomplished a number of these recommended projects through its Capital Improvement Program even with many years of limited funding available to deliver projects. Attachment 1 includes the 2011 BPMP map showing existing and proposed projects. Some of the significant projects completed are included in the following table:

Table 1: Significant Completed Projects

Location	Segment	Facility	Length (Mile)
Citywide	14 Locations Citywide	Flashing Beacons, new crosswalks, signage	.5
C Street	Citrus Glen to Hueneme Road	Class II, III	5

Channel Islands Blvd	Dupont to El Dorado	Class II - Lanes	.3
Oxnard Blvd.	Gonzales to Colonia	Class II - Lanes	.7
Patterson Road	Vineyard to Gonzales	Class II - Lanes	.55
Rose Avenue	Lockwood to Gonzales	Class II - Lanes	.2
Ventura Road	US 101 to Vineyard Ave	Class II - Lanes	1
Victoria Avenue	Gum Tree to Gonzales	Class I – Multi-Use Path	.37
Victoria Avenue	Gonzales to Teal Club	Class II - Lanes	1.13

In recent years, street paving and resurfacing projects have allowed for upgrades and improvements to the bicycle network. Resurfacing projects offer unique opportunities to enhance bicycle and pedestrian systems to improve safety, connectivity and integrate non-motorized components. Buffered bike lanes where possible, wider bike lanes, and green paint for high visibility near potential conflict points have been included in many of these projects. Bicycle loop detectors are installed to improve bicycle use at signalized locations. Pedestrian improvements often include new accessible ramp installations as part of overlay projects, installation of high visibility ladder-style crosswalks at uncontrolled locations and upgrading school area markings in and around school zones. Other completed projects are included in the following table:

Table 2: Other Completed Projects

Location	Segment	Modifications
C Street	Gonzales to Hueneme	Bike lanes, sharrows, signage, green paint
Camino Del Sol	Garfield to Del Norte	Improved bike lanes, buffered bike lanes, bike detection, crosswalks
Channel Islands Resurfacing	East of Oxnard Blvd.	New bike lanes and green paint
Esplanade	Oxnard Blvd. to Vineyard	Improved bike lanes, green paint
Patterson Road	Vineyard to Gonzales	Buffered bike lanes, green paint
Rice Avenue Resurfacing	Latigo to Eastman	Improved bike lanes, detection
Rose Avenue	Us 101 to Auto Center	Green paint
Rose Avenue Resurfacing	Fifth Street to Pleasant Valley	Improved bike lanes, buffered bike lanes, green paint
Rose at Gary	Intersection	Signalization, crosswalks, bike detection
Vineyard Avenue Resurfacing	Patterson to Oxnard Blvd.	Buffered bike lanes, green paint

Beyond City initiated work, new development projects such as Riverpark and Wagon Wheel/Oakwood have included enhanced bicycle and pedestrian infrastructure to promote connectivity and alternative travel options for residents. These master planned communities include bicycle and pedestrian facilities throughout that connect the adjacent neighborhoods. Staff reviews all proposed development projects for consistency with the BPMP and when applicable projects are conditioned to include improvements that help implement the plan.

Significant new development projects currently underway include a new Class I Mixed Use Path from Vineyard Avenue to Esplanade (including new bike bridge across Oxnard Boulevard at Spur Drive.) as part of the Wagon Wheel development, improved bike lanes on Rice Avenue and Del Norte as part of the Sakioka development, and new roadway

and bike lanes on Sakioka Drive from Rice to Del Norte.

Update to the BPMP

The existing 2011 BPMP was updated in 2012 with minor revisions to address changed conditions. In 2017, staff developed a scope of work to update the BPMP but was not able to pursue an update as funding was extremely limited and not able to be put towards this effort. Instead, staff sought out, and received a number of grant-funded planning projects that are intended to develop critical information and recommendations to address issues of safety, sustainability and new design possibilities to be incorporated into the next BPMP effort, which is now part of a wider Sustainable Transportation Plan.

New planning grant-funded projects include:

1. Citywide Local Roadway Safety Plan
2. Citywide Sustainable Transportation Plan
3. Safe Routes To School Plan Phase I

On April 20, 2021, the City Council awarded contracts to Fehr & Peers, to develop two planning documents, the Sustainable Transportation Plan (STP) and Local Roadway Safety Plan (LRSP). The LRSP is a technical document with the goal of updating infrastructure to improve safety. The STP is larger in scale and will include a robust public outreach component to better understand all mobility choices, patterns, needs, and incorporate prior planning documents, including the 2012 Bicycle and Pedestrian Master Plan.

Local Roadway Safety Plan (LRSP)

Bicycle and pedestrian safety continues to be a focus of the Police (PD) and Public Works departments. Enforcement and education efforts continue with PD soliciting Office of Traffic Safety (OTS) grants to address various issues. Successful OTS grants have been utilized to promote safety for bicyclists, pedestrians and other roadway users. Oxnard PD held its first Bicycle Rodeo in July of this year at the Collection at Riverpark. Children of all ages were invited to participate in an obstacle course that was both fun and educational. Officers educated participants about bicycle safety and equipment, rules of the roadway, and safe riding habits.

The PD was recently awarded funding for two new grants from the OTS regarding bicycle and pedestrian safety. The grants provide funding for educational and community outreach including hosting bicycle rodeos, pedestrian and bicycle safety education presentations, distracted driving and bike/pedestrian enforcement, and funding to purchase bicycle helmets and equipment to distribute to community members.

Additionally, a major new traffic safety element is being prepared.

The City is currently developing a comprehensive Local Roadway Safety Plan (LRSP) to identify high collision locations within the city that will recommend improvements for programming and consideration. Development of the LRSP is required by Caltrans in order for local agencies to compete for future Highway Safety Improvement Program (HSIP) funding. Projects identified in the LRSP also receive additional justification when seeking grant funds from other funding sources such as the Active Transportation Program (ATP). The LRSP will include a review of high bicycle collision locations within the city and make recommendations for improvements.

The City's consultant, Fehr & Peers, along with Public Works staff are currently reviewing planning documents, gathering and analyzing collision data, assessing traffic behavior, and coordinating stakeholder input to identify, analyze, and prioritize roadway safety improvements. Community workshops are anticipated to be held later this year and early 2022. Countermeasures will be identified where they can be most effectively applied and all data and recommendations will be combined into the LRSP for adoption by the City Council. After adoption, Fehr & Peers will then assist the City with developing the next HSIP grant applications using recommendations identified in the LRSP. The final Plan will serve as the City's Annual Traffic Safety Report and be used as a template for future reports. This plan is scheduled to be completed by summer/fall of 2022.

Sustainable Transportation Plan (STP)

The STP will be a significant additional planning tool to help the City identify, prioritize and fund transportation efforts that are sustainable, are inclusive, and can be utilized over time. Bicycle and pedestrian programs will be critical elements in this plan and help identify barriers to be removed to promote activity that is safe and successful. This includes establishing a new transportation framework that considers a balancing of transportation choices, cataloging enhanced streetscape elements, conceptualizing design alternatives, identifying funding sources, and developing project ideas, prioritization, and implementation steps that will help guide community improvements. A primary goal of the STP is to integrate public programs and projects into disadvantaged communities to achieve safety and quality of life enhancements.

The STP will combine elements from various planning efforts that include: the BPMP, area specific plans, Vision Zero and Complete Streets principles, and first/last mile planning in tandem with land use opportunities, and existing conditions. The STP is collaborative and will include extensive and inclusive community engagement to ensure that the needs of each community, age group and socioeconomic status are represented. Public outreach is kicking off this fall and will continue throughout the development of the STP. This STP is scheduled to be completed by summer 2023.

Safe Routes to School Plan (SRTS) Phase I

The City was successful in receiving \$1,981,000 in Caltrans grant funding to begin the process of developing Safe Route to School plans for all schools within the city. The grant will develop infrastructure plans for six schools and will fund 26 school zone plans when complete. Six (6) of these schools will have full improvement plans developed for construction. The newly funded SRTS planning project will combine education and encouragement activities with traffic engineering evaluations at each school to identify safer paths of travel and modernization of traffic control devices in and around each school. Current routes students walk and bike will be identified, while conditions of crosswalks and signage will be evaluated. Neighborhood maps and educational materials describing safer bicycle and walking choices will be created to be shared with students and parents. Public Works staff are working to meet Caltrans grant requirements in order to kick-off the project in early 2022. It is scheduled to be completed in 2023.

SRTS Phase II is being considered as part of the American Rescue Plan Act (ARPA) Tranche 2 funding. Additional grant funds in future Caltrans cycles will be solicited if ARPA funds are not allocated by the City Council for this effort.

It is intended that these three (3) planning efforts will be completed in 2022 and 2023 to coincide with the beginning of the Circulation Element Update as part of the City's General Plan update that will begin in 2022. Subject to funding, updates to the BPMP/STP will parallel that process to be included in the Circulation Element update.

Upcoming Capital Improvement Projects

With the passage of Measure E, significant acceleration of improvement projects is underway. Most notable is a significant investment in street paving and rehabilitation projects. As mentioned previously, resurfacing projects allow the opportunity to make beneficial changes to the bicycle and pedestrian networks using the BPMP. The following table is a list of upcoming resurfacing projects that will incorporate improvements for non-motorized users:

Table 3: Upcoming Resurfacing Projects

Location	Segment	Modifications	Length (miles)	Year
2nd Street	Ventura Road to H Street	Enhanced bike lanes, route signage	.4	2022
Cooper Road	Oxnard Blvd. to Juanita	Class II bike lane, high visibility crosswalks, school improvements	.47	2022
Doris Avenue	M Street to A Street	Edge lines, traffic calming, new signage	.78	2022
Gonzales Road	Victoria to Rice Avenue	Enhanced bike lanes, buffered bike lanes, green paint, bike detection	4.5	2022

Hueneme Road	J Street to Edison	Green Paint, enhanced signage	1.1	2022
La Colonia Green Alleys	Garfield to Juanita	Alley upgrade, protected bike lane, crosswalks, curb extensions, ped path	.3	2021
Paterson Road	Gonzales to Hemlock	Enhanced bike lanes, buffered bike lanes, green paint, bike detection	1.5	2022

A number of specific bicycle and pedestrian improvement projects are also underway. Funding limitations have required the City to rely heavily on accessing grant funding to complete projects. Grant funding acquisition has been modest with many projects moving forward with assistance from state or federal sources. The passage of Senate Bill 1 in 2017 provided significant funding opportunities for bicycle, pedestrian and safe routes for school projects. The City has been successful in acquiring many projects through that source. The following projects received funding from state and federal sources including: Active Transportation Program (ATP), Highway Improvement Safety Program (HSIP), and the Congestion and Air Quality (CMAQ) program. Projects include:

Table 4: State and Federal Funded Projects

Location	Segment	Modifications	Grant	Length (miles)	Year
4th Street	C Street at Oxnard Blvd.	Sidewalk enhancements, curb extensions, transit stop improvements, signal improvements	\$650,000 (partially funded)	.47	2024
Etting Road	Pleasant Valley Road to city limits	Class II bike lanes, sidewalk crosswalks	\$1,099,520	.78	2022
Northeast Community, Cloyne Street	St. Mary's Drive, Snow Avenue, Cesar Chavez Drive, Juanita Avenue, Entrada Drive, Garfield Avenue, Cooper Road, Third Street, Cloyne Street	Enhanced bike lanes, crosswalks and signage, green paint, school upgrades	\$1,093,500	4.5	2022
Oxnard Blvd.	US 101 to Gonzales	Class II, green paint, detection	\$1,919,075	1.8	2022
Oxnard Blvd.	Camino Del Sol Community Garden to Cooper Road	Class I bike path	\$915,900	1.1	2022
Rose Avenue	Auto Center to Collins	Sidewalk installation	\$591,850	.2	2022
Safe Route to School Infrastructure Improvements	Curren, Fremont, Harrington, Kamala, Lemonwood, Ramona Elementary Schools	Modernize traffic control with flashing beacons, curb extensions, high visibility crosswalks	\$1,981,000	.5	2022
Ventura Road	Auto Center to Balboa Street	Class II bike lanes, sidewalks	\$1,230,000	.47	2022

Traffic Signal Detection and Transportation System Timing:

In addition to projects that can be seen along roadways, staff are also working on updating traffic signal timing throughout the City. This effort will help to increase crossing times for cyclists and pedestrians. This is a major undertaking and signal timing updates will be conducted in phases of approximately 40 intersections each. The first

corridor, Gonzales Road, is scheduled to begin in 2021. Additionally, bicycle detection is being improved as part of street projects and the Traffic Signal modernization projects that will be under construction in 2022.

Next Steps

Public Works staff will return to the City Council to adopt the LRSP and STP in 2022 and 2023 respectively, after review by any City Committees and/or Commissions as required. Capital projects will continue to be reported within the annual Capital Improvement Program and will return to the City Council to award construction contracts for any work over \$200,000.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

There is no direct financial impact to receive and file this report.

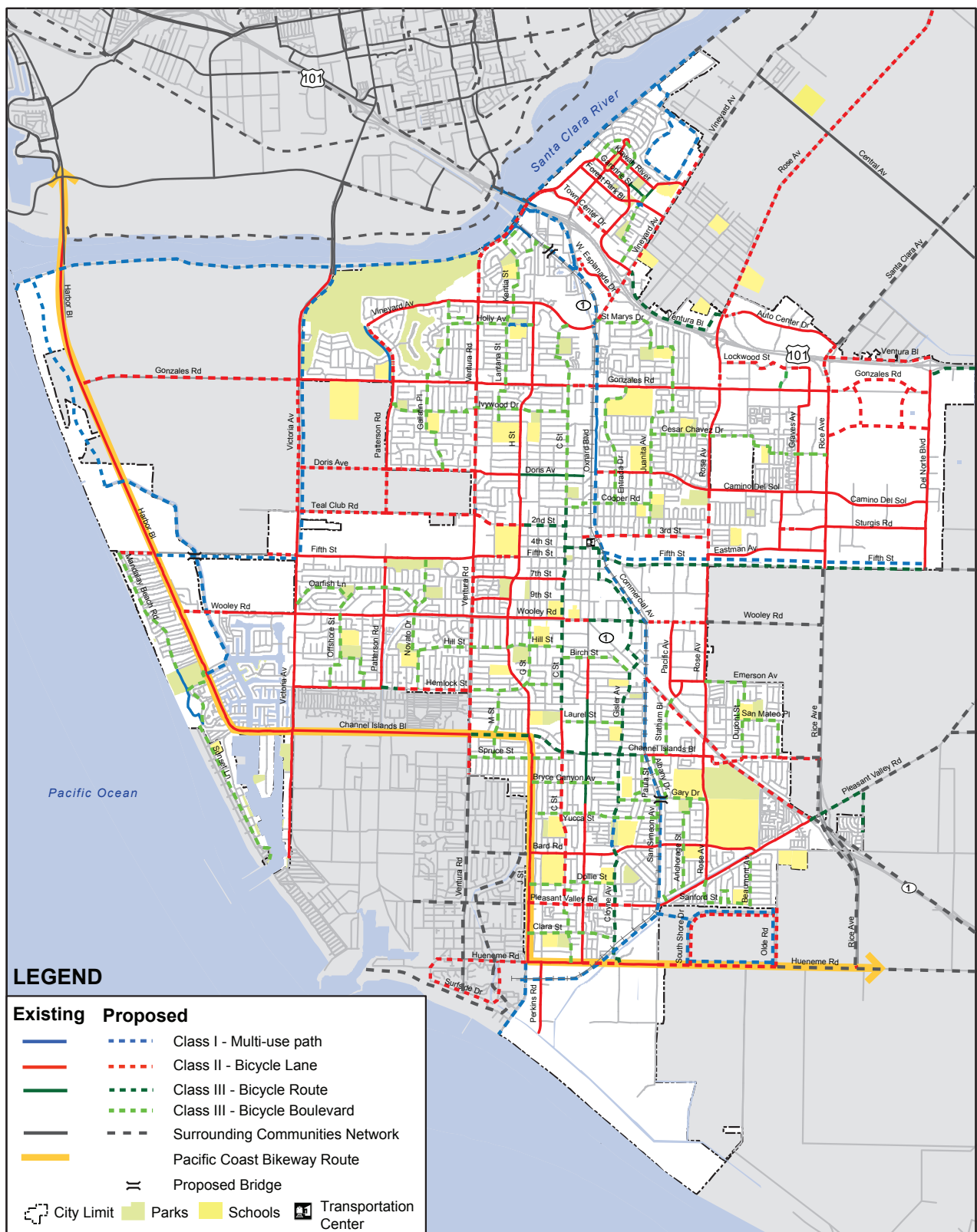
COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on September 28, 2021 to approve the staff recommendation and to forward the item to the Council.

Prepared by: Timothy Bochum, City Traffic Engineer, Debbie O'Leary, Transportation Planner, Tatiana Arnaout, City Engineer

ATTACHMENTS

1. BPMP Bicycle Project Map
2. Presentation



Oxnard Existing and Proposed Bicycle Facilities

Oxnard, CA
 Bicycle & Pedestrian Master Plan
 Source: City of Oxnard
 Date: February 2012



0 0.5 1 2 Miles



Map 5-1: Oxnard Existing and Proposed Bicycle Facilities

UPDATE OF BICYCLE & PEDESTRIAN MASTERPLAN PROJECTS

City Council
October 19, 2021

Timothy Bochum
City Traffic Engineer

That the Public Works and Transportation Committee recommend that the City Council receive and file a report on the status of the City's Bicycle and Pedestrian Master Plan.

FINAL
**City of Oxnard Bicycle &
Pedestrian Facilities Master Plan**

Approved by the City of Oxnard City Council
February 2011



Prepared for:
City of Oxnard



Prepared by:
Alta Planning + Design



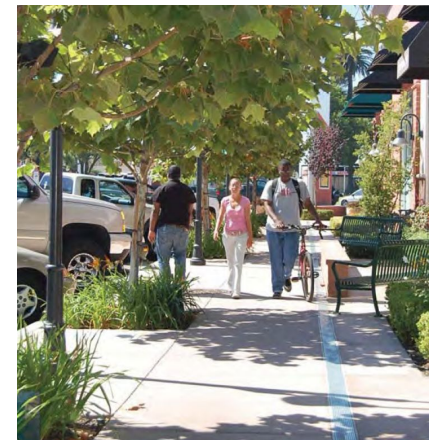
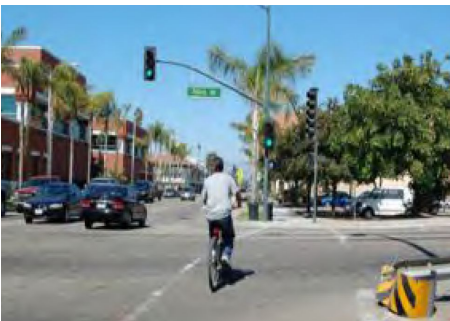
2002 - Adopted Bicycle &
Pedestrian Facilities Master Plan
(BPMP)

2011 - BPMP updated to current
Plan with minor update in 2012

2017 - BPMP update considered,
however no funding was available

The Oxnard Bicycle and Pedestrian Facilities Master Plan intends to:

Make bicycling and walking integral modes of transportation in Oxnard through a safe, interconnected system of bicycle and pedestrian facilities.



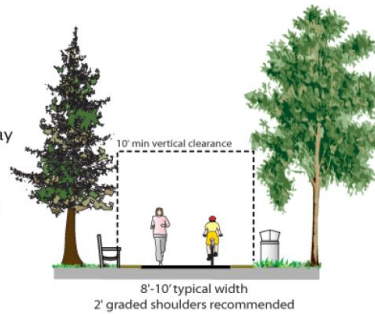
The following **objectives** serve to implement this overarching goal:

1. Continue to improve and expand pedestrian and bicycle facilities, as needed throughout the community, with a focus on improved connectivity within the city.
2. Ensure that pedestrian and bicycle networks provide direct connections between major activity centers (e.g., civic, employment, and retail centers) and minimize conflicts with other modes of transportation.
3. Improve bicycle and pedestrian access and safety to public transportation stops and stations.
4. Regard facilities for bicyclists and pedestrians as important parts of the overall transportation system and not just recreational facilities.
5. Increase the bicycle mode share throughout the city and improve bicycle access to the city's transportation system.

CLASS I SHARED USE PATH



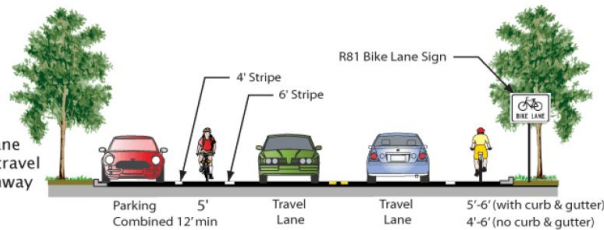
Provides completely separated right-of-way for exclusive use by bicycles and pedestrians with cross-flow minimized



CLASS II BIKE LANE



Provides striped lane for one-way bike travel on a street or highway



CLASS III BIKE ROUTE



Provides for shared-use with pedestrians or motor vehicles, typically on lower volume roadways

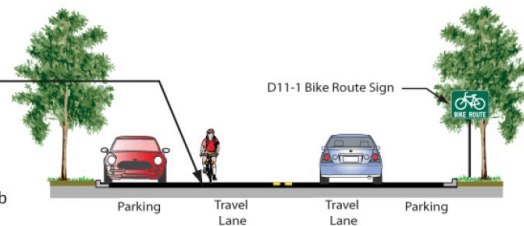
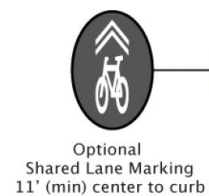
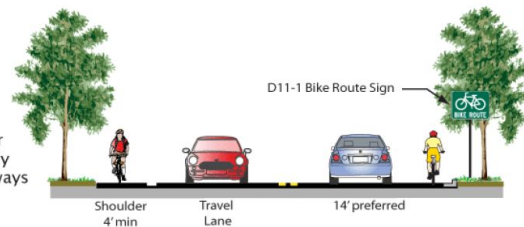


Figure 3-4: Caltrans Bikeway Classifications

A.3.2. Bicycle Lanes Next to On-Street Parallel Parking

Design Summary

Preferred for New Development: 7' bicycle lane width

Minimum Design Standard: 5' if parking stalls are marked. 12' minimum (15' preferred) for a shared bicycle/parking lane adjacent to a curb face, or 11' minimum where parking is permitted but not marked on streets without curbs.

Striping: 6" outside stripe, 4" inside stripe, "T" markings

Discussion

Bicycle lanes adjacent to on-street parallel parking are common in the United States. Crashes caused by a suddenly opened vehicle door are a hazard for bicyclists using this type of facility. Providing wider bicycle lanes is one way to mitigate potential bicyclist collisions with car doors. However, if the outer edge of the bicycle lane abuts the parking stall, bicyclists may still ride too close to parked cars. Bicycle lanes that are too wide may also encourage vehicles to use the bicycle lane as a loading zone in busy areas where on-street parking is typically full or motorists may try to drive in them. Encouraging bicyclists to ride farther away from parked vehicles will increase the safety of the facility.

If sufficient space is available, the preferred design (upper right) provides a buffer zone between parked cars and the bicycle lane. This could be accomplished by using parking "T"s to increase separation. If parking volume is substantial or turnover is high, the preferred design is advised. Bicycle lanes shall not be placed between the parking area and the curb.

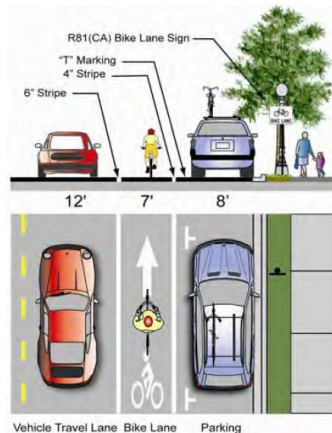
Design Example



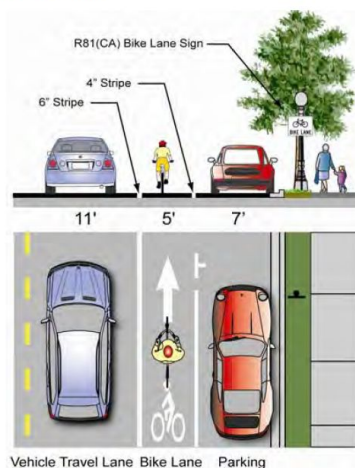
Guidance (see following page)

- California MUTCD
- Caltrans Highway Design Manual (Chapter 1000)
- AASHTO Guide for the Development of Bicycle Facilities

Preferred Design (if space is available)



Minimum Design



Appendix A:

Includes design guidance for development of bike and ped facilities.

A.4.4. Shared Roadway Bicycle Markings (SRBM)

Design Summary

Door Zone Width:

The width of the door zone is generally assumed to be 2.5 feet from the edge of the parking lane.

Recommended SRBM placement:

For 7' parking lanes a minimum of 11' from edge of curb where on-street parking is present but may be placed more than 11 feet as conditions support. Shared lane markings adjacent to an 8' parking stall may be installed at a minimum of 12' from centerline to curb.

Discussion

Shared Roadway Bicycle Marking stencils (also called "Sharrows") have been introduced for use in California as an additional treatment for Class III facilities and are only currently allowed in conjunction with on-street parking.

The stencil can serve a number of purposes, such as reminding bicyclists to ride further from parked cars to prevent "dooring" collisions, making motorists aware of bicycles potentially in their lane, and showing bicyclists the correct direction of travel.

Placing the SRBM between vehicle tire tracks may also be considered as it will increase the life of the markings and reduce the long-term cost of maintenance to the treatment.

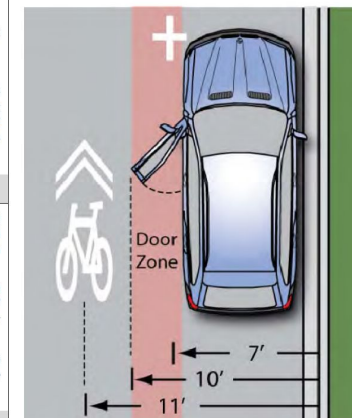
Design Example

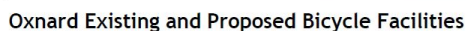


Guidance

- California MUTCD

Minimum Design





Included all types of facilities (Class I through Class III)

Priorities based upon various factors (points of interest, schools, barriers, shopping, etc.)

Bicycle Project 1: Bicycle Route and Bicycle Boulevard on C Street from Gonzalez Road to Channel Islands Boulevard

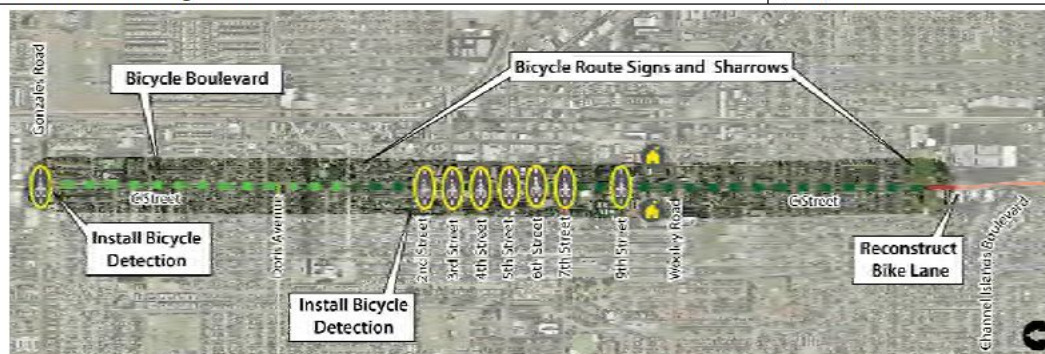
Description of Area and Issues

C Street is a long, uninterrupted, mostly residential street that runs almost the entire length of Oxnard with a speed limit of 30 mph. This project corridor connects the downtown area with Oxnard's northern and southern neighborhoods and is a city bus route. A bicycle boulevard on the northern segment of the project is recommended because this portion of C Street runs through primarily residential land uses with low traffic speeds and volumes, whereas the southern segment of the project runs through commercial land uses. This project will connect to existing bikeways on C Street, Wooley Rd, 7th St, Doris Ave, and Gonzales Road. Signs and pavement markings will help bicyclists' interactions with motorists, and help increase bicyclist safety to ensure that bicyclists can use C Street as a through road.

Improvement Recommendations

- Shared Lane Markings
- Bicycle Route signage
- Bicycle Signal Actuation
- Bicycle Video Detection

Cost Estimate (excluding bike detection):
\$125,000



Site Photo: C Street Photo Simulation



C Street can be improved for bicyclists by installing shared lane markings and signage that identifies it as a bicycle route. The existing bike lanes on C Street do not meet new design guidelines and should be reconstructed to 7' in width if right-of-way is available or to a minimum of 5' as part of the project.

The photo simulation at left shows C Street with shared lane markings.

Design Guidelines & Standards

Bicycle Route on Collector / Residential Street 1.4.2
Bicycle Boulevards 1.4.4- 1.4.8.
Shared Lane Marking 1.4.3
Signalization (Video Detectors) 1.5

Table 1: Significant Projects Completed (partial)

Location	Segment	Facility	Length (Mile)
C Street	Citrus Glen to Hueneme Road	Class II, III	5.0
Channel Islands Blvd	Dupont to El Dorado	Class II - Lanes	.3
Oxnard Blvd.	Gonzales to Colonia	Class II - Lanes	.7
Patterson Road	Vineyard to Gonzales	Class II - Lanes	.55
Rose Avenue	Lockwood to Gonzales	Class II - Lanes	.2
Ventura Road	US 101 to Vineyard Ave	Class II - Lanes	1.0
Victoria Avenue	Gum Tree to Gonzales	Class I – Multi Use Path	.37
Victoria Avenue	Gonzales to Teal Club	Class II - Lanes	1.13
Citywide	14 Locations Citywide	Flashing Beacons, new crosswalks, signage	N/A

Table 2: Other Completed Projects

Location	Segment	Modifications
C Street	Gonzales to Hueneme	Bike lanes, sharrows, signage, green paint
Camino Del Sol	Garfield to Del Norte	Improved bike lanes, buffered bike lanes, bike detection, crosswalks
Channel Islands Resurfacing	East of Oxnard Blvd.	New bike lanes and green paint
Esplanade	Oxnard Blvd. to Vineyard	Improved bike lanes, green paint
Patterson Road	Vineyard to Gonzales	Buffered bike lanes, green paint
Rice Avenue Resurfacing	Latigo to Eastman	Improved bike lanes, detection
Rose Avenue	Us 101 to Auto Center	Green paint
Rose Avenue Resurfacing	Fifth Street to Pleasant Valley	Improved bike lanes, buffered bike lanes, green paint
Rose at Gary	Intersection	Signalization, crosswalks, bike detection
Vineyard Avenue Resurfacing	Patterson to Oxnard Blvd.	Buffered bike lanes, green paint

Provides a unique opportunity to incorporate improvements



Vineyard Avenue - Before



Vineyard Avenue – After
(Buffered bike lanes, green paint at
conflicts, bike detection)

Provides a unique opportunity to incorporate improvements



Patterson Road - Before



Patterson Road – After
(Buffered bike lanes, Separated bikes from peds, improved signage)

Provides a unique opportunity to incorporate improvements



Patterson Road - Before



Patterson Road – After
(Separated bike lanes, improved markings)

Projects and Programs on the Way

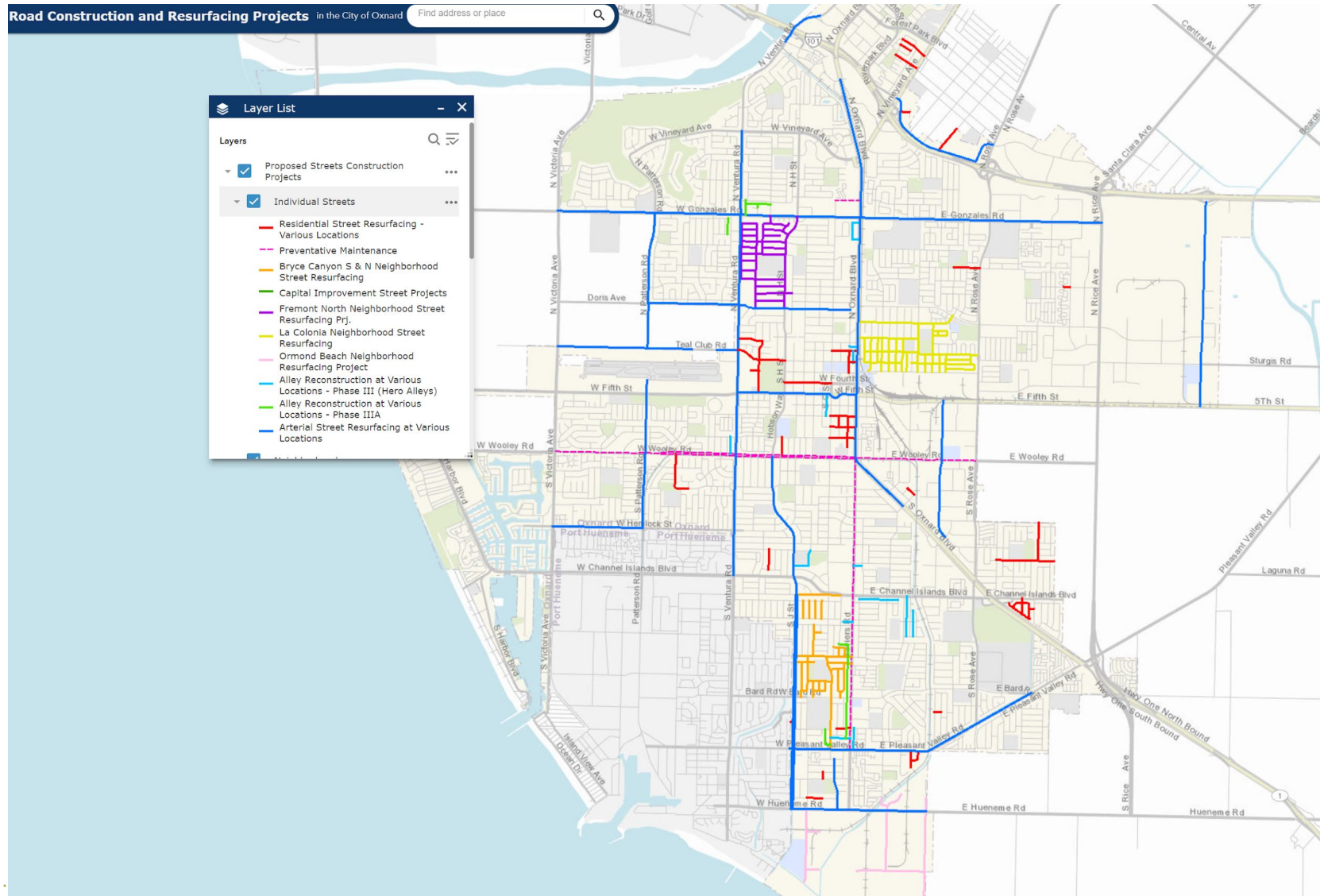


A Lot on the horizon:

- Upcoming Opportunities- Resurfacing Projects & Other CIP (Measure E Investments)
 - Grant Funded and other project Efforts
 - Traffic Signal Timing Improvements for Ped & Bike Safety
 - Local Roadway Safety Plan
 - Sustainable Transportation Plan
-

Table 3: 2021 & 2022 Resurfacing Projects

Location	Segment	Modifications	Length (miles)	Year
2nd Street	Ventura Road to H Street	Enhanced bike lanes, route signage	.4	2022
Cooper Road	Oxnard Blvd. to Juanita	Class II bike lane, high visibility crosswalks, school improvements	.47	2022
Doris Avenue	M Street to A Street	Edgelines, traffic calming, new signage	.78	2022
Gonzales Road	Victoria to Rice Avenue	Enhanced bike lanes, buffered bike lanes, green paint, bike detection	4.5	2022
Hueneme Road	J Street to Edison	Green Paint, enhanced signage	1.1	2022
La Colonia Green Alleys	Garfield to Juanita	Alley upgrade, protected bike lane, crosswalks, curb extensions, ped path	.3	2021
Patterson Road	Gonzales to Hemlock	Enhanced bike lanes, buffered bike lanes, green paint, bike detection	1.5	2022



Incorporate improvements where feasible:



Patterson Road – S/O Fifth
(Potential drop of 2nd lane, Buffer
Bike Lanes, signage)



Patterson Road – Near Oarfish
(Separated & widened bike lanes,
improved Intersection
channelization)



**LA COLONIA
GREEN ALLEY
NETWORK**

KEY



Alley proposed for improvements:

- Tier 1
- Tier 2





New Alley Appearance with Bike/Ped Focus

Enhanced Street Crossings



Table 4: State and Federal Funded Projects

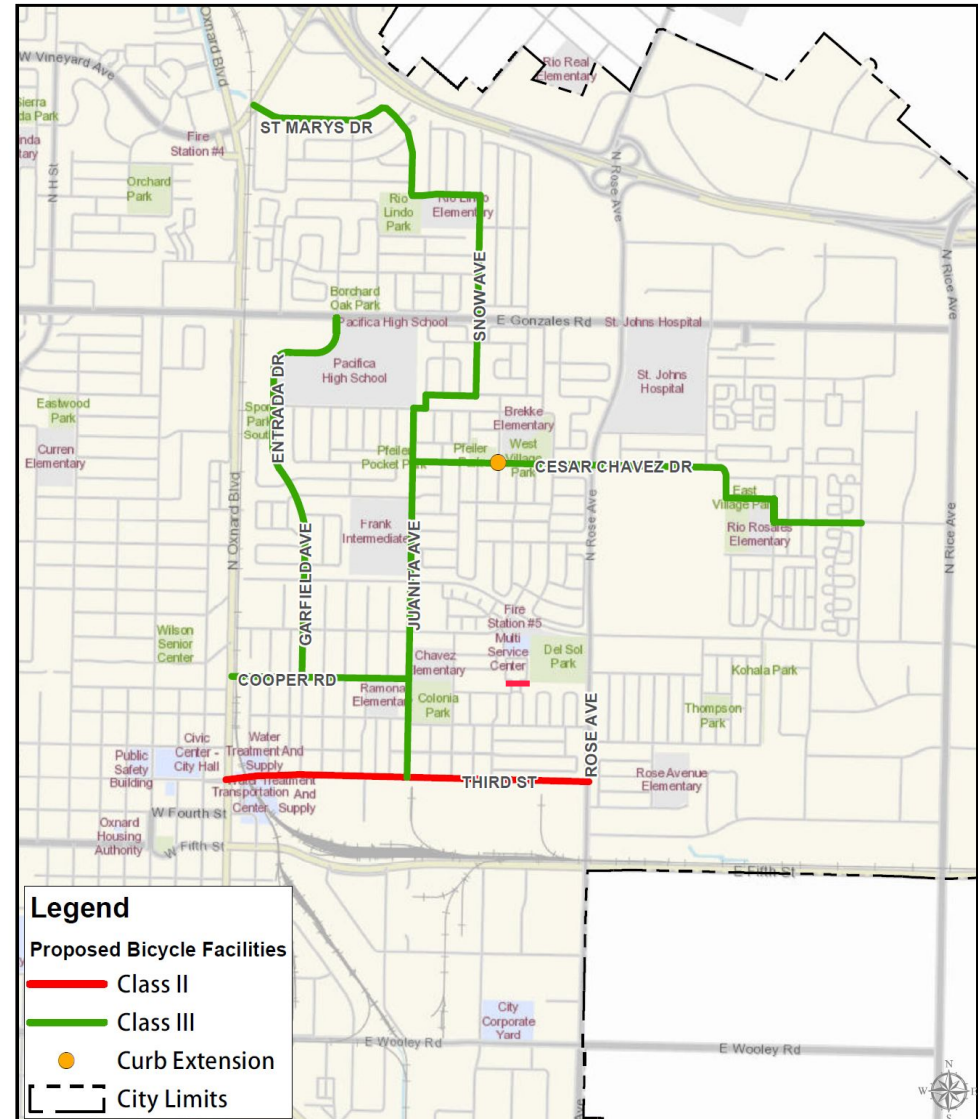
Location	Segment	Modifications	Grant	Length (miles)	Year
4th Street	C Street at Oxnard Blvd.	Sidewalk enhancements, curb extensions, transit stop improvements, signal improvements	\$650,000	.47	2024
Etting Road	Pleasant Valley Road to city limits	Class II bike lanes, sidewalk crosswalks	\$1,099,522	.78	2022
Northeast Community, Cloyne Street	St. Mary's Drive, Snow Avenue, Cesar Chavez Drive, Juanita Avenue, Entrada Drive, Garfield Avenue, Cooper Road, Third Street, Cloyne Street	Enhanced bike lanes, crosswalks and signage, green paint, school upgrades	\$1,093,494	4.5	2022
Oxnard Blvd.	US 101 to Gonzales	Class II, green paint, detection	\$1,919,074	1.8	2022
Oxnard Blvd.	Camino Del Sol Community Garden to Cooper Road	Class I bike path	\$915,861	1.1	2022
Rose Avenue	Auto Center to Collins	Sidewalk installation	\$591,846	.2	2022
Safe Route to School Infrastructure Improvements	Curren, Fremont, Harrington, Kamala, Lemonwood, Ramona Elementary Schools	Modernize traffic control with flashing beacons, curb extensions, high visibility crosswalks	\$1,981,000	.5	2022
Ventura Road	Auto Center to Balboa Street	Class II bike lanes, sidewalks	\$1,230,000	.47	2022

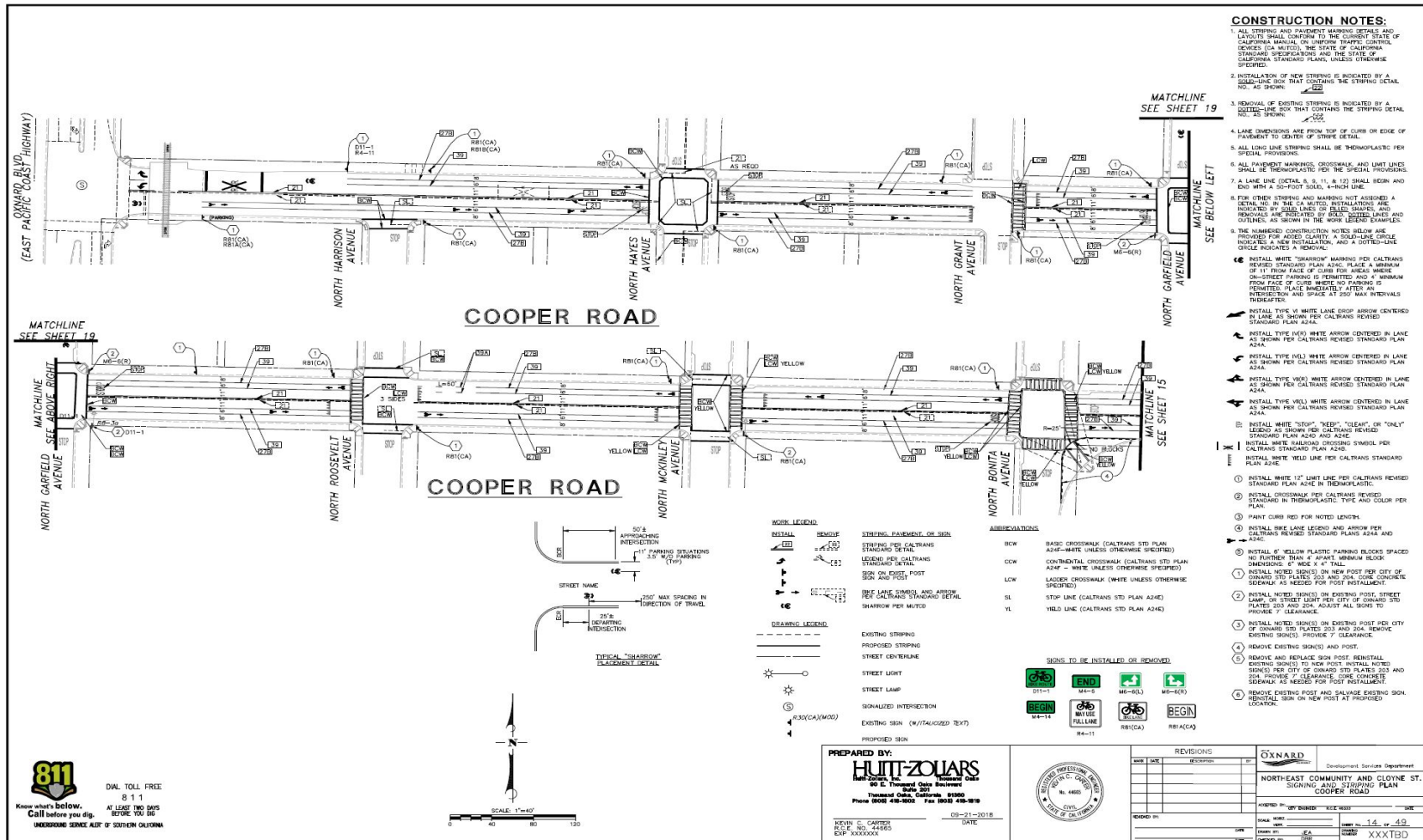
Upcoming projects:

- North East Communities (NEC Bikeways;
- Third Street Bike Lane;
- Bike Routes - Class III's

Connecting schools and places

BICYCLE & PEDESTRIAN FACILITIES (PW17-36): EXHIBIT 14 - CLOYNE STREET PROJECT LOCATION

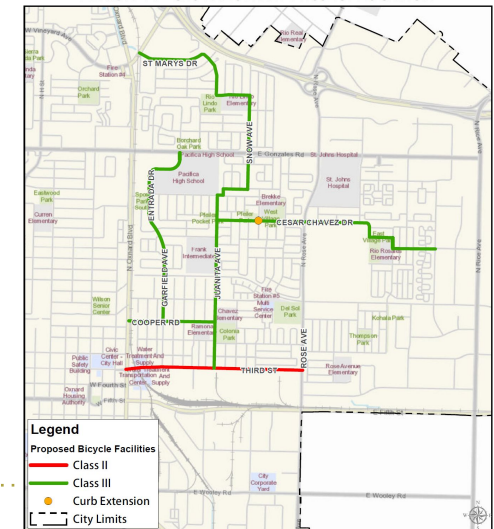




Repave Road (Oxnard Blvd to Juanita): Install new access ramps, bulb outs, intersection treatments, crosswalk upgrades!

[illegible]

BICYCLE & PEDESTRIAN FACILITIES (PW17-36):
EXHIBIT 14 - CLOYNE STREET PROJECT LOCATION





- In Design
- New Bike Lanes connecting La Colonia to Downtown
- Modify Vehicle Lanes to Reduce Speeds
- Construction: 2022

2020 - Received Caltrans Active Transportation Plan (ATP) grant for Safe Routes to School (SRTS) infrastructure and non-infrastructure plan, **awarded \$1,981,000** starting fiscal year 21-22



STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION
ATP CYCLE 5 APPLICATION FORM
 LAPG 22-U (REV 08/2020)

[Index Page](#) **Page 1 of 45**
 v3.8
 7-Oxnard, City of-1
 SRTS Safety and Enhancements Project

For training, resources, and technical assistance that can help with an ATP application, please visit the Active Transportation Resource Center (ATRC) at: <http://caatpresources.org/>

ACTIVE TRANSPORTATION PROGRAM

IMPLEMENTING AGENCY: Oxnard, City of

PROJECT TYPE: Infrastructure + NI - Small






PROJECT APPLICATION NO.: 7-Oxnard, City of-1

PROJECT NAME: SRTS Safety and Enhancements Project

PROJECT DESCRIPTION: Provide safe routes to six (6) schools in Oxnard by installing enhanced safety crossing improvements and implementing a Citywide non-infrastructure program for all 26 schools.

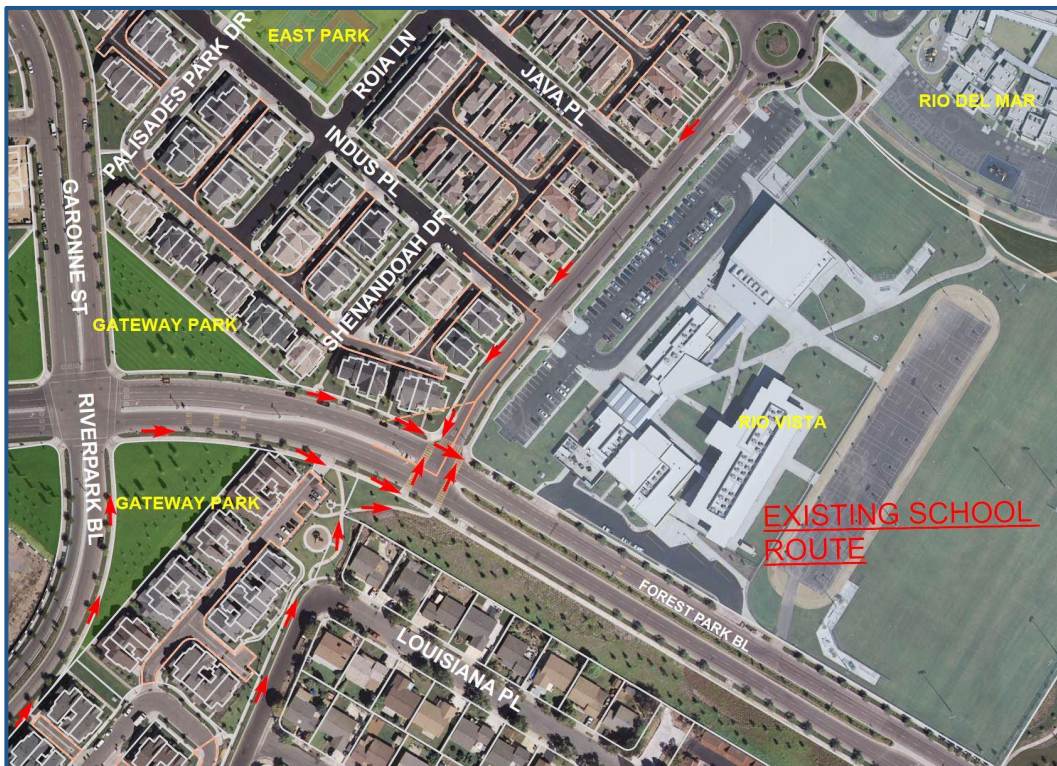
PROJECT LOCATION: Improvements adjacent to six schools in Oxnard (Fremont Middle, Curren, Kamala, Harrington, Lemonwood, and Ramona Elementary Schools) and Citywide non-infrastructure program.

ATP FUNDED COMPONENTS						
Infrastructure				Non-Infrastructure	Plan	
PA&ED	PS&E	R/W	CON			
\$ -	\$ 202	\$ -	\$ 1,480	\$ 299	\$ -	
FY -	FY 21/22	FY -	FY 22/23	FY 22/23	FY -	

PROJECT FUNDING INFORMATION (1,000s)						
Total Project \$	Total ATP \$	Total Non-ATP \$	Past ATP \$	Leveraging \$	Non-Participating \$	Future Local \$
1,981	1,981	-	-	-	-	-

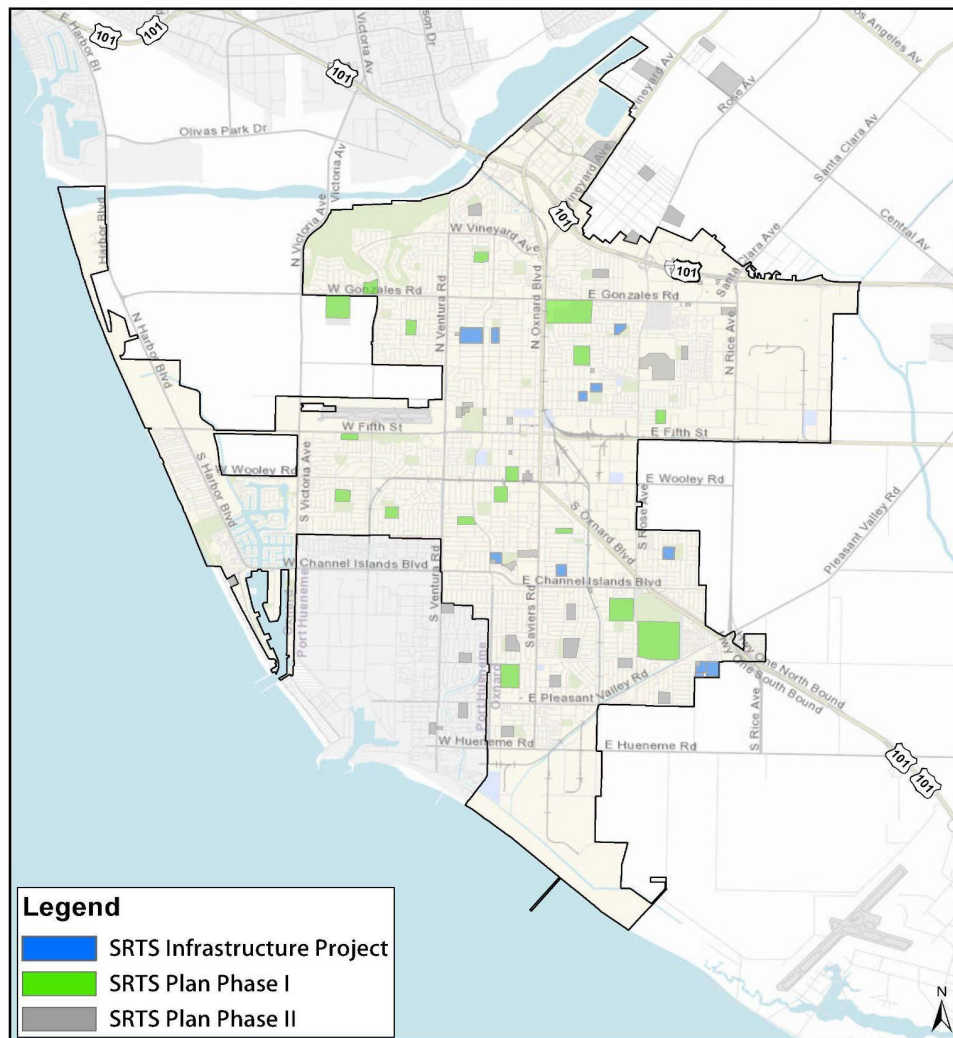
Safe Routes to School Plan:

- Identify safe routes for students walking and biking to each school
- Prepare cost estimates for improvements
- Conduct education events
- Prepare Grant Requests



Example

CITY OF OXNARD UPCOMING SCHOOL AREA PROJECTS BY TYPE



Created by
OXNARD
Geographic Information Systems Division
July 2021

This map is compiled by the City of Oxnard GIS Division, which is developed and operated solely for the convenience of the City. The City does not make any representations or warranties regarding the use, accuracy, reliability, and/or completeness of this map and no decision involving a risk of economic loss or physical injury should be made in reliance thereon.

Data Source:
City of Oxnard GIS Division
County of Ventura GIS Program



STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION ATP CYCLE 5 APPLICATION FORM LAPG 22-U (REV 08/2020)

SRTS Safety and En

Part B: Narrative Questions

Question #2

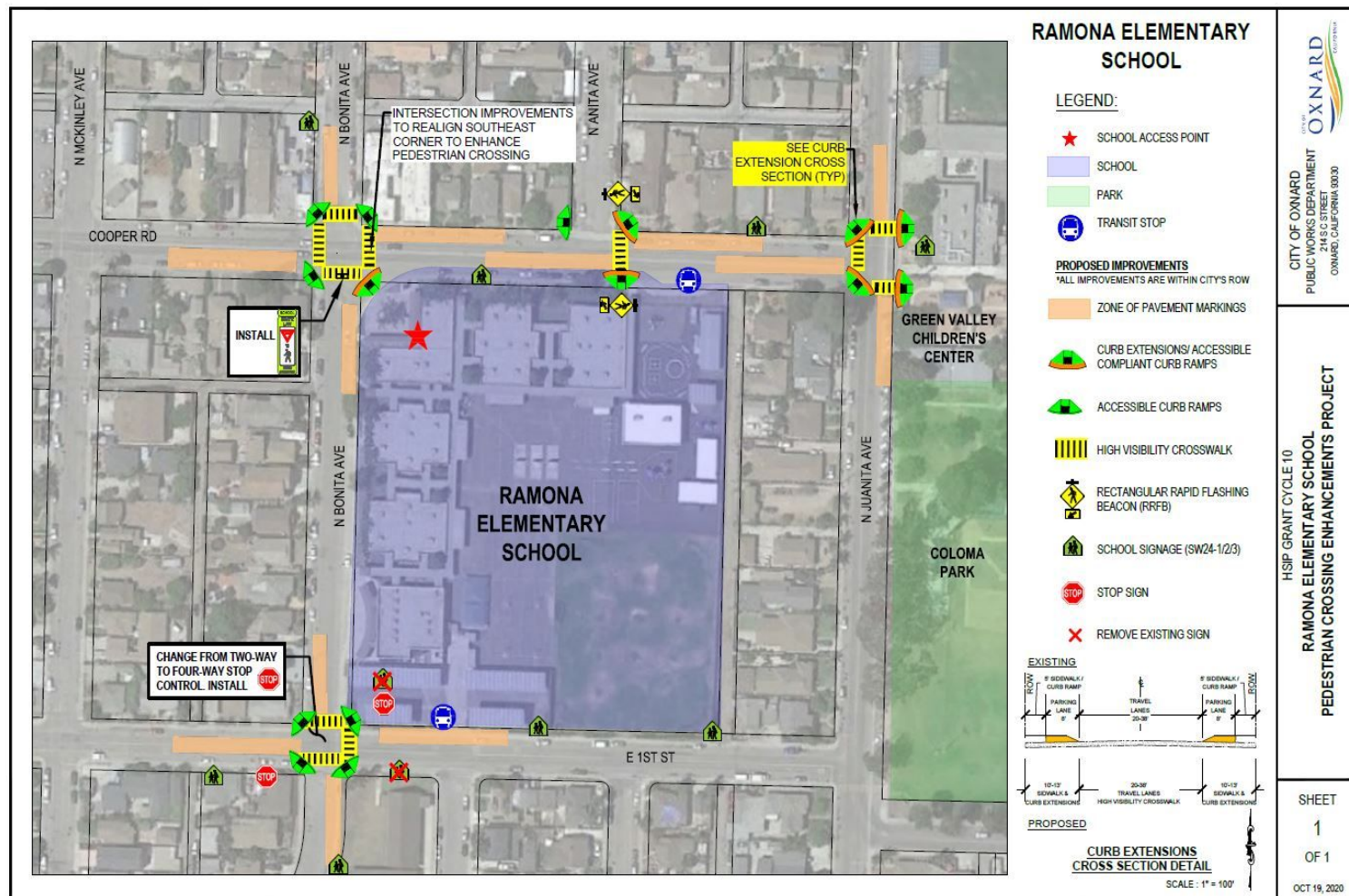
QUESTION #2

POTENTIAL FOR INCREASED WALKING AND BICYCLING, ESPECIALLY AMONG STUDENTS, INCLUDING THE IDENTIFY WALKING AND BICYCLING ROUTES TO AND FROM SCHOOLS, TRANSIT FACILITIES, COMMUNITY CENTERS, EMPLOY CENTERS, AND OTHER DESTINATIONS; AND INCLUDING INCREASING AND IMPROVING CONNECTIVITY AND MOBILIT MOTORIZED USERS. (0-52 POINTS)

Safe Routes to School projects: The following information related to the Safe Routes to School Projects data was already 3 of the application.

School	Total Student Enrollment	Approx. # of Students Living Along School Route Proposed
Bernice Curren School	1,026	85
Fremont Academy of	1,065	88
Harrington Elementary School	568	47
Kamala Elementary School	1,119	92
Lemonwood Elementary School	844	70
Ramona Elementary School	606	50
Thurgood Marshall Elementary	593	391
Juan Lagunas Soria Elementary	1,032	681
Drifill Elementary School	1,169	771
Elm Elementary School	574	378
Haydock Academy of Arts and	574	378
Cesar E Chavez Elementary	896	591
Marina West Elementary School	595	392
McKinna Elementary School	711	469
Rose Avenue Elementary School	622	410
Sierra Linda Elementary School	661	436
Christa McAuliffe Elementary	698	460
Emilie Ritchen Elementary	612	403
R.J. Frank Academy of Marina	1,223	807
Norman R Brekke Elementary	600	396
Condor High School	510	336
Oxnard Middle College High	39	25
Pacifica High School	3,099	2,045
Channel Islands High School	2,596	1,713
Hueneme High School	2,186	1,442
Oxnard High School	2,727	1,799
Total	26,945	14,755

26 SCHOOLS, SAFE ROUTES TO SCHOOL SAFETY & ENHANCEMENTS PLAN



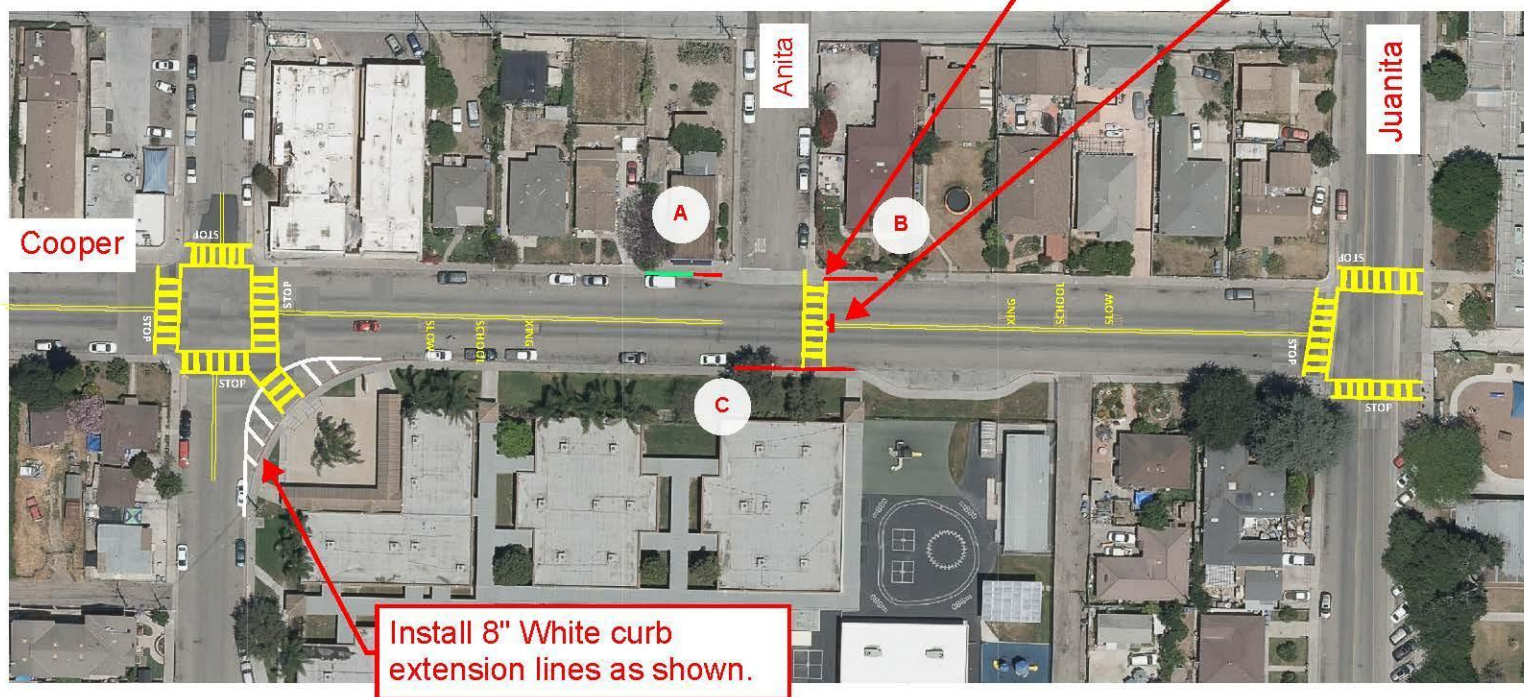
MAKE RECENT CHANGES PERMANENT - Install new access ramps, bulb outs intersection at Bonita, etc.

- Installed Hi Visibility Crosswalks at all Crossings
- Improved sight distance at Anita
- Installed Warning Sign in Street
- Realigned Bonita At Cooper

Install Yellow Hi Vis Ladder Crosswalk (as shown - typical)



Install R1-6B on Centerline as shown

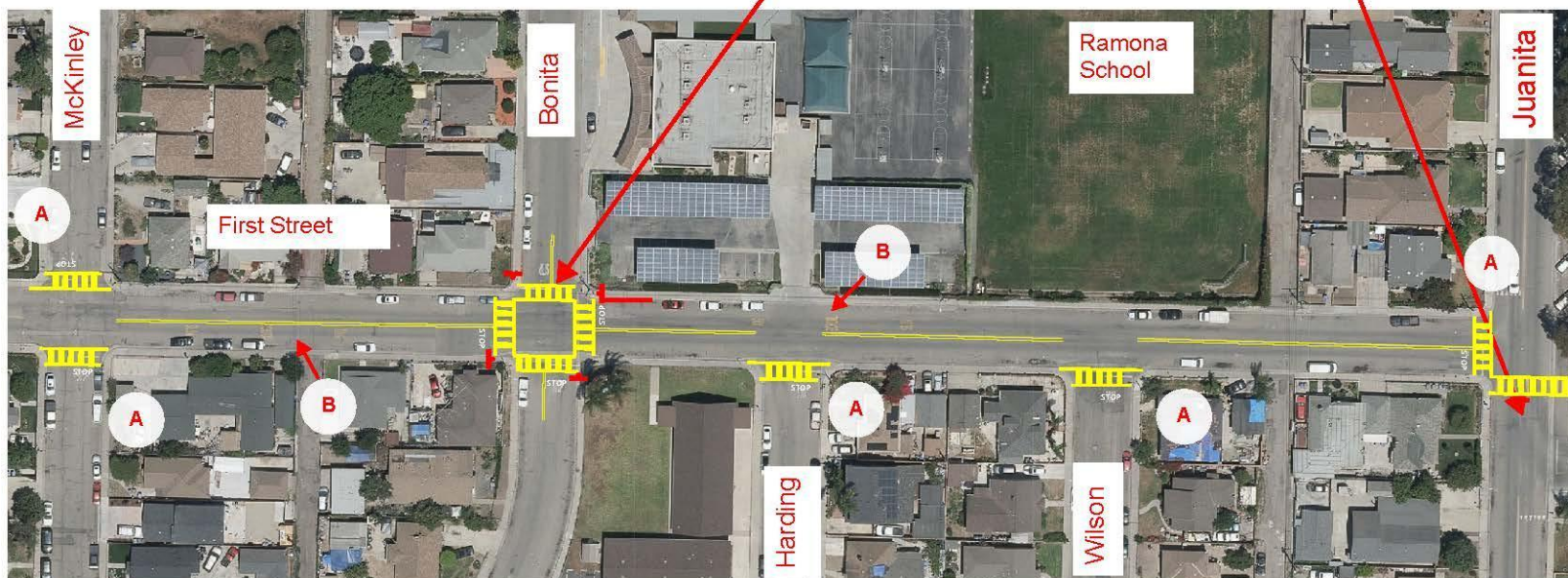


Cooper Road

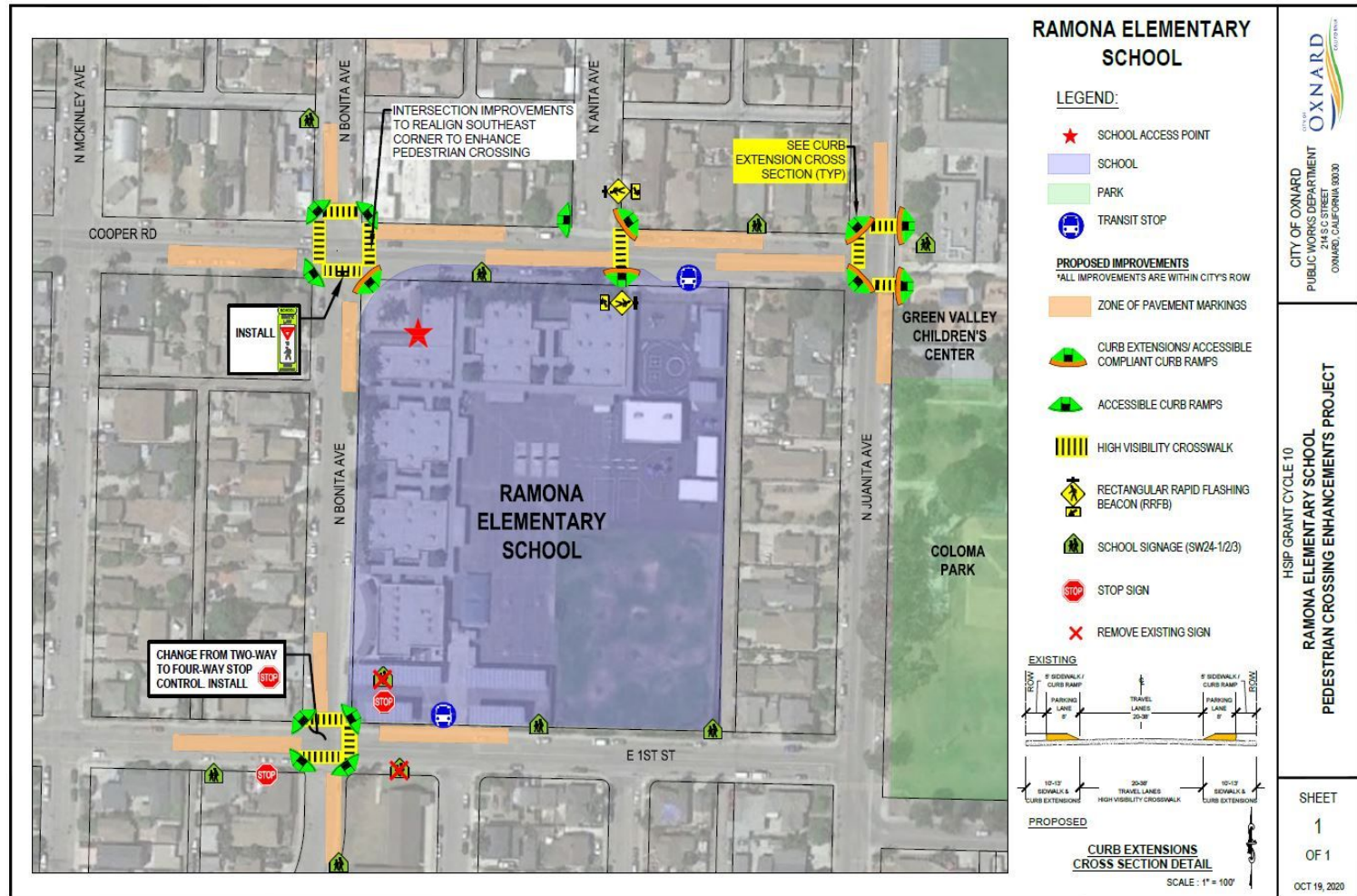
- Installed All Way Stop at Bonita
- Installed Hi Visibility Crosswalks at all Crossings
- Improved sight distance at Anita
- Installed Warning Sign in Street

Install Yellow Hi Vis Ladder Crosswalk (as shown - all 4 legs)

Install R1-6B on Centerline as shown



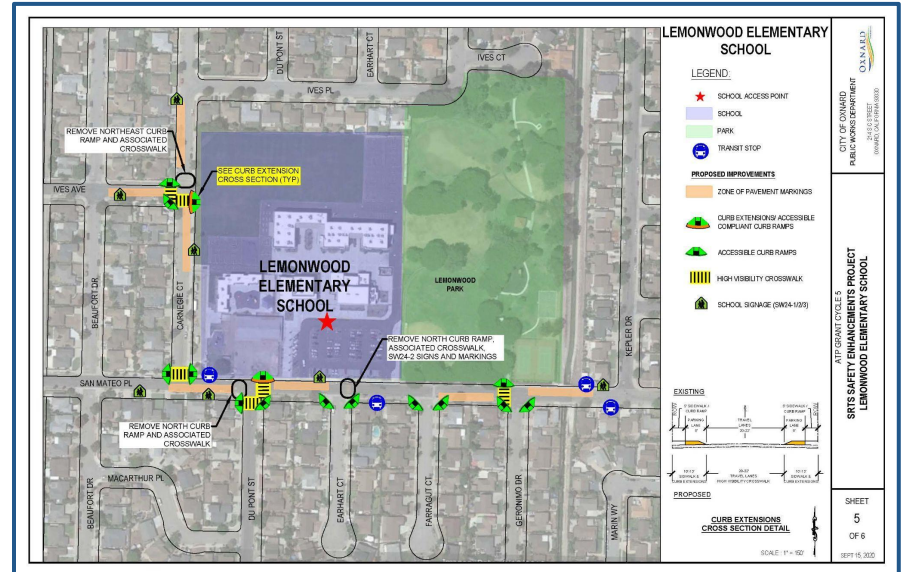
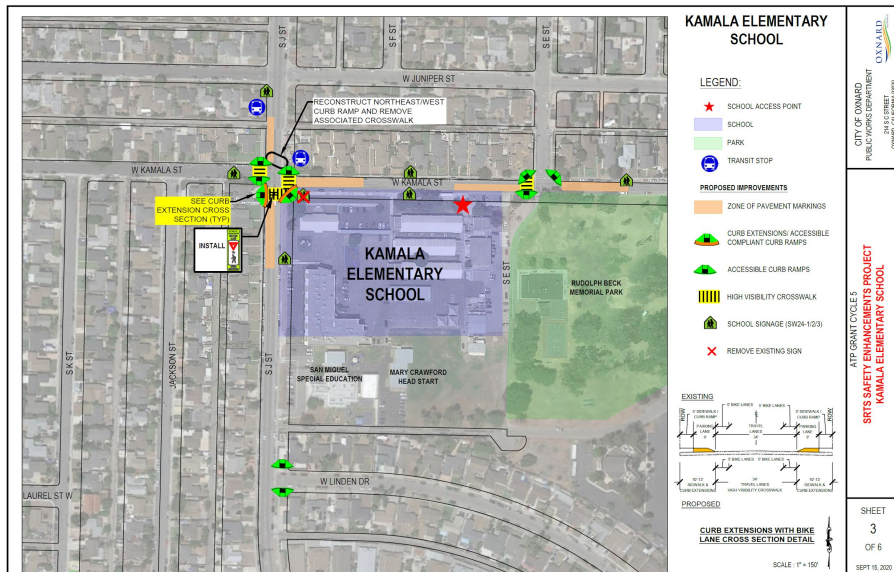
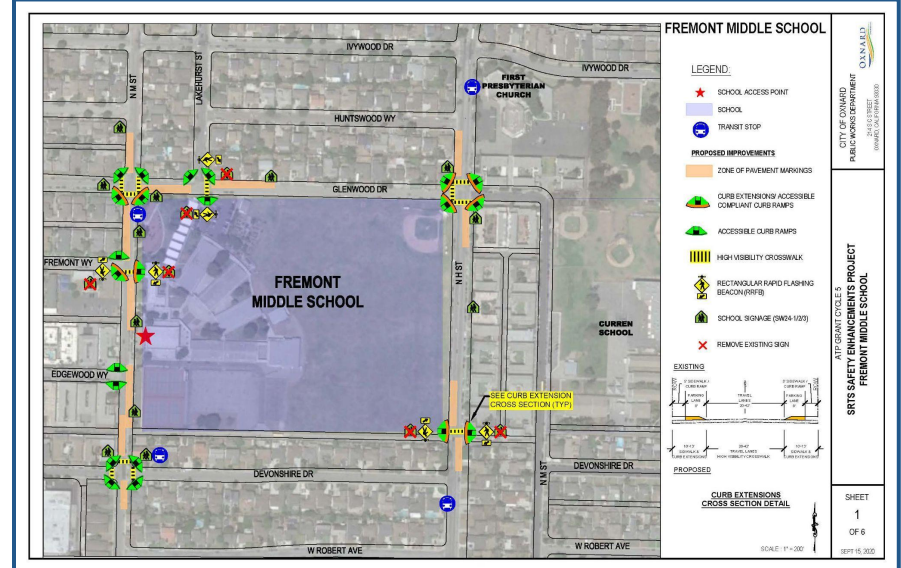
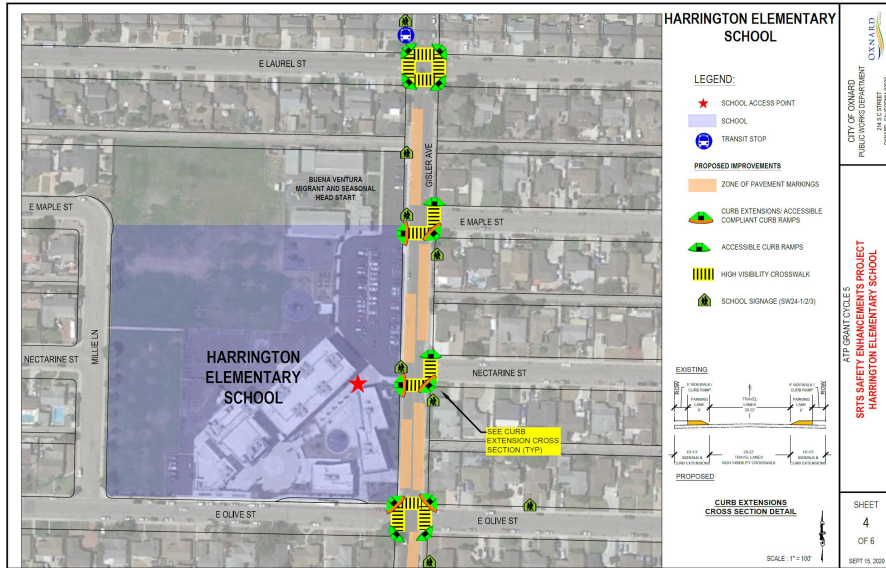
First Street

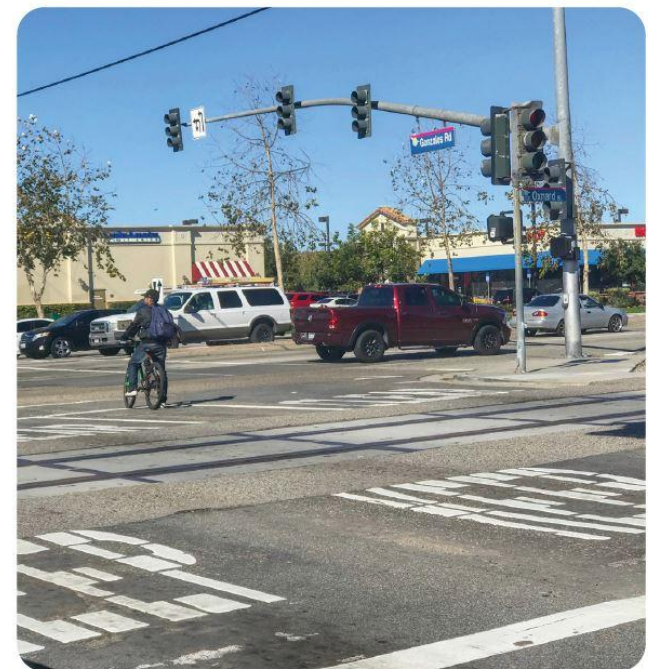


Install new access ramps, bulb outs intersection at Bonita, etc.

SRTS – OTHER IMPROVEMENT PROJECTS (2022)

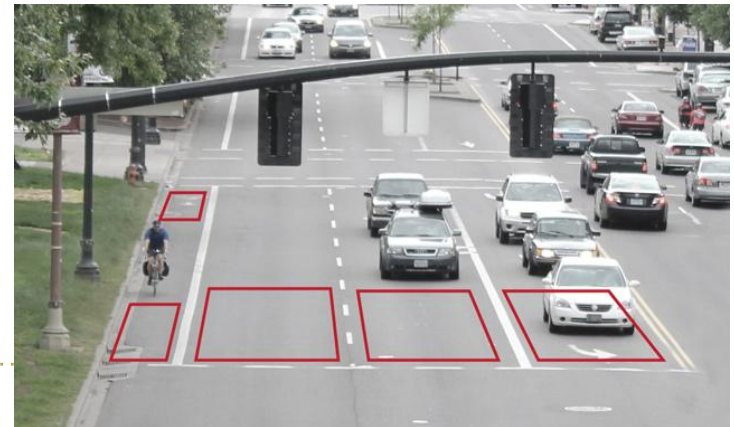
35





Traffic Signal Bicycle and Pedestrian Efforts:

- Include Bicycle and pedestrian detection upgrades as part of paving and other CIP projects
- Review Corridors and upgrade pedestrian and vehicle clearance times for improved safety
 - Rose Avenue, Gonzales (2021/22)
 - Victoria, Ventura, Oxnard Blvd., Saviers, Rice (2022)
- Upgrade to Video Detection where possible for improved monitoring and data collection



OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 95

4th Street Mobility Improvements

Transportation &
Drainage



4th Street between Oxnard Blvd and C Street
Council District(s): 4

OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 98

Bicycle & Pedestrian Facilities

Transportation &
Drainage



Multiple
Council District(s): Citywide

OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 99

C Street Bicycle Facilities Installation

Transportation &
Drainage



C Street, Hill Street, Hemlock Avenue
Council District(s): 4

OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 104

Etting Road Bicycle & Pedestrian Facilities Installation

Transportation &
Drainage



Etting Road from Pleasant Valley to Oxnard Boulevard
Council District(s): 5

Our Assets, Our Safety, Our Future

2021-2026 City of Oxnard
Five Year Capital Improvement Program



OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 107

La Colonia Green Alleys

Transportation & Drainage



La Colonia Neighborhood

Council District(s): 3

OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 112

Oxnard Boulevard Bicycle Facilities Installation

Transportation & Drainage



Oxnard Boulevard from SR 101 to Gonzalez Boulevard

Council District(s): 2

OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 113

Oxnard Trail Class I Bike Path Camino Del Sol to Cooper Road

Transportation & Drainage



Oxnard Boulevard from Camino Del Sol to Cooper Road

Council District(s): 3

OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 114

Oxnard Trail Class I Bike Path Cooper Road to 2nd Street

Transportation & Drainage



UPRR Railroad Safety Trail from Cooper Road to 2nd Street

Council District(s): 3 & 4



OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 117

Ramona Preschool Pedestrian Crossing Enhancements

Transportation & Drainage



Intersections adjacent to Ramona Preschool
Council District(s): 3

OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 119

Rose Avenue Sidewalk Installation

Transportation & Drainage



Rose Avenue from Auto Center to Collins
Council District(s): 2

OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 120

Safe Routes to School Safety and Enhancements

Transportation & Drainage



Multiple
Council District(s): Citywide

OXNARD *Preserving the City's Assets*

Capital Improvement Program 2021-26 129

Ventura Boulevard Sidewalk - Rose Avenue to Balboa Street

Transportation & Drainage



Ventura Boulevard between Rose Avenue to Balboa Street
Council District(s): 2



Oxnard Police Department provides significant education and training programs for youth, bike riders and others.

- Office of Traffic Safety Grants
 - Community Outreach
 - Bike Helmets
 - Bike Rodeos
 - Bike & Pedestrian Education Presentations
 - Distracted Driving & bike/ped enforcement

In July – Oxnard PD Held its first Bicycle Rodeo at the Crossroads Center in Riverpark



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OPD Bicycle Rodeo puts kids of all ages first

A youngster gets safety instruction from Oxnard Police Department Sergeant Ricardo Vazquez. (Photo by Chris Frost)

Friday, July 23, 2021
By Chris Frost
Tri County Sentry

Oxnard-- It was a spectacular safety Saturday at the Target Parking Structure, July 17, as members of the Oxnard Police Department's traffic unit and Bicycle team gathered to hold its first-ever bicycle rodeo.

Kids and adults came out and navigated the department's obstacle course



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oxnardpolice

oxnardpolice On Saturday, July 17th, officers from the Oxnard Police Department Traffic Unit and Bicycle Team partnered with Target in The Collection at RiverPark to host our first Bicycle Rodeo. Children of all ages were invited to participate in an obstacle course that was both fun and educational. At each turn of the course, officers educated the participants about bicycle safety equipment, rules of the roadway, safe bicycle riding, and bicycle

701 likes
JULY 20

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The current BPMP is outdated and needs updating

- 2017 Staff developed a scope of work for RFP but no funding available at that time.
- Staff sought out available grant funding for planning efforts to assist in future update.
 - Local Roadway Safety Plan (LRSP)
 - Sustainable Transportation Plan (STP)

Two major planning efforts to improve safety and plan for future.

2020 - Received Caltrans Local Roadway Safety Plan (LRSP) grant, **awarded \$132,300** (Underway)

2019 - received grant, **awarded \$463,121 for Sustainable Transportation Plan** (Underway)



California Department of Transportation
Division of Transportation Planning

**Sustainable Transportation Planning
Grant Program**

Local Road Safety Plan:

- Identify safety issues at roadway segments and intersections
- Analyze accident data
- Analyze areas to identify high problem locations
- Generate ideas for solutions
- Prioritize future projects
- Position the City to qualify for future Highway Safety Improvement Program grant funding
- Final Plan will return to City Council for adoption in 2022



OXNARD'S STATEWIDE COLLISION RANKINGS



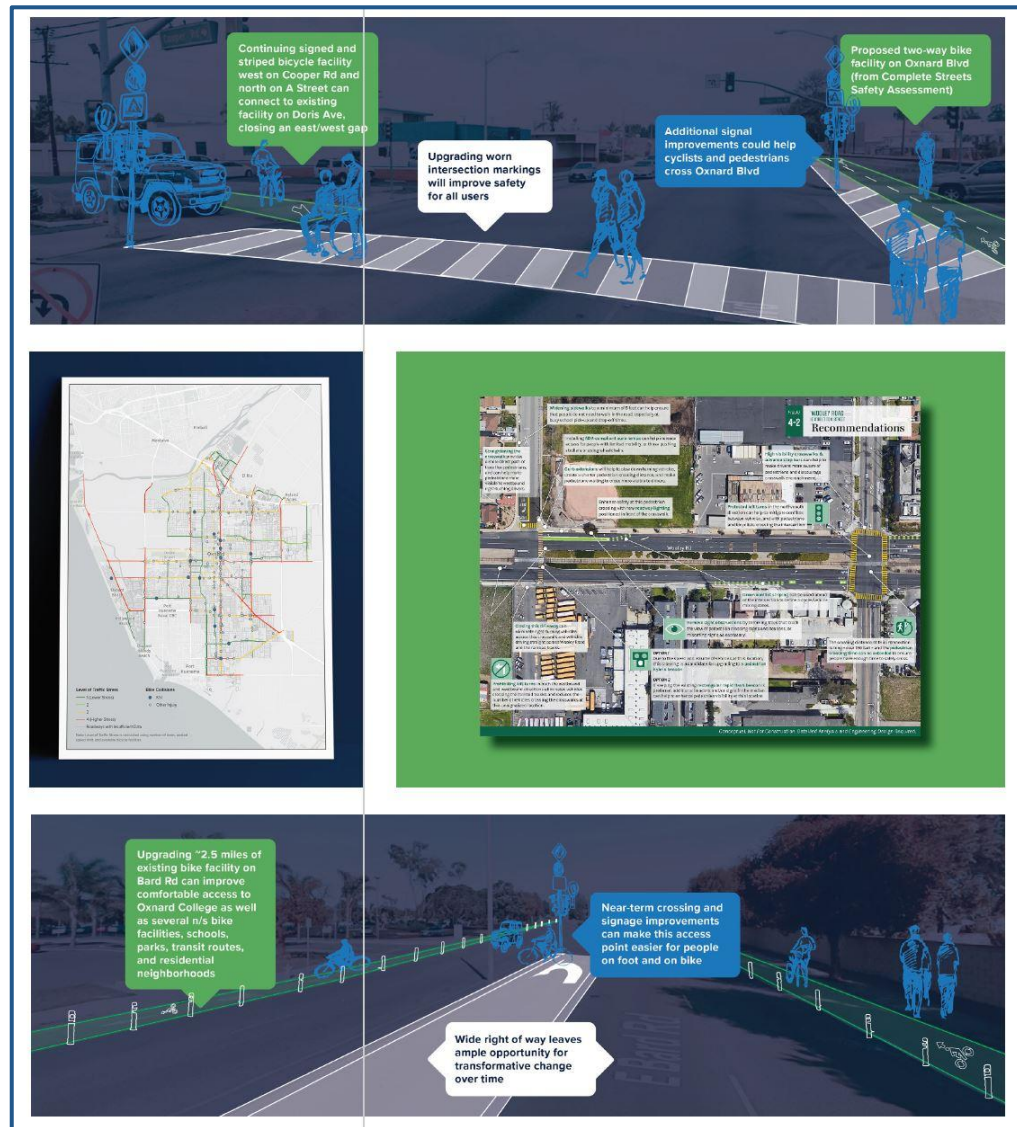
Among the 59 cities within its statewide population category, Oxnard falls within the upper half of its peer cities for many crash types identified by the California Office of Traffic Safety. Key collision types where the LRSP may place additional focus include:

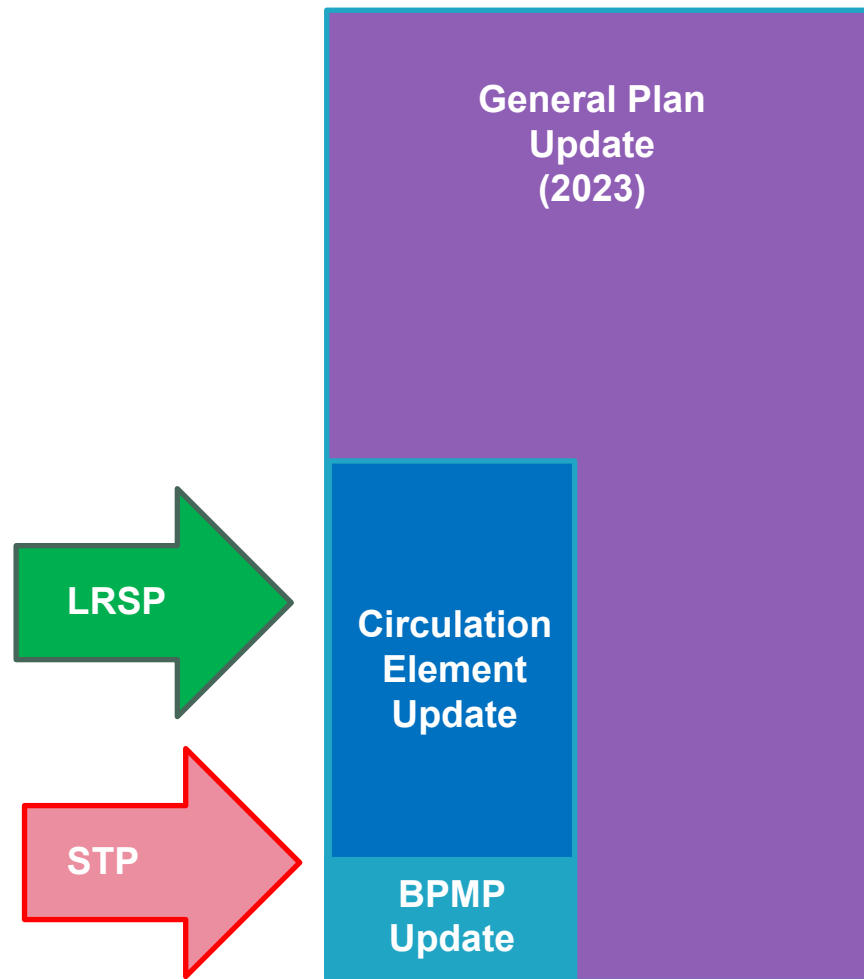
- Had Been Drinking for Drivers 21-34 years old
- Pedestrian <15 years old
- Bicyclists
- Speed Related
- Nighttime (9 PM – 2:59 AM)



Sustainable Transportation Plan:

- Develop Plan to connect neighborhoods Citywide
- Focus on disadvantaged communities (remove barriers)
- Outreach to all community stakeholders
- Coordinate with local partners for community groups
- Identify greatest need for all types of mobility choices
- Develop Safe Routes to School
- Final Plan will return to City Council for adoption in 2023





- Council/Community to provide Input
- LRSP is underway, public outreach starting late fall 2021 - plan completion in 2022
- STP is underway, public outreach starting late fall 2021 - plan completion in 2023
- SRTS kick-off in 2021 with consultant selection - plan completion in 2024
- Design, bid and construction of various CIP projects ongoing

There is no direct financial impact to receive and file this report.



QUESTIONS



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.7

DATE: October 19, 2021

TO: City Council

FROM: Ashley Golden, Assistant City Manager, (805) 385-7478, ashley.golden@oxnard.org

SUBJECT: Consideration of Draft Supervisorial District Maps. (0/20/20)

RECOMMENDATION

That the City Council consider draft supervisorial maps presented to the Board of Supervisors and determine:

1. What map, if any, the City Council wishes to recommend that the Board of Supervisors adopt on or before December 15, 2021; OR
2. The specific recommendation(s) the City Council wishes to provide on needed changes to one or more specific supervisorial maps that are being considered by the Board of Supervisors; OR
3. That the City Council will take no further official action regarding the supervisorial map recommended to be adopted by the Board of Supervisors; OR
4. Another alternative action(s) that the City Council wishes to take regarding the supervisorial map redistricting process.

BACKGROUND

Because of the 2020 census, jurisdictions in California that elect members to their legislative body by districts are required by law to revise their districts to reflect any changes in population, while considering specific redistricting factors required by state law.

Both the City of Oxnard and the County of Ventura are in the middle of their redistricting process. The City Council kicked off the City's redistricting process with public hearings on July 29, 2021 and September 30, 2021, with additional public hearings currently scheduled for December 6, 2021, January 22, 2022 and February 24, 2022.

The Ventura County Board of Supervisors held a public hearing July 27, 2021, and has additional public hearings scheduled for October 19, 2021 and November 9, 2021. The County also held community workshops on August 31, 2021, September 2, 2021, September 9, 2021, September 11, 2021 and September 13.

The County Board of Supervisors is required to adopt a new supervisorial district map by no later than December 15, 2021, while the City of Oxnard is required to adopt a new City Council district map by March 15, 2022.

At the special City Council meeting on September 30, 2021, the City Council considered ten draft supervisorial maps prepared by the City's demographer to reflect population changes in Ventura County since the 2010 census and that address specific issues with the 2010 supervisorial map. City staff recommended two maps -- Option 1c and Option 1d -- as the maps that best address these issues while not dividing other cities in Ventura County into multiple supervisorial districts or dividing communities of interest. The Measure M video presentation from the September 30, 2021 meeting is

available at <https://www.youtube.com/watch?v=iI9t531pS54>.

After extended deliberations by the City Council, the City Council voted 7 to 0 to do the following:

1. Direct the City Manager to draft a letter to the Board of Supervisors outlining the four principles that the City Council wishes to see incorporated into the supervisorial redistricting process that is ongoing at this time:
 - A. In the new supervisorial district map, the inhabited areas of Oxnard are consolidated into two supervisorial districts.
 - B. Established neighborhoods in Oxnard that are currently divided by the existing supervisorial map are reunited in the new supervisorial map.
 - C. Other cities in Ventura County are not divided into more than one district by the new supervisorial map.
 - D. The new map creates supervisorial district boundaries that are easily identifiable and understandable by residents.
2. Authorize individual members of the City Council to contact the Board of Supervisors directly to give their input on the particular supervisorial map which they support.
3. Direct staff to bring the supervisorial maps issue back to the City Council on October 19 to review the draft maps that were presented to the Board of Supervisors on the morning of October 19 to determine if the City Council wishes to recommend one specific map for adoption by the Board of Supervisors at its next hearing.

Analysis

The City generally releases the City Council agendas and staff reports 12 days in advance of regular meetings and seven days in advance of special meetings pursuant to the City's Sunshine Ordinance. Because this staff report is being published 12 days before the October 19, 2021 City Council meeting, the actual draft supervisorial maps that the Board of Supervisors will be considering on October 19, 2021 will not be available before this agenda item is published. The County generally releases the Board of Supervisor agenda and related staff reports three days in advance of meetings as required under state law -- the Brown Act.

It is anticipated that the draft supervisorial maps that will be considered by the Board of Supervisors on the morning of October 19, 2021 will be available on or before Saturday, October 16, 2021 by accessing the County's redistricting webpage at: <https://www.ventura.org/redistricting/mapping/>. At such time as the draft supervisorial maps are available on the County's website, the City will update this agenda item to include the draft supervisorial maps.

For reference purposes, this agenda item also includes the September 30, 2021 City staff report regarding the selection of the revised supervisorial district map, which includes the ten supervisorial maps drawn by the City's demographer.

STRATEGIC PRIORITIES

This agenda item does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Kenneth Rozell, Chief Assistant City Attorney, Ashley Golden, Assistant City Manager, Jason Zaragoza, Deputy City Attorney

ATTACHMENTS

1. September 30_2021 Agenda Item



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. C.1

DATE: September 30, 2021

TO: City Council

FROM: Ashley Golden, Assistant City Manager, (805) 385-7478, ashley.golden@oxnard.org

SUBJECT: Selection of Revised Supervisorial District Map for Requested Adoption by the Ventura County Board of Supervisors. (0/20/40)

RECOMMENDATION

That the City Council:

1. Consider and select one of two recommended draft maps for the supervisorial districts for the Ventura County Board of Supervisors; and

Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD REQUESTING THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF VENTURA ADOPT THE ATTACHED DISTRICT MAP BASED UPON THE MAP'S COMPLIANCE WITH THE REQUIREMENTS OF STATE LAW, INCLUDING THE MAP'S PRESERVATION OF THE GEOGRAPHIC INTEGRITY OF THE CITY OF OXNARD AND INCORPORATED CITIES WITH THE COUNTY OF VENTURA, THE MAP'S PRESERVATION OF THE LOCAL NEIGHBORHOODS AND COMMUNITIES OF INTEREST WITHIN THE CITY OF OXNARD AND THROUGHOUT THE COUNTY OF VENTURA, AND THE MAP'S EASILY IDENTIFIABLE BOUNDARIES; OR

2. Continue the subject item to October 5, 2021, and take formal action at that time requesting that the Board of Supervisors adopt a specific supervisorial district map.

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/iI9t531pS54>

BACKGROUND

Every ten years, the United States Census Bureau releases the results of the federal census, setting the stage for the redrawing of California's legislative, congressional and Board of Equalization districts to equalize their populations for future elections. In addition, thousands of counties, cities, school districts and other units of local government also use the data to reconfigure their own districts.

State law has specific regulations that apply to counties. Pursuant to Election Code Section 21500, counties are required to adjust the boundaries of the supervisorial districts so that the supervisorial districts are substantially equal in population as required by the U.S. Constitution. As part of that redistricting process, state law also requires that the Board of Supervisors adopt a supervisorial district map using the five criteria in the following order of priority:

1. *The districts are geographically contiguous.*
2. *The geographic integrity of any local neighborhood or local community of interest is respected in a manner that minimizes division.* A community of interest is a population that shares common social or economic interests that should be included within a single district for effective and fair representation.

3. *The geographic integrity of a city is respected in a manner that minimizes its division.*

4. *District boundaries should be easily identifiable and understandable by residents.* To the extent practicable, districts shall be bounded by natural and artificial barriers, by streets, or by the boundaries of the county.

5. *District boundaries shall be drawn to encourage geographical compactness in a manner that nearby areas of population are not bypassed in favor of more distant population.* This requirement is to the extent practicable and where it does not conflict with the preceding criteria. (Elections Code Section 21500.)

DISCUSSION

Due to a four-month delay in the release of the federal census numbers, the County Board of Supervisors (BOS) has a very compressed time schedule in which to adopt the revised supervisorial district map in compliance with state law. As of the date that this agenda report was published, the BOS has held community meetings or public hearings on August 31, September 2, September 9, September 11, September 13 and September 21, 2021.

The BOS is scheduled to consider draft maps at their public hearing on October 19, 2021 and to provide direction to County staff based upon public comments for map revisions. In order for the Council to provide input prior to the October 19th meeting on the County's process of drawing new supervisorial maps, Council would need to provide input no later than the October 5, 2021 City Council meeting. The Board of Supervisors is scheduled to adopt the final map on November 9, 2021.

Current Supervisorial Map

As the BOS begins the process of drawing new supervisorial maps based upon the results of the 2020 census, the City's demographer from National Demographics Corporation reviewed the supervisorial district map approved after the 2010 census to determine how to best adhere to state laws concerning the redistricting process, as outlined above. The following concerns were identified with the existing supervisorial map:

1. The City was divided into **three** supervisorial districts within **inhabited** areas – even though such division was not required in order to properly balance the population between the five supervisorial districts. This division is not consistent with criteria 2-4 outlined above. The geographic integrity of a city should be respected in a manner that minimizes its division.

2. The neighborhoods of Via Marina, Marina West, College Park and Terrace Estates were **split** between two different supervisorial districts -- District 3 and District 5, while the neighborhood of Rio Lindo was divided between District 5 and District 1. These divisions are not consistent with criteria 2-4 outlined above. The geographic integrity of neighborhoods and local community of interest should be respected in a manner that minimizes division.

3. The 2010 redistricting placed the neighborhoods of Southwinds, Oxnard Pacific, Mar Vista, Tierra Vista and Villa Capri in District 3 (in addition to splitting the neighborhoods of Via Marina, Marina West, College Park and Terrace Estates between District 3 and District 5) - even though the community of interest for these neighborhoods was with the neighborhoods located in District 5, not District 3. These divisions are not consistent with criteria 2-4 outlined above. As indicated above, the geographic integrity of any local neighborhood or local community of interest should be respected in a manner that minimizes division.

4. Especially in south Oxnard neighborhoods, the supervisorial district boundaries were not easily identifiable and understandable by residents. Some south Oxnard residents in District 3 wrongly assumed that they were within District 5 and contacted the staff office for District 5 instead of District 3 when seeking constituent services. This concern is related to criteria 4 outlined above.

Proposed Supervisorial Map

In response to these concerns, the City's demographer drafted specific supervisorial maps that address these criteria while updating the supervisorial maps to reflect the 2020 census data. The two maps for Council consideration are those that:

1. Consolidate the inhabited portions of Oxnard into two districts;
2. Reunite established city neighborhoods;
3. Do not divide other cities within the County (with the exception of Oxnard which is too large to have only one Supervisor) into more than one supervisorial district; and
4. Create district boundaries that are easily identifiable and understandable by residents.

Option 1c Map– This map consolidates the inhabited portions of Oxnard into two districts.

- The majority of the inhabited portions of Oxnard into District 5 (Supervisor Ramirez).
- The neighborhoods of Nyeland Acres, Auto Center, RiverPark, El Rio West, Golf Course, Victoria Estates, Windsor North/River Ridge, Cabrillo, Teal Club and the beach and harbor neighborhoods of Oxnard Dunes, Oxnard Shores, Channel Islands, Hollywood by the Sea and Silver Strand would be located in District 1 (Supervisor LaVere).
- The uninhabited neighborhoods in south Oxnard (Ormond Beach and Southshore) would be located in District 2 (Supervisor Parks).

As compared to the existing supervisorial map for Oxnard and its surrounding areas, the following changes would occur with the Option 1c map:

1. The neighborhoods in the southern portion of Oxnard that are currently partially or fully located within District 3 would move to District 5 – Via Marina, Marina West, Southwinds, College Park, Oxnard Pacific, Mar Vista, Tierra Vista, Terrace Estates and Villa Capri.
2. The neighborhoods of South Bank, Sierra Linda, Orchard and part of Rio Linda would move from District 1 to District 5.
3. The neighborhoods of Victoria Estates, Golf Course, Windsor North/River Ridge, and Cabrillo would move from District 5 to District 1.
4. The neighborhoods of Oxnard Dunes, Oxnard Shores, Channel Islands, Hollywood by the Sea and Silver Strand would move from District 5 to District 1.
5. The uninhabited neighborhoods of south Oxnard (Ormond Beach and Southshore) would move from District 3 to District 2.
6. In addition, the proposed map would move district boundaries in other parts of the County, although no other cities would be divided into two or more districts.

Option 1d Map - This map also consolidates the inhabited portions of Oxnard into two districts and makes district boundaries changes in other parts of the County while maintaining the population balance and geographic compactness that the Option 1c Map also provides.

The difference between Option 1d and Option 1c is for the eight neighborhoods east of Victoria Avenue, west of Ventura Road, south of the Santa Clara River and north of Hemlock Street: Victoria Estates, Golf Course, Windsor North/River Ridge, Cabrillo, Sea View Estates, Sea Air, Via Marina and Marina West.

When comparing Option 1d to Option 1c:

- The neighborhoods of Victoria Estates, Golf Course, Windsor North/River Ridge and Cabrillo would move to District 5 from District 1.

- The neighborhoods of Sea View Estates, Sea Air, Via Marina and Marina West would move to District 1 from District 5.

In addition to preparing Option 1c and Option 1d maps that are recommended by City staff, the City's demographer prepared maps entitled Option 1, Option 1b, Option 2, Option 2b, Option 3, Option 3b, Option 4 and Option 4b to show a range of other options that were considered for the revised supervisorial districts. City staff do not recommend the approval of any of these eight maps because of one or more of the factors outlined above.

Because of the need to provide input to the BOS as far in advance as possible, but no later than their October 19th meeting, staff recommends that the City Council consider the two recommended draft maps that are included as part of the agenda item. Kristen Parks of National Demographics Corporation and City staff will be available to answer specific questions regarding the recommended two maps and the other eight maps that are included as part of this agenda item. If the City Council adopts the recommended action, then the Resolution, along with the selected map, will be forwarded to the BOS and the County Clerk.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Kenneth Rozell, Chief Assistant City Attorney

ATTACHMENTS

1. PRESENTATION_COUNTY REDISTRICTING_ SEPT 30_
2. NEIGHBORHOOD MAP
3. RECOMMENDED MAPS_ 1c_ 1d
4. RESOLUTION_ SUPERVISOR DISTRICT MAP_ SEPT 30
5. OTHER PREPARED MAPS
6. ALL OPTIONS SUMMARY DEMOGRAPHICS

Selection of Supervisorial District Map for Requested Adoption by the Ventura County Board of Supervisors

Ashley Golden, Assistant City Manager
Kenneth Rozell, Chief Assistant City Attorney

City Council: September 30, 2021

- Every ten years, the United States Census Bureau releases the results of the federal census.
- Thousands of counties, cities, school districts and other units of local government use the data to reconfigure their own districts.

County Redistricting Timeline

Date(s)	Action(s)
July 27 - Sept. 21	Community meetings and pre-map public hearing
October 19, 2021	BOS to consider draft maps and provide direction to County staff on map revisions
November 9, 2021	BOS adoption of final supervisorial map or provide further direction to County staff

City Council must provide input no later than their October 5th meeting for it to be considered at the October 19th BOS meeting.

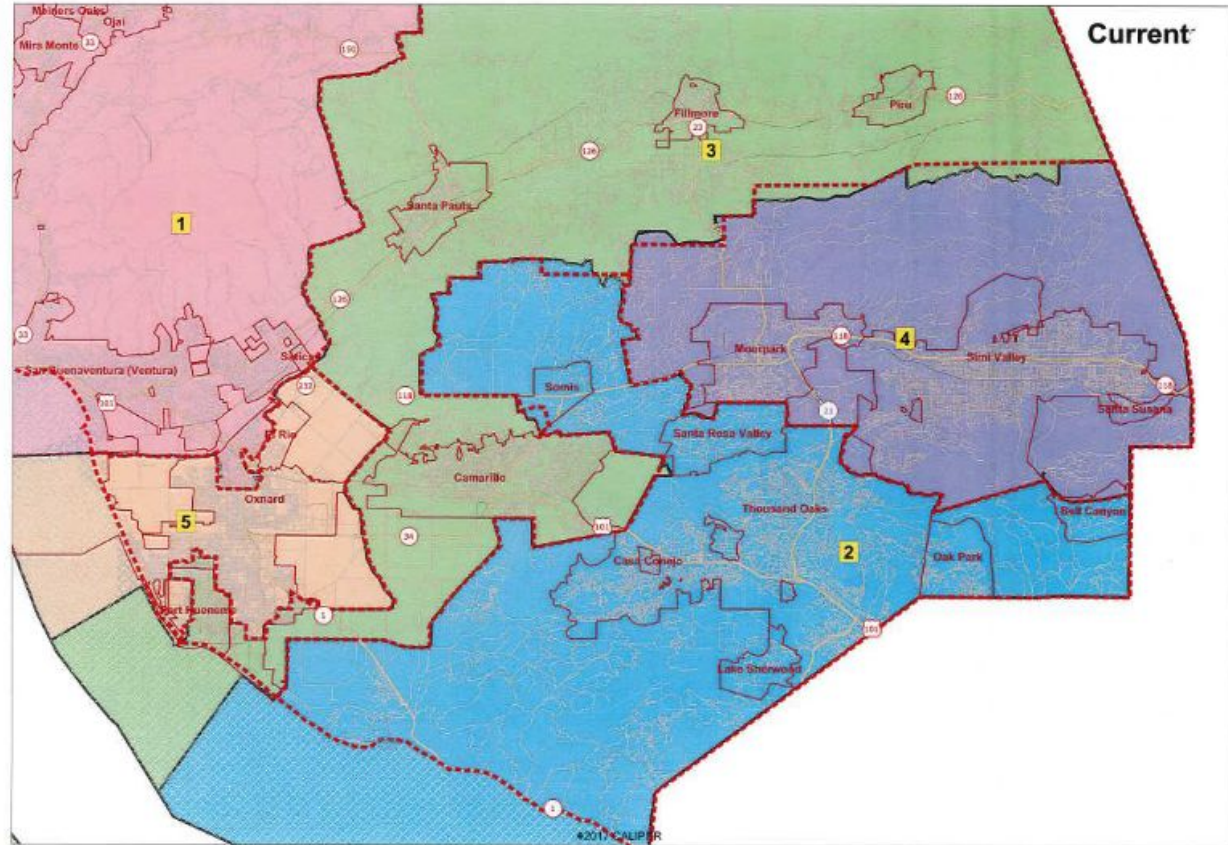
Five criteria in the following order of priority:

1. The districts are geographically contiguous.
2. The geographic integrity of any local neighborhood or local community of interest is respected in a manner that minimizes division.
3. The geographic integrity of a city is respected in a manner that minimizes its division.

Five criteria in the following order of priority (continued):

4. District boundaries should be easily identifiable and understandable by residents.
5. District boundaries shall be drawn to encourage geographical compactness in a manner that nearby areas of population are not bypassed in favor of more distant population. (Elections Code Section 21500.)

Current Supervisory District Map



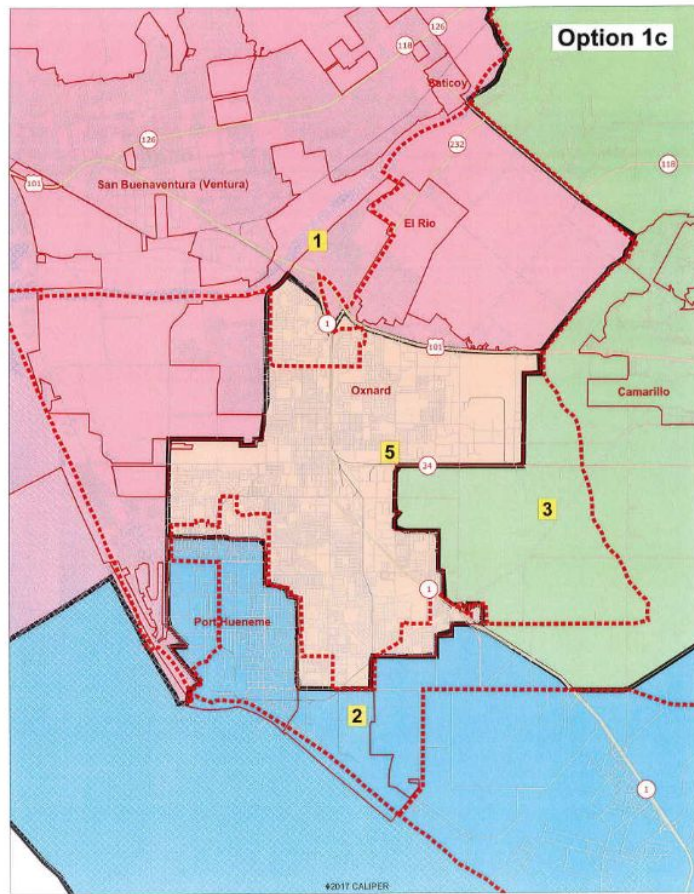
1. Oxnard is divided into three supervisorial districts within inhabited areas.
 2. Four neighborhoods are split between District 3 and District 5, and another neighborhood is divided between District 5 and District 1.
 3. District 3 includes the neighborhoods of Southwinds, Oxnard Pacific, Mar Vista, Tierra Vista and Villa Capri, even though the community of interest for these neighborhoods is with the neighborhoods located in District 5.
 4. Especially in south Oxnard neighborhoods, the supervisorial district boundaries were not easily identifiable and understandable by residents.
-

Summary of Current Supervisorial District Map Concerns ⁹

1. The current map does not preserve the geographic integrity of Oxnard. No other city in the county has more than one representative -- while Oxnard has three.
2. Neighborhoods and local community of interest are divided.
3. The supervisorial boundaries are not easily identifiable or understandable by residents, especially in south Oxnard.

1. Consolidate the inhabited portions of Oxnard into no more than two supervisorial districts
2. Do not divide other cities in Ventura County into more than one supervisorial district
3. Reunite established neighborhoods in Oxnard
4. Create district boundaries that are easily identifiable and understandable by residents.

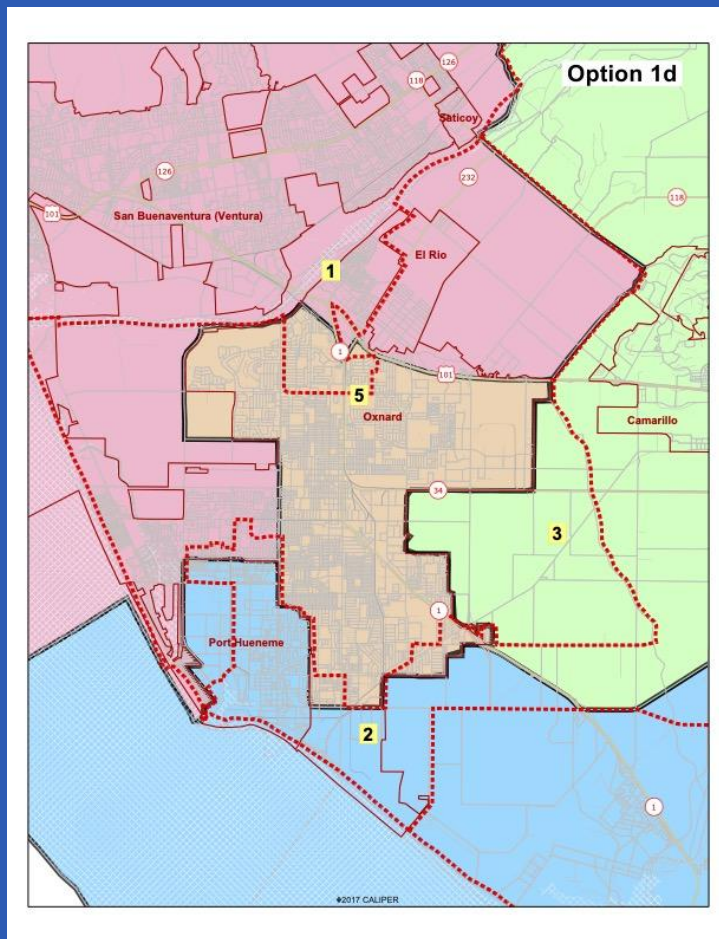
Option 1c Map



1. Consolidates the majority of the inhabited portions of Oxnard in District 5
 - a. The 10 neighborhoods in the southern portion of Oxnard that currently are fully or partially located in District 3 would move to District 5.
 - b. The neighborhoods of South Bank, Sierra Linda, Orchard and Rio Linda (previously partially divided) would move from District 1 to District 5.
2. District 1:
 - a. The neighborhoods of Victoria Estates, Golf Course, Windsor North/River Ridge, Cabrillo would move from District 5 to District 1
 - b. The neighborhoods of Oxnard Dunes, Oxnard Shores, Channel Islands, Hollywood by the Sea and Silver Strand would move from District 5 to District 1.

3. The uninhabited neighborhoods in south Oxnard (Ormond Beach and Southshore) would be located in District 2 (previously District 3)

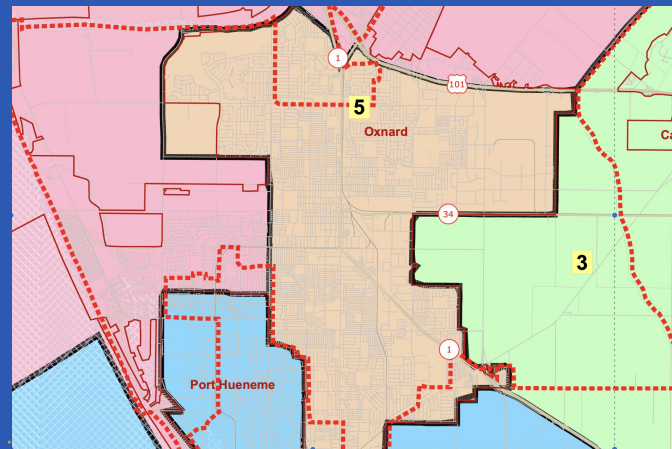
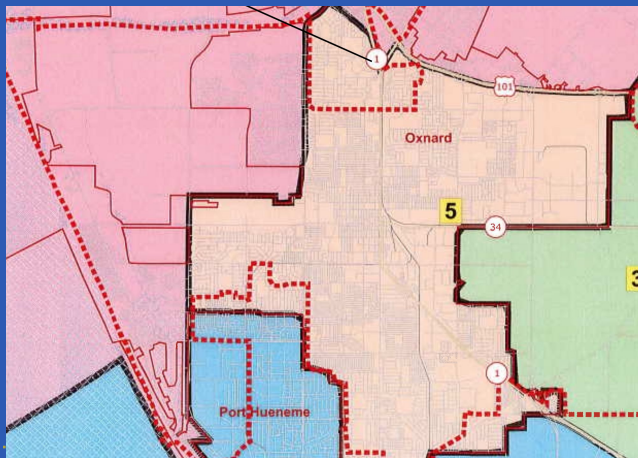
Option 1d Map



1. Consolidates the majority of the inhabited portions of Oxnard in District 5
 - a. Same as with Option 1C
2. District 1:
 - a. The neighborhoods of Sea View Estates, Sea Air, Via Marina and Marina West would move from District 5 (or District 3) to District 1
 - b. The neighborhoods of Oxnard Dunes, Oxnard Shores, Channel Islands, Hollywood by the Sea and Silver Strand would move from District 5 to District 1.
3. The uninhabited neighborhoods in south Oxnard (Ormond Beach and Southshore) would be located in District 2 (previously District 3)

Option 1c vs. Option 1d

1c	1d
Sea View Estates, Sea Air, Via Marina and Marina West are in District 1	Victoria Estates, Golf Course, Windsor North/River Ridge and Cabrillo are in District 5



Both options:

1. Consolidate the inhabited portions of Oxnard into two districts
2. Do not divide other cities within the county into more than one supervisorial district
3. Reunite established Oxnard neighborhoods
4. Create district boundaries that are easily identifiable and understandable by residents.

County Redistricting Timeline

Date(s)	Action(s)
July 27 - Sept. 21	Community meetings and pre-map public hearing
October 19, 2021	BOS to consider draft maps and provide direction to County staff on map revisions
November 9, 2021	BOS adoption of final supervisorial map or provide further direction to County staff

City Council must provide input no later than their October 5th meeting for it to be considered at the October 19th BOS meeting.

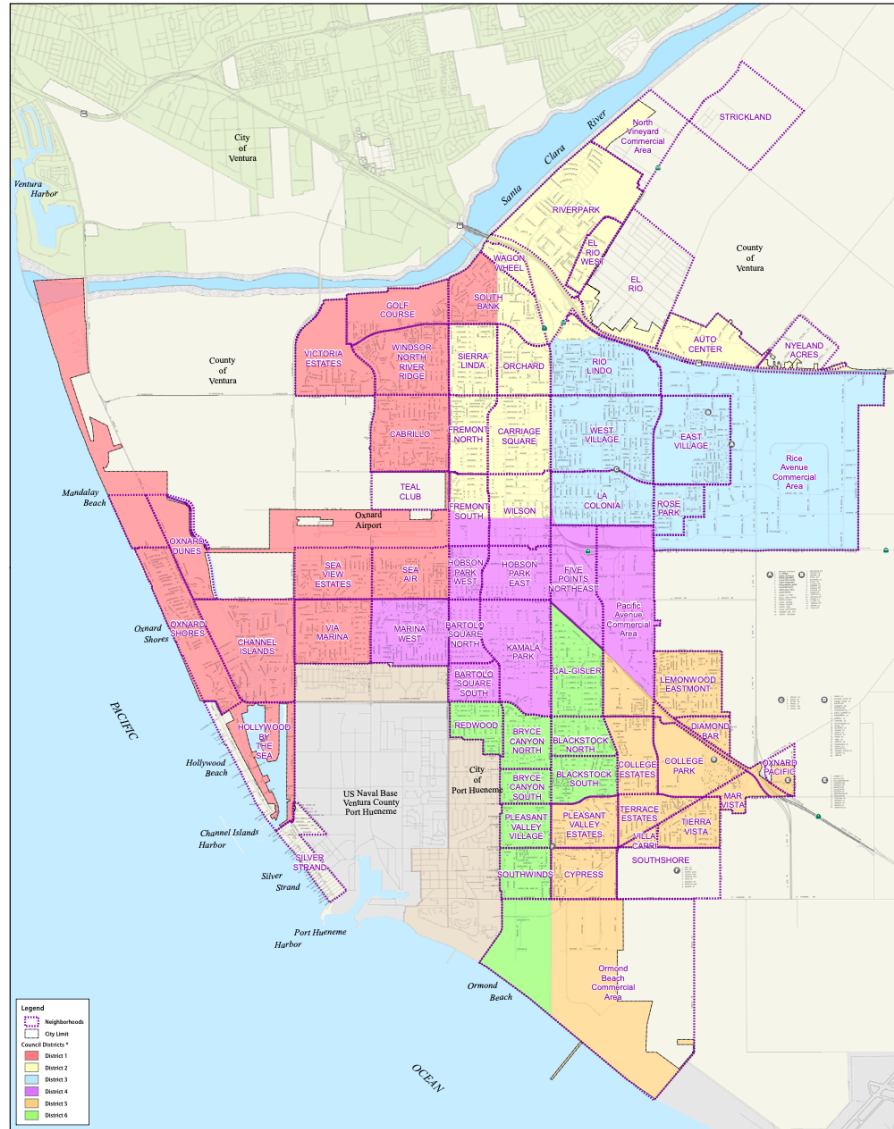
That the City Council:

1. After selection one of the maps, adopt the resolution requesting that the Board of Supervisors adopt a specific supervisorial district map; or
2. Continue the subject item to October 5, 2021 and take formal action at that time.



End of Presentation

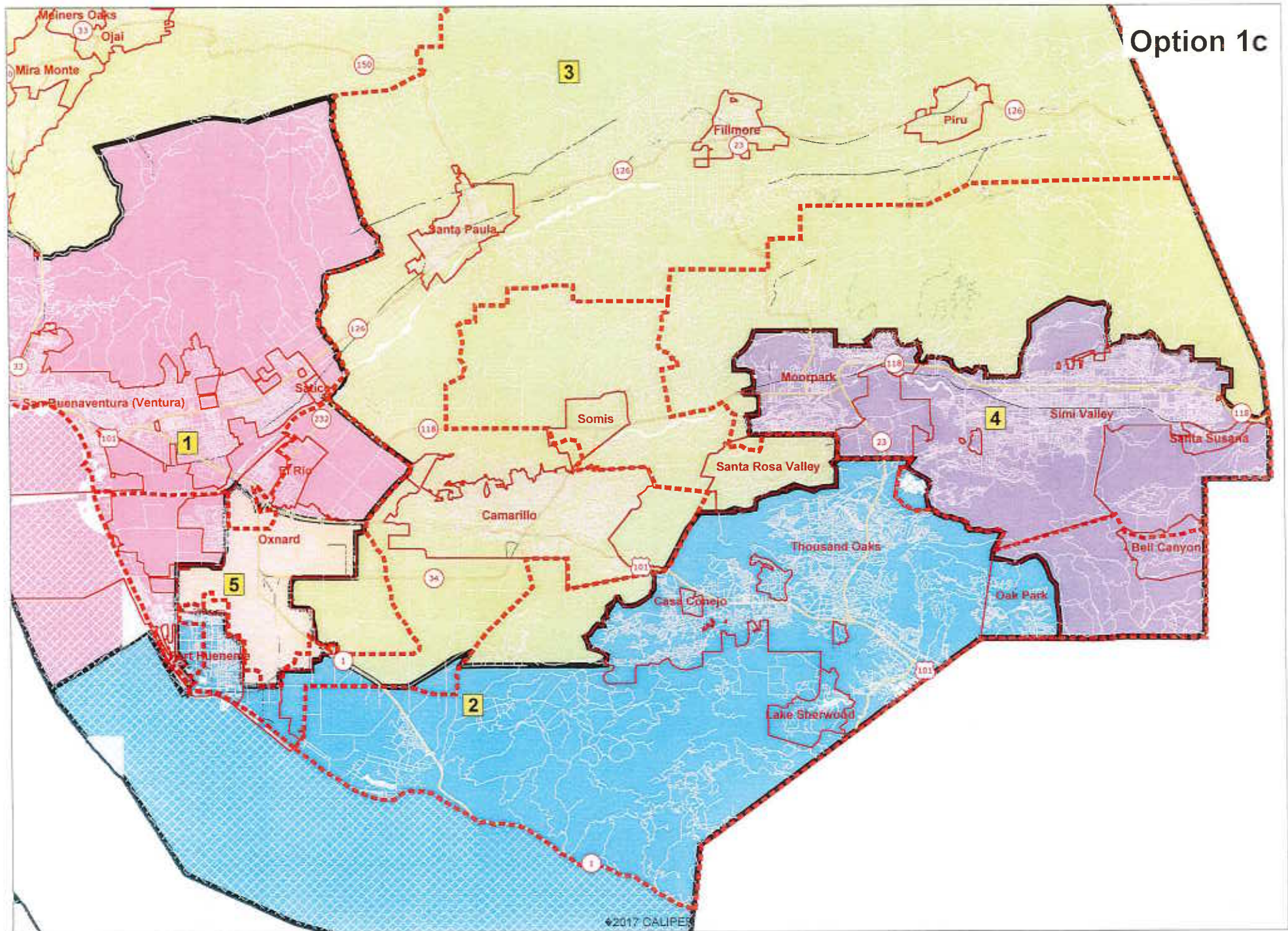
OXNARD CITY COUNCIL DISTRICTS



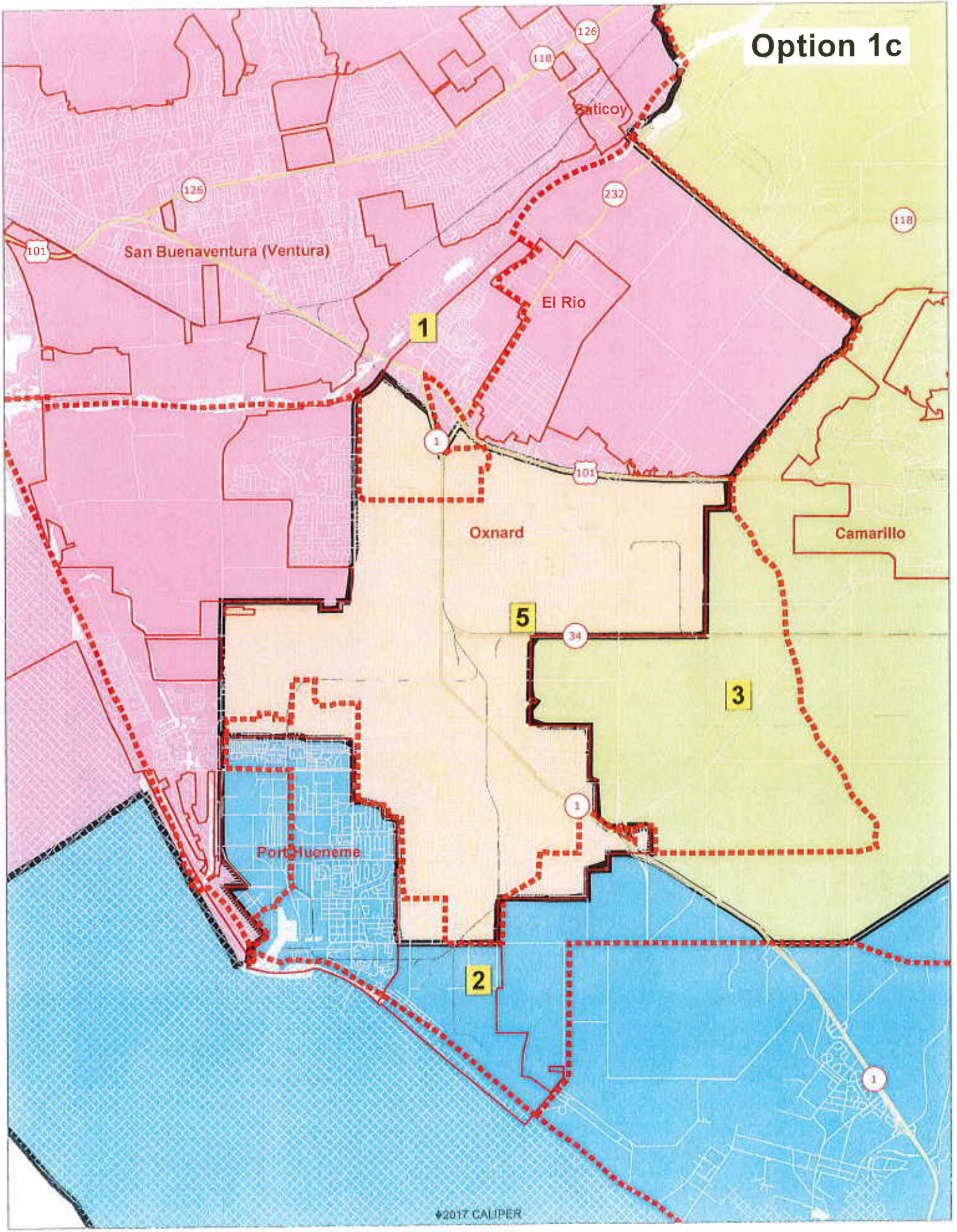
* Please note, streets act as the boundaries for many of the city council districts. In these cases, properties on each side of the street fall within the district appearing on that side of the street.

RECOMMENDED MAPS

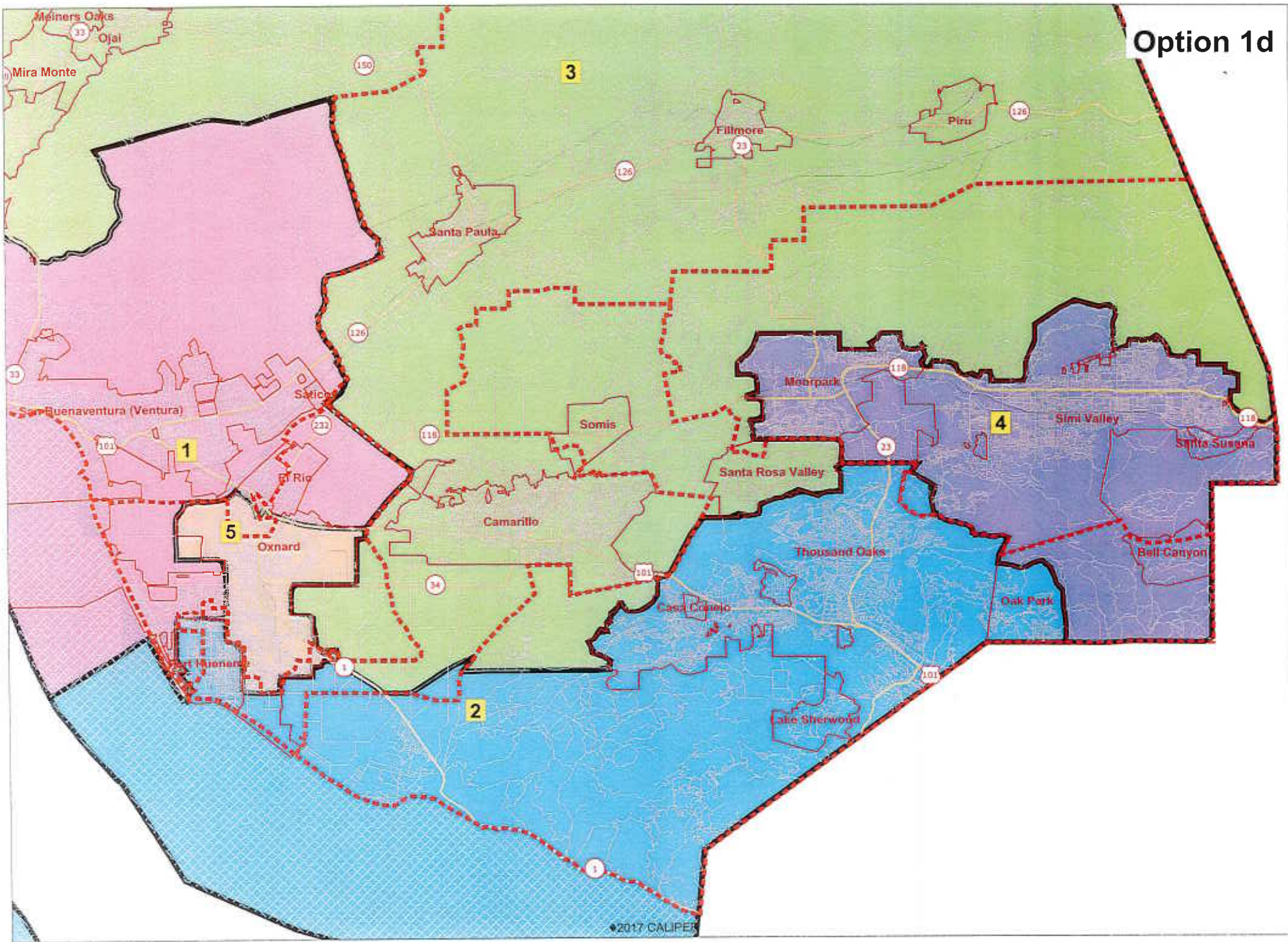
Option 1c



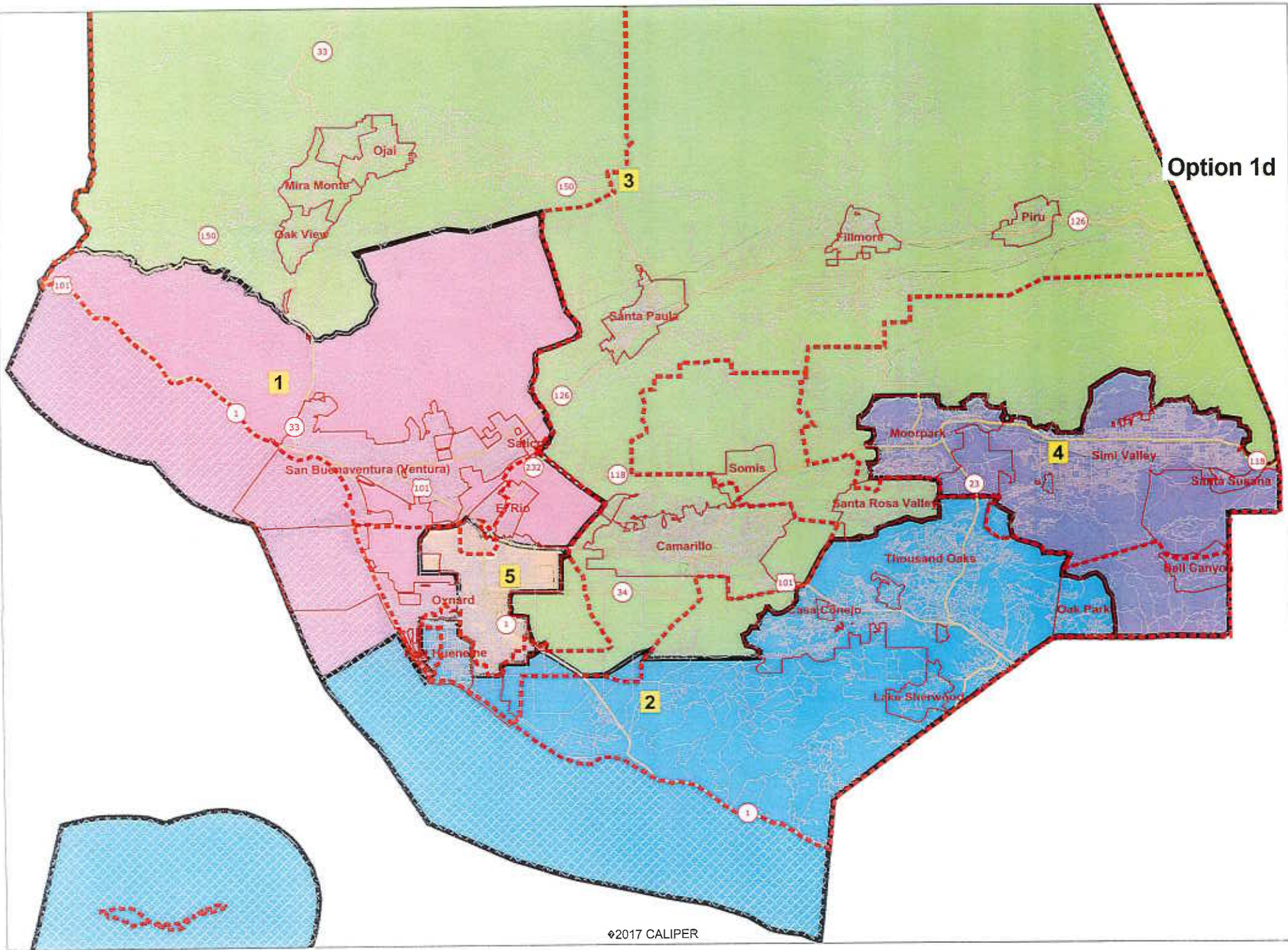
Option 1c



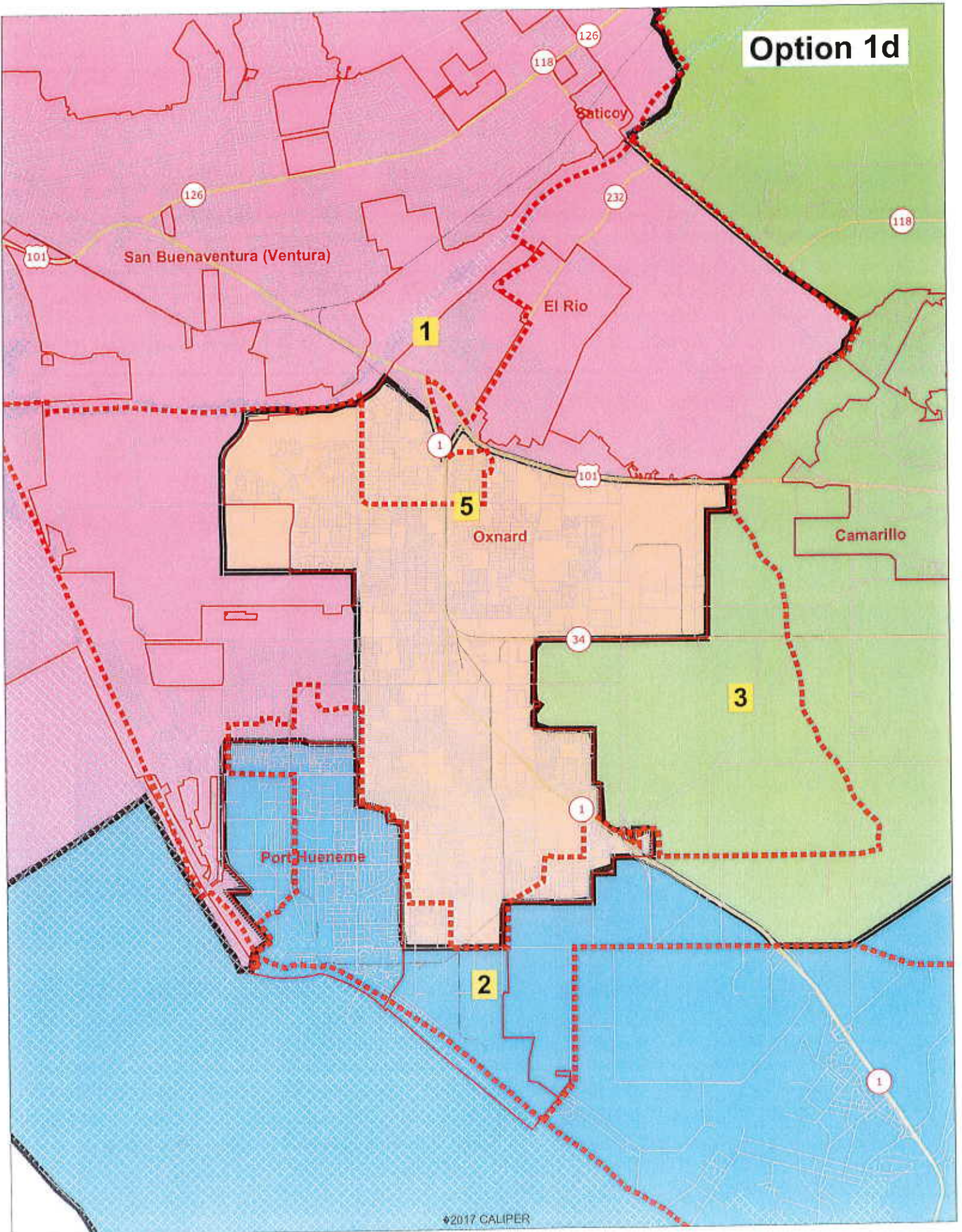
Option 1d



Option 1d



Option 1d



SUPERVISOR DISTRICT MAP RESOLUTION [on following page]

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD REQUESTING THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF VENTURA ADOPT THE ATTACHED SUPERVISORIAL DISTRICT MAP BASED UPON THE MAP'S COMPLIANCE WITH THE REQUIREMENTS OF STATE LAW, INCLUDING THE MAP'S PRESERVATION OF THE GEOGRAPHIC INTEGRITY OF THE CITY OF OXNARD AND INCORPORATED CITIES WITH THE COUNTY OF VENTURA, THE MAP'S PRESERVATION OF THE LOCAL NEIGHBORHOODS AND COMMUNITIES OF INTEREST WITHIN THE CITY OF OXNARD AND THROUGHOUT THE COUNTY OF VENTURA, AND THE MAP'S EASILY IDENTIFIABLE BOUNDARIES

WHEREAS, every ten years, the United States Census Bureau releases the results of the federal census that trigger the subsequent redrawing of congressional, state, county and local districts in California; and

WHEREAS, state law outlines the specific process that is to be followed for the adjustment of supervisorial districts following the federal census; and

WHEREAS, the Board of Supervisors of the County of Ventura has commenced the redistricting process for redrawing the Ventura County Board of Supervisors district boundaries; and

WHEREAS, the City Council of the City of Oxnard, on behalf of the City and its residents, has a strong interest in ensuring that the supervisorial district map adopted by the Board of Supervisors preserves the geographic integrity of the City by dividing the inhabited neighborhoods of the City into no more than two supervisorial districts; and

WHEREAS, the City Council of the City of Oxnard, on behalf of the City and its residents, has a strong interest in ensuring that the supervisorial district map adopted by the Board of Supervisors preserves the geographic integrity of incorporated cities throughout the County of Ventura; and

WHEREAS, the City Council of the City of Oxnard, on behalf of the City and its residents, has a strong interest in ensuring that the supervisorial district map adopted by the Board of Supervisors preserves the geographic integrity of the City's local neighborhoods and local communities of interest; and

WHEREAS, the City Council of the City of Oxnard, on behalf of the City and its residents, has a strong interest in ensuring that the supervisorial district map adopted by the Board of Supervisors preserves the geographic integrity of local neighborhoods and local communities of interest throughout the County of Ventura.

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

SECTION 1. The foregoing recitals are adopted as the findings of the City Council of the City of Oxnard as though fully set forth herein.

SECTION 2. The City Council recommends that the Board of Supervisors of the County of the Ventura adopt the draft map, which is attached hereto and incorporated herein by this reference, based upon the reasons set forth in this Resolution and because this map would:

A. Preserve the geographic integrity of the City by dividing the inhabited neighborhoods of the City of Oxnard into no more than two supervisorial districts; and

B. Preserve the geographic integrity of incorporated cities throughout the County of Ventura; and

C. Preserve the geographic integrity of the City's local neighborhoods and local communities of interest; and

D. Preserve the geographic integrity of local neighborhoods and local communities of interest throughout the County of Ventura.

SECTION 3. The City Clerk is hereby directed to file a certified copy of this Resolution with the Board of Supervisors and the County Clerk by no later than Monday, October 4, 2021.

PASSED AND ADOPTED THIS 30th day of September 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John Zaragoza, Mayor

ATTEST:

Rose Chaparro, City Clerk

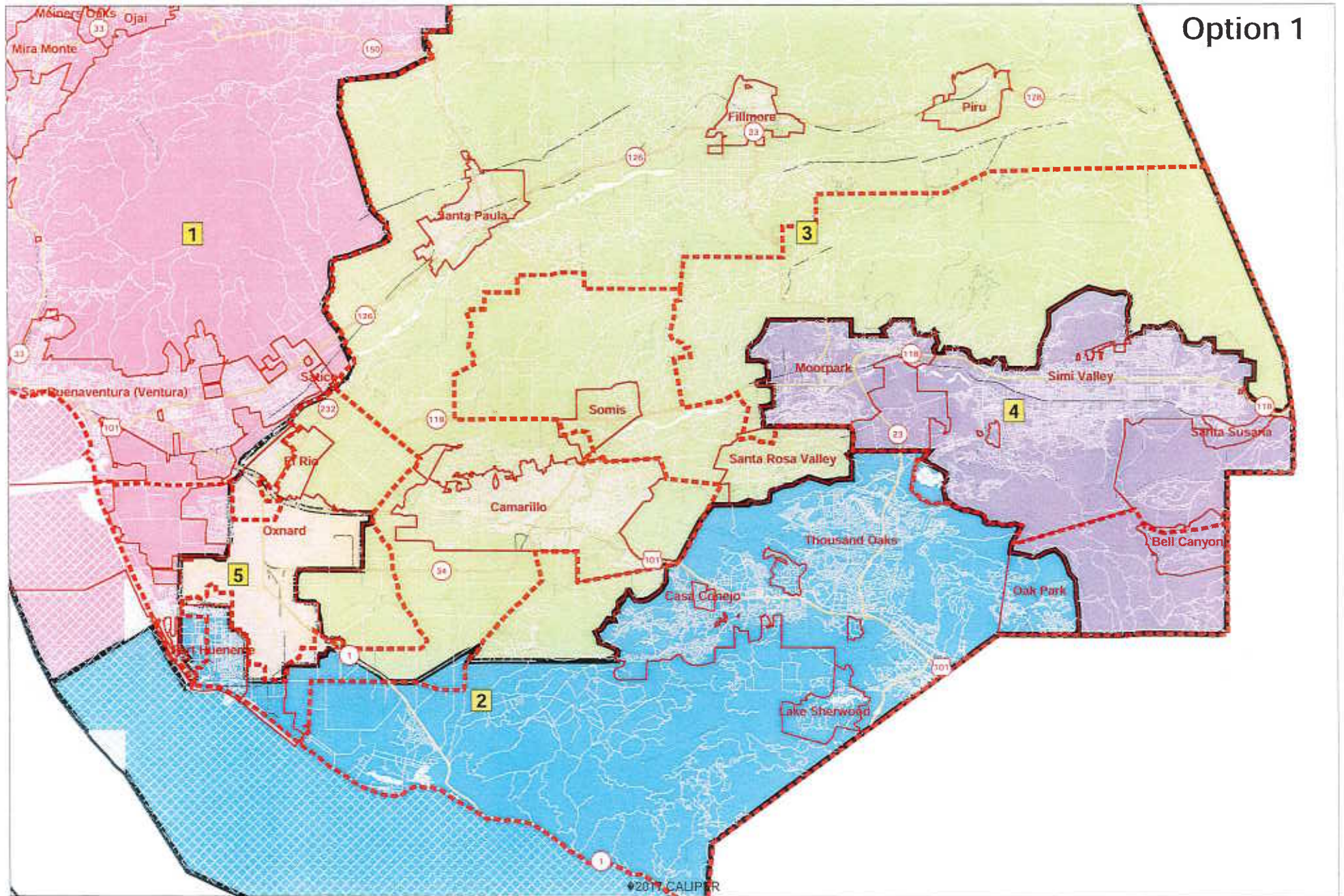
APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

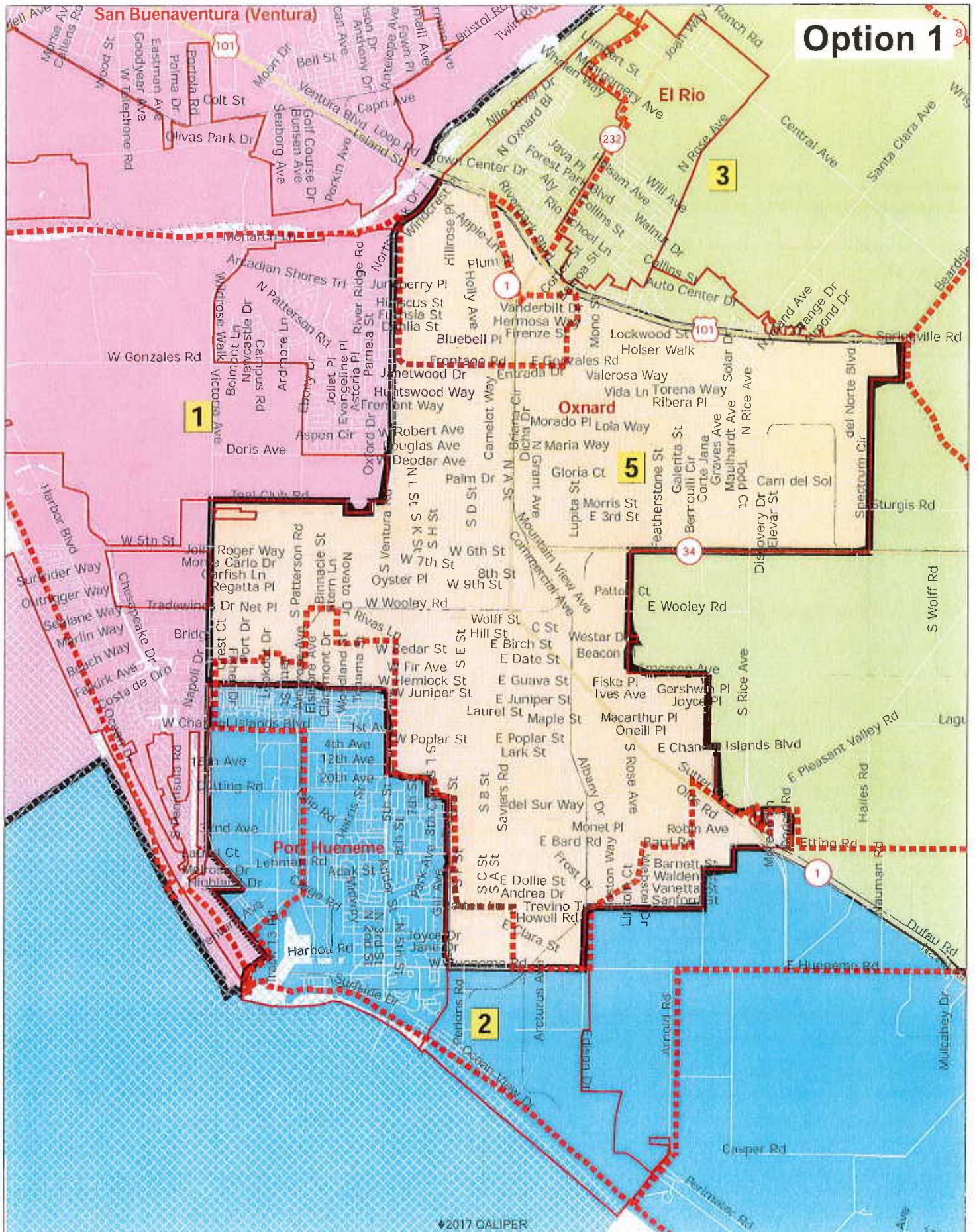
Exhibit
Map

OTHER PREPARED MAPS

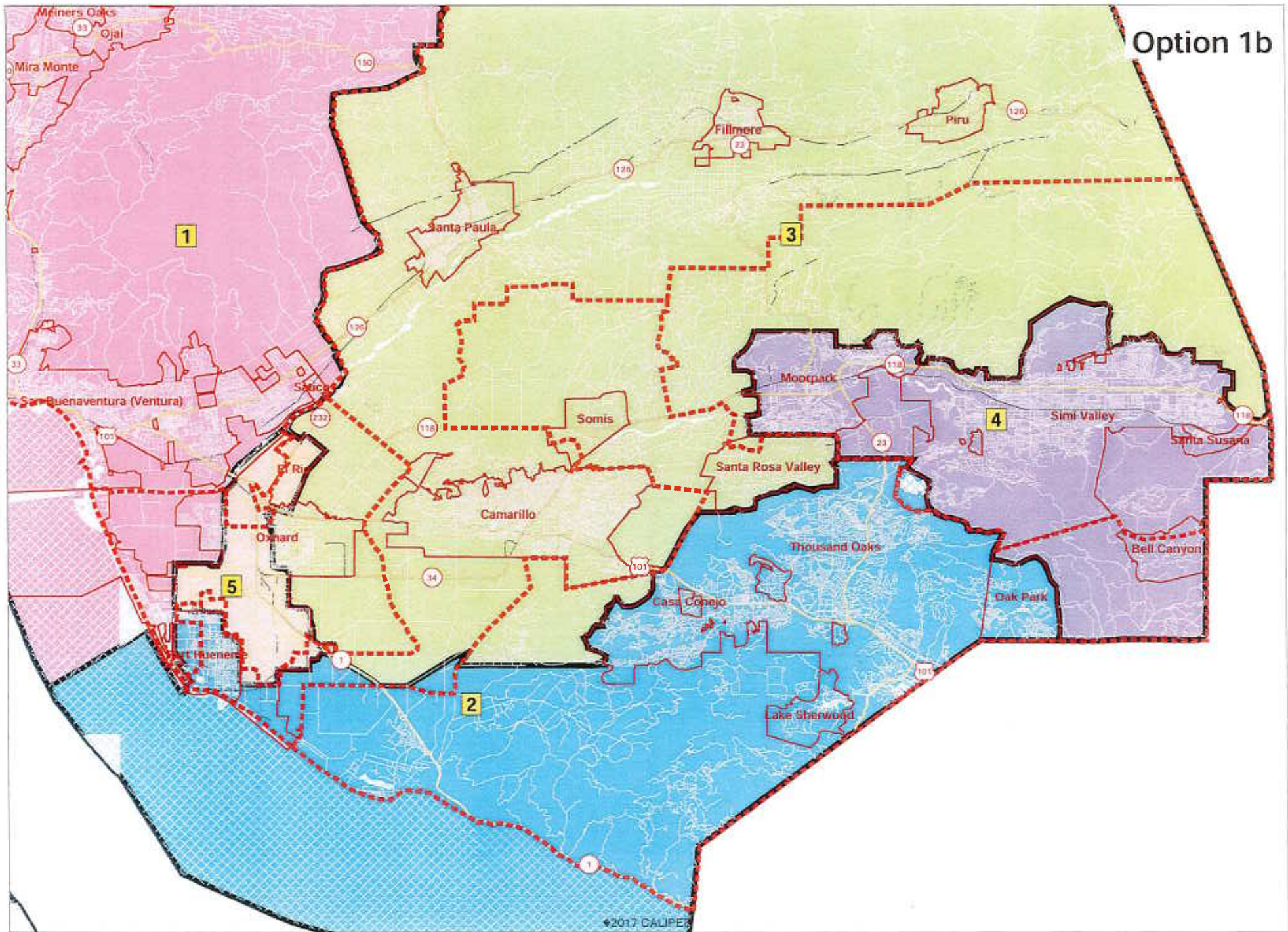
Option 1



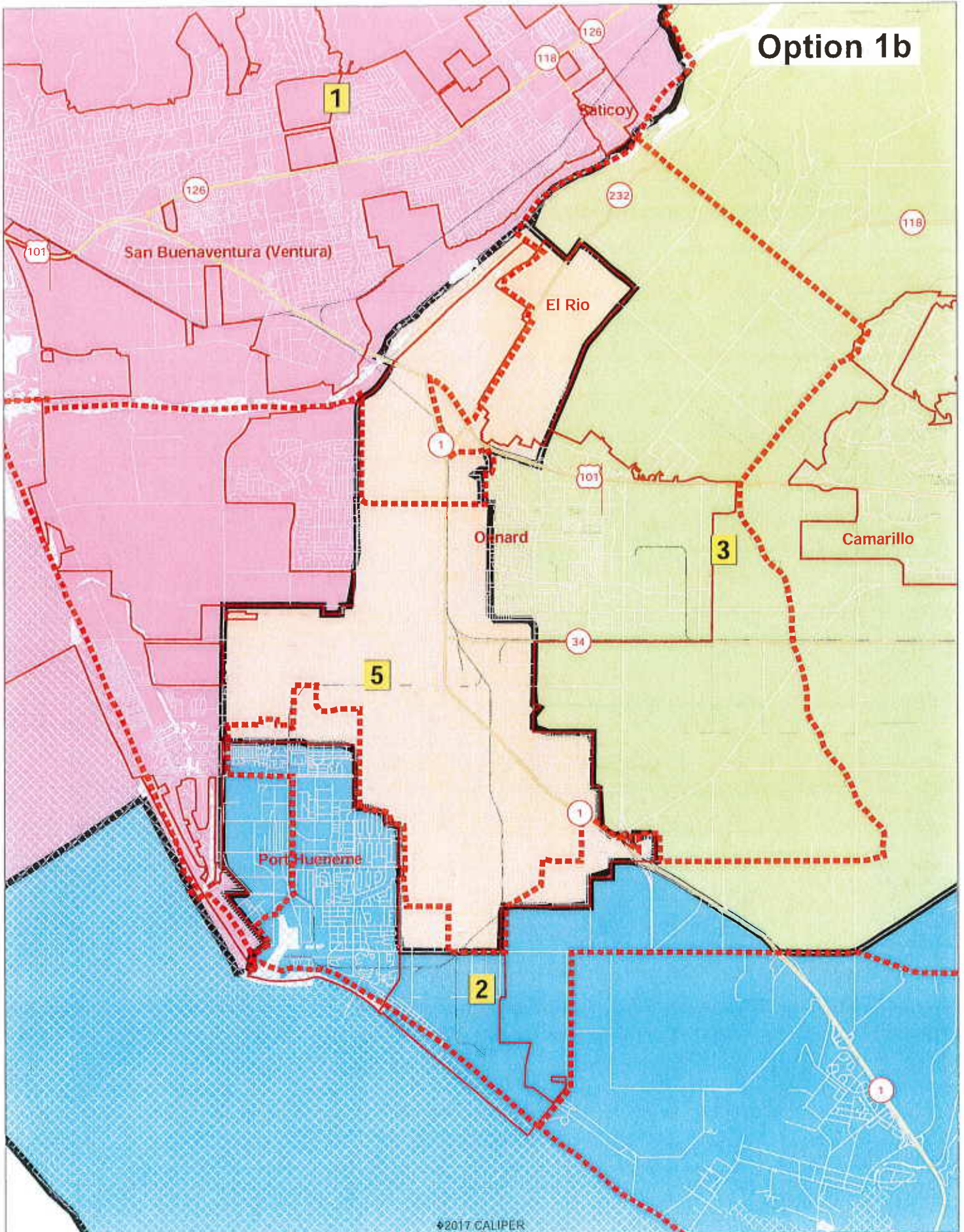
Option 1



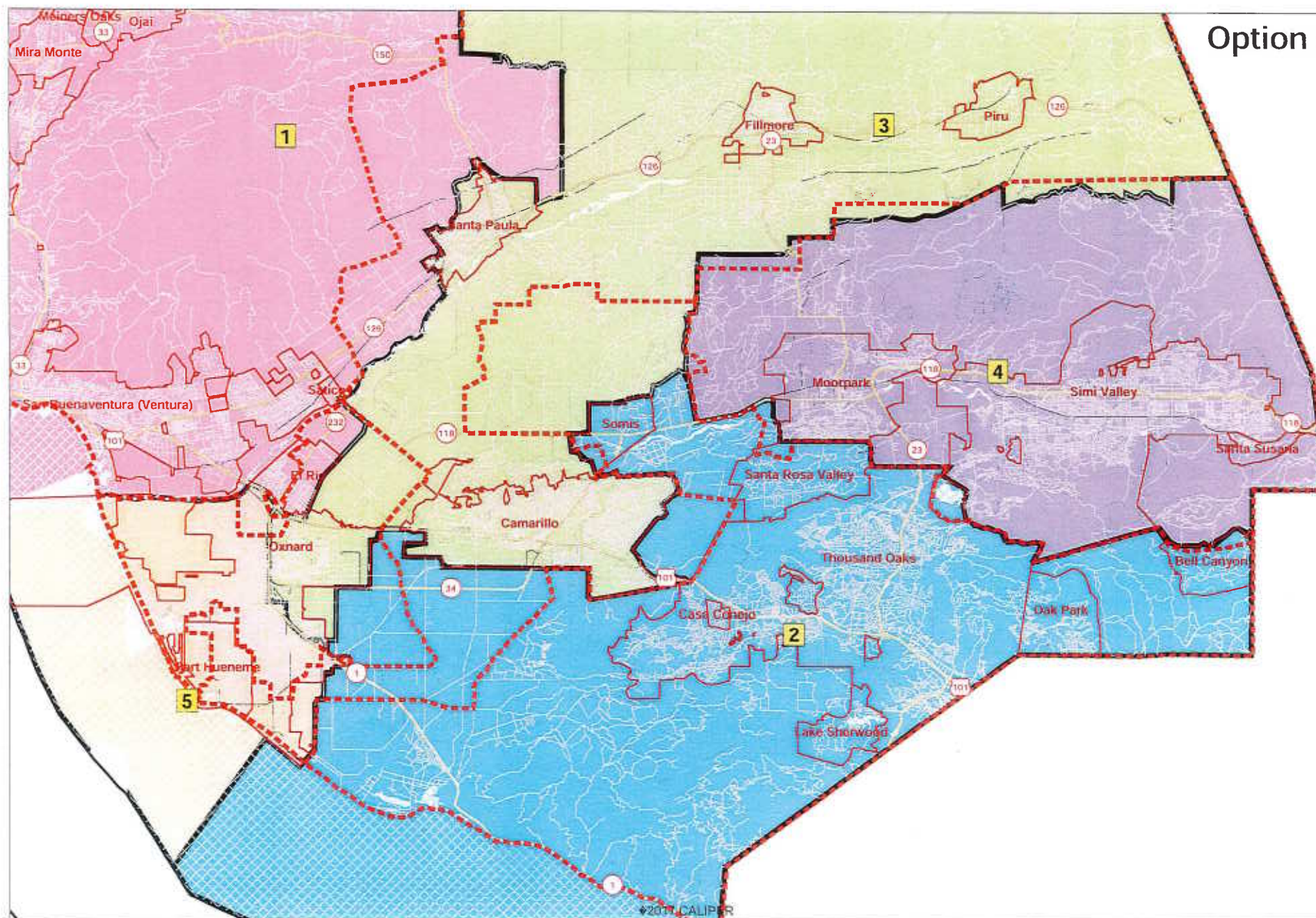
Option 1b



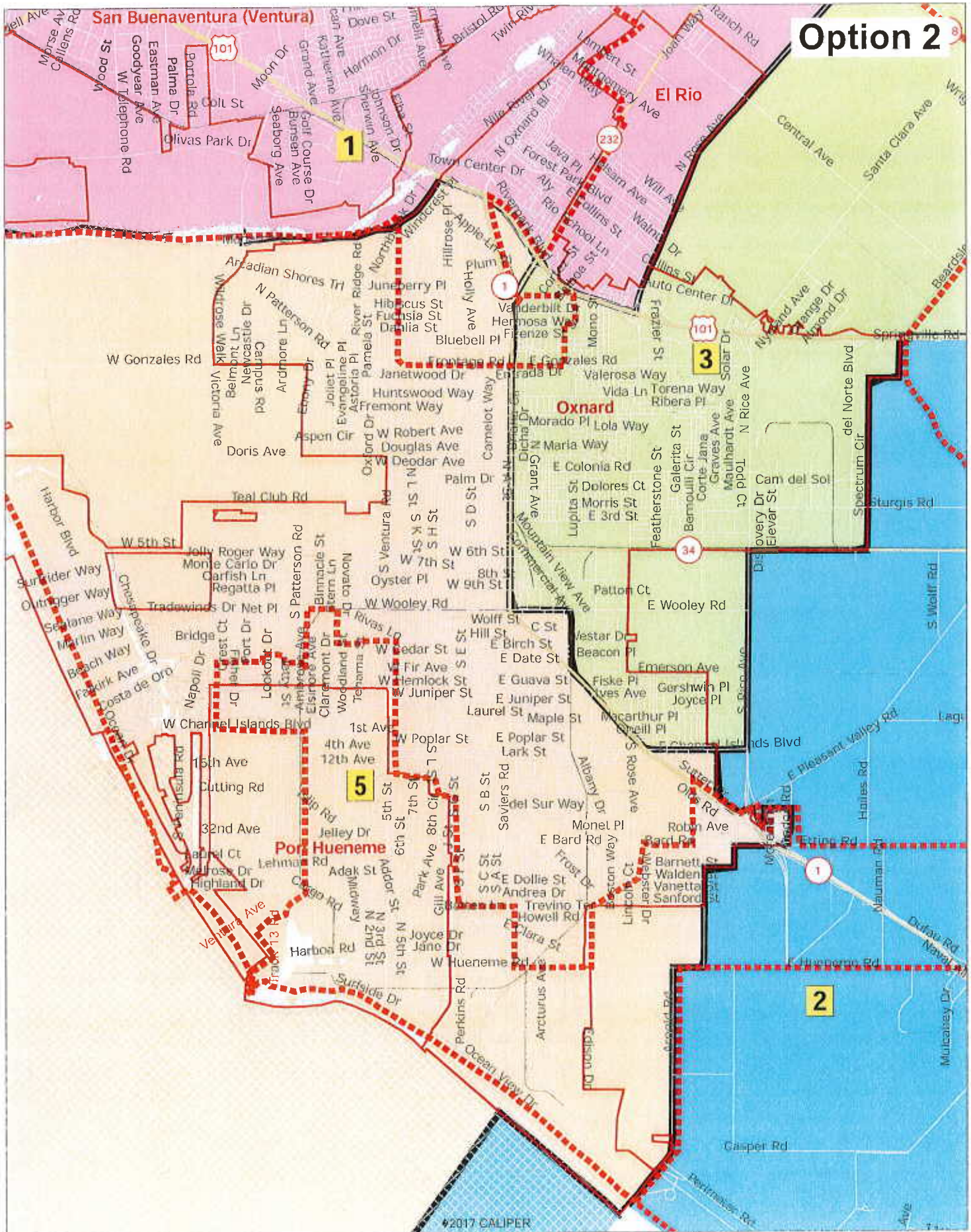
Option 1b



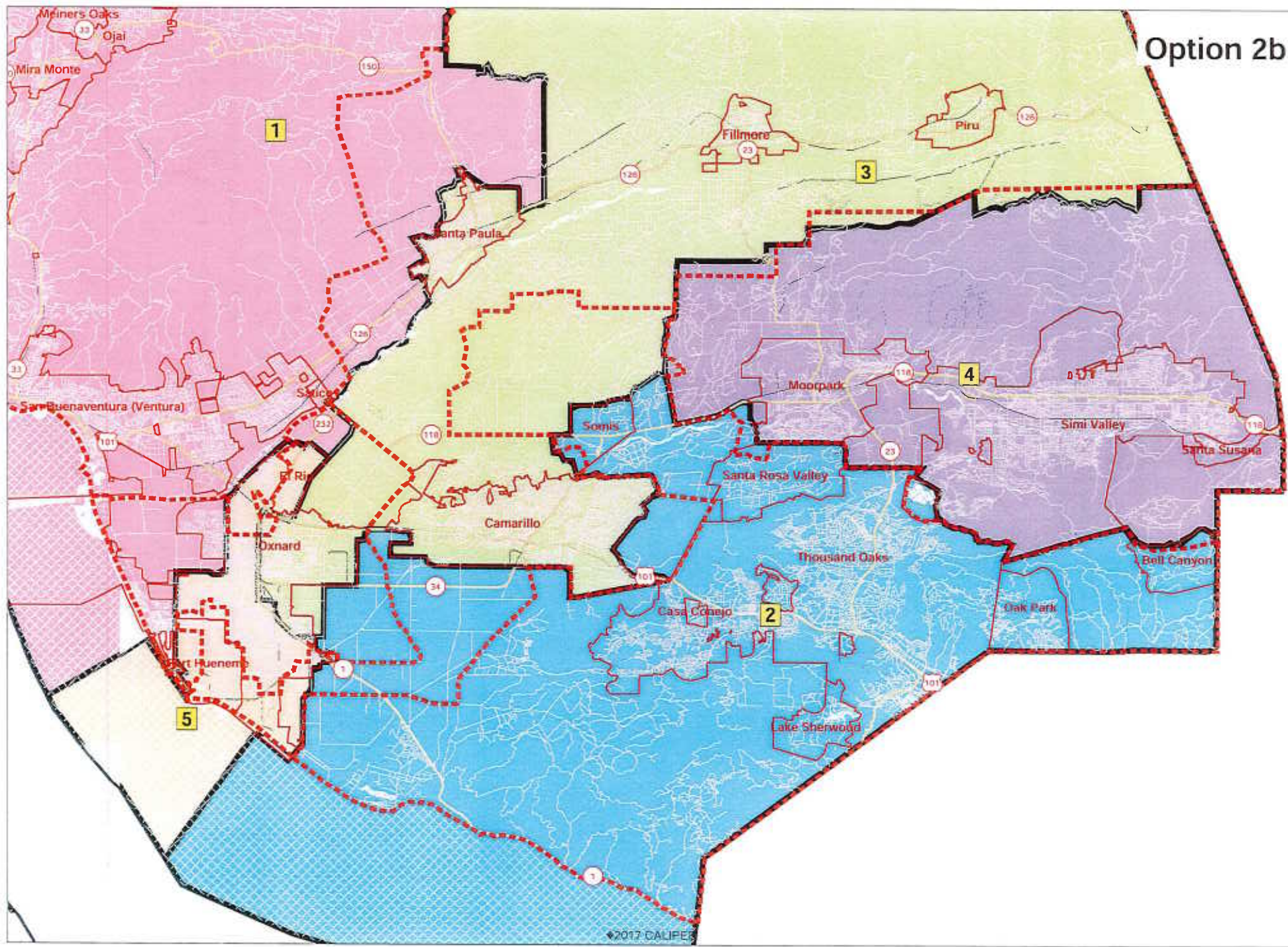
Option 2



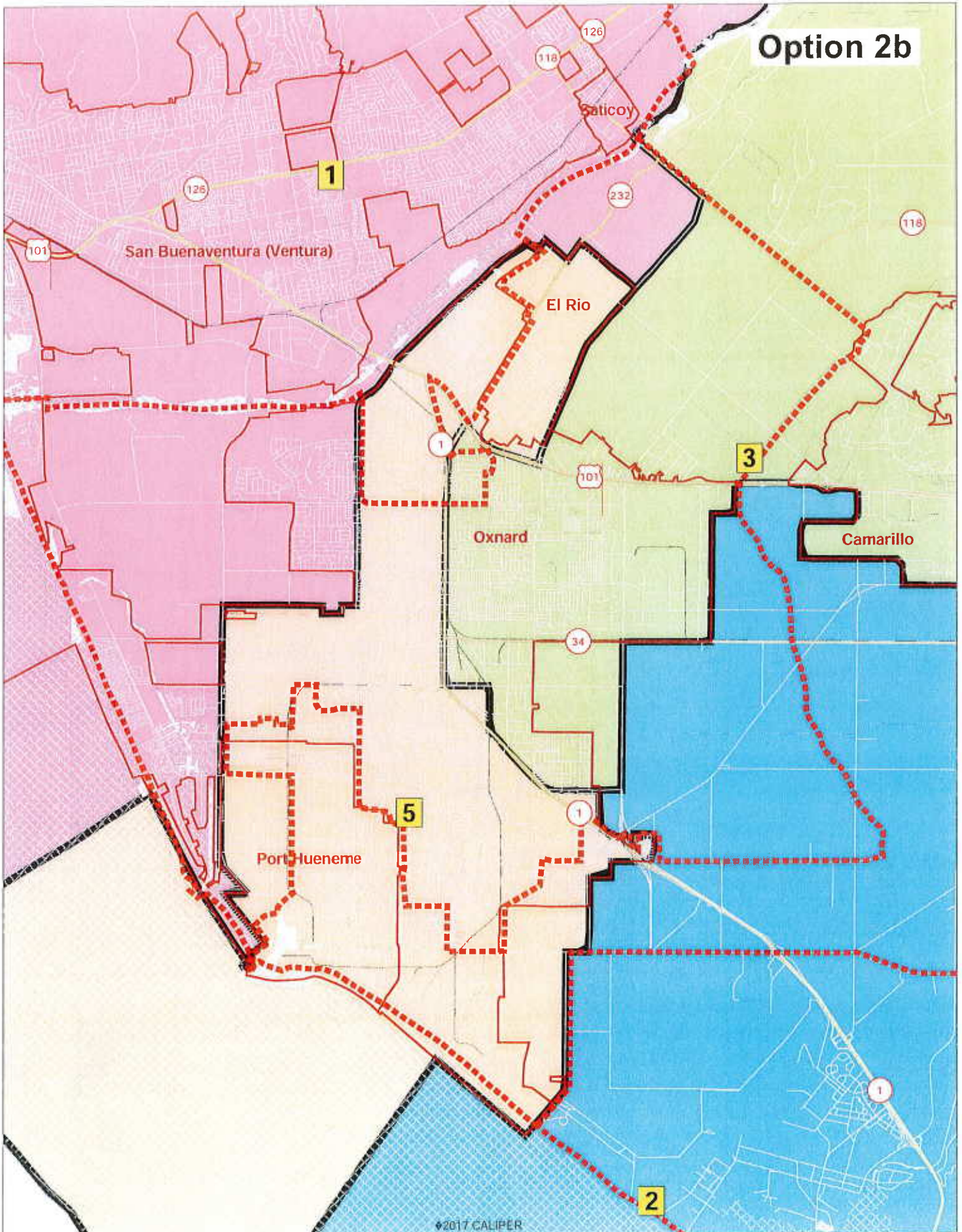
Option 2



Option 2b

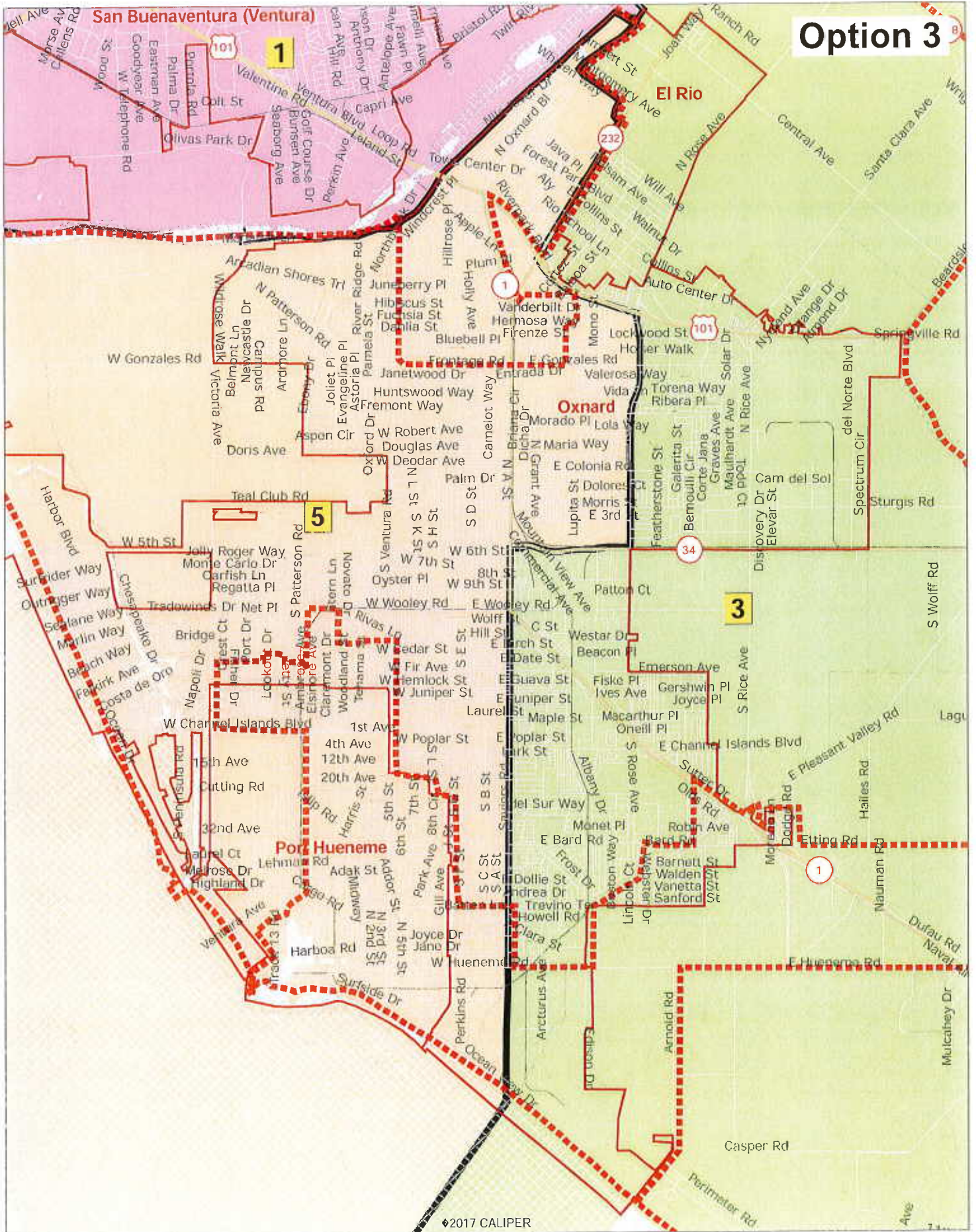


Option 2b

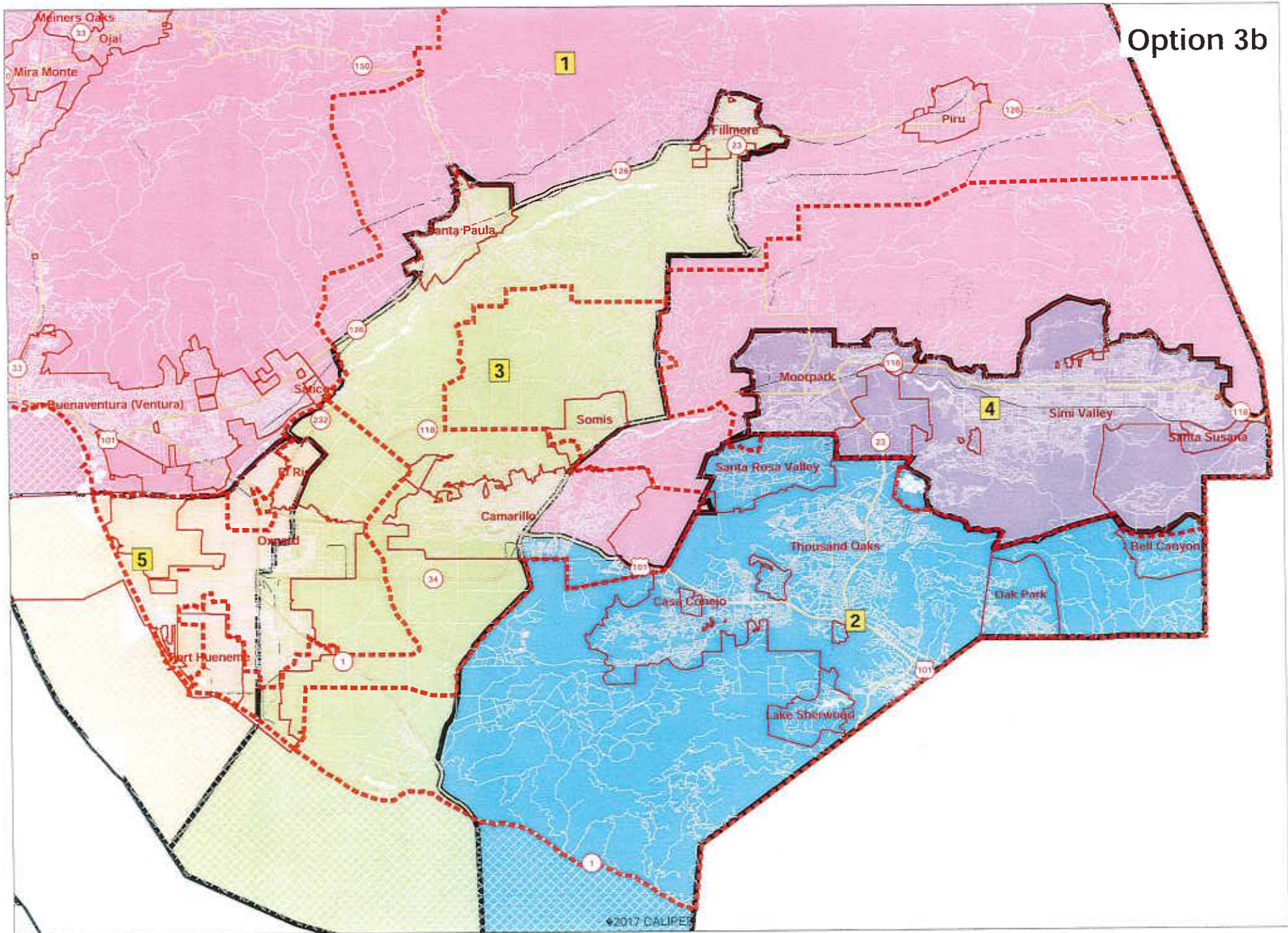


2017 CALIPER

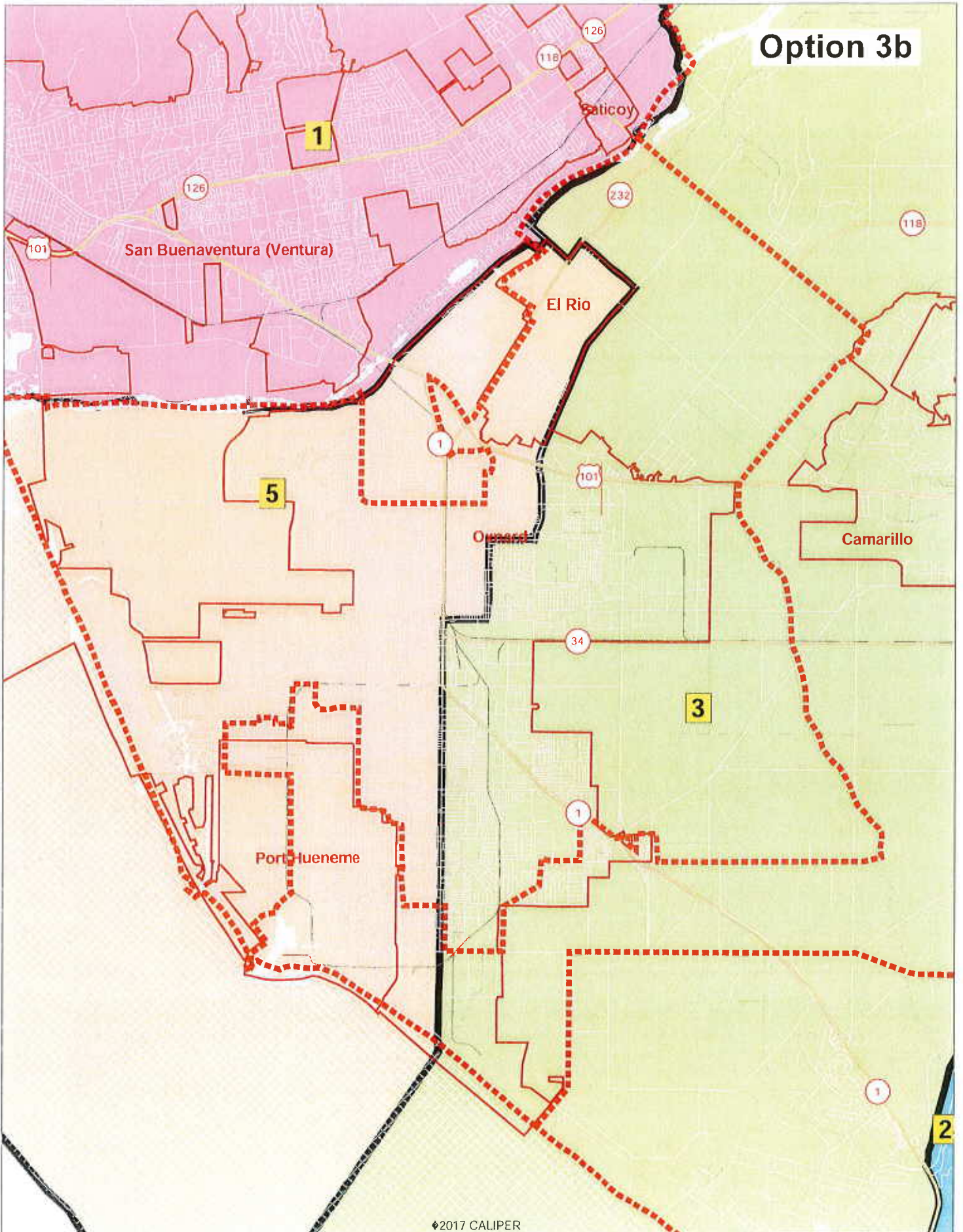
Option 3



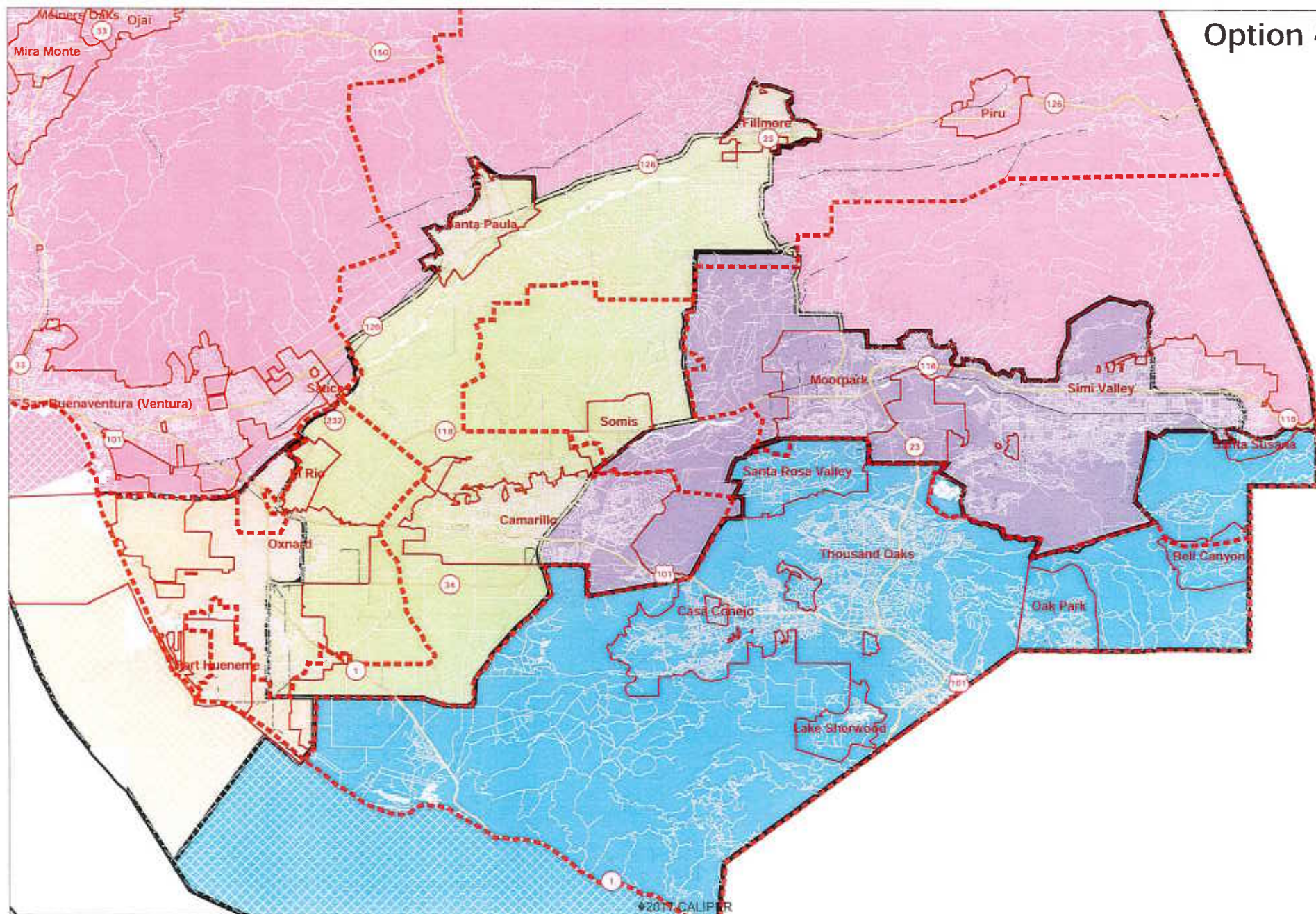
Option 3b



Option 3b

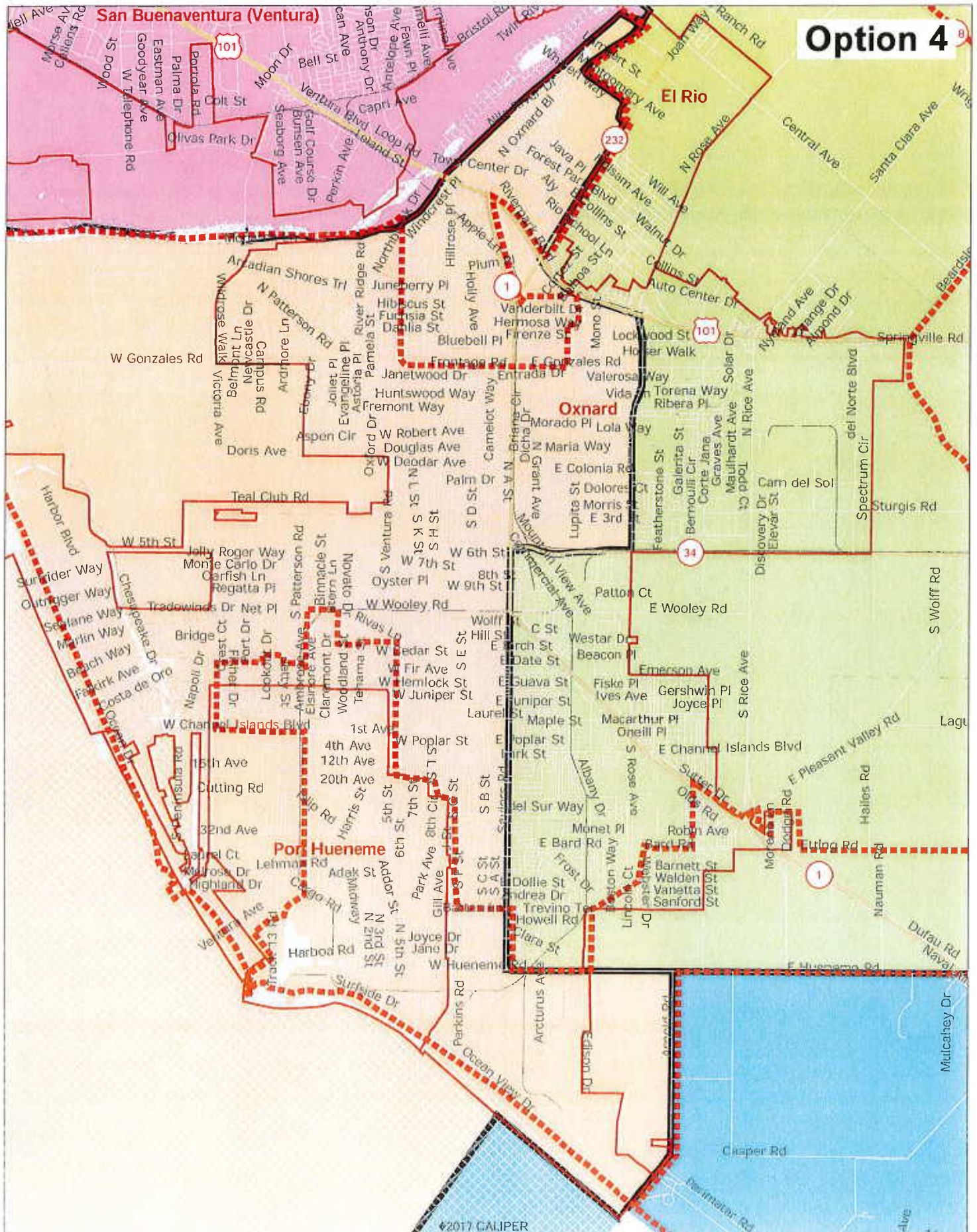


Option 4

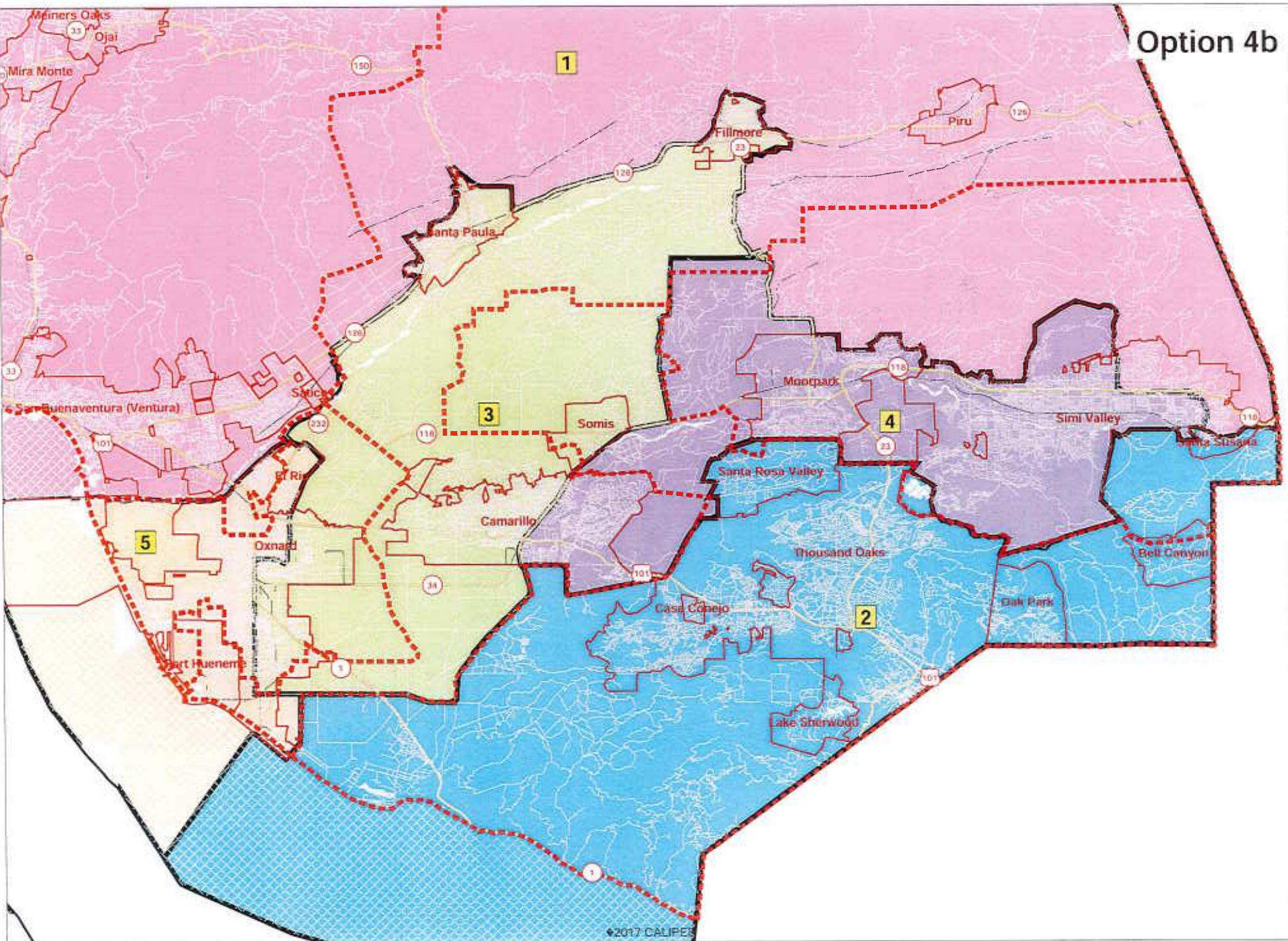


San Buenaventura (Ventura)

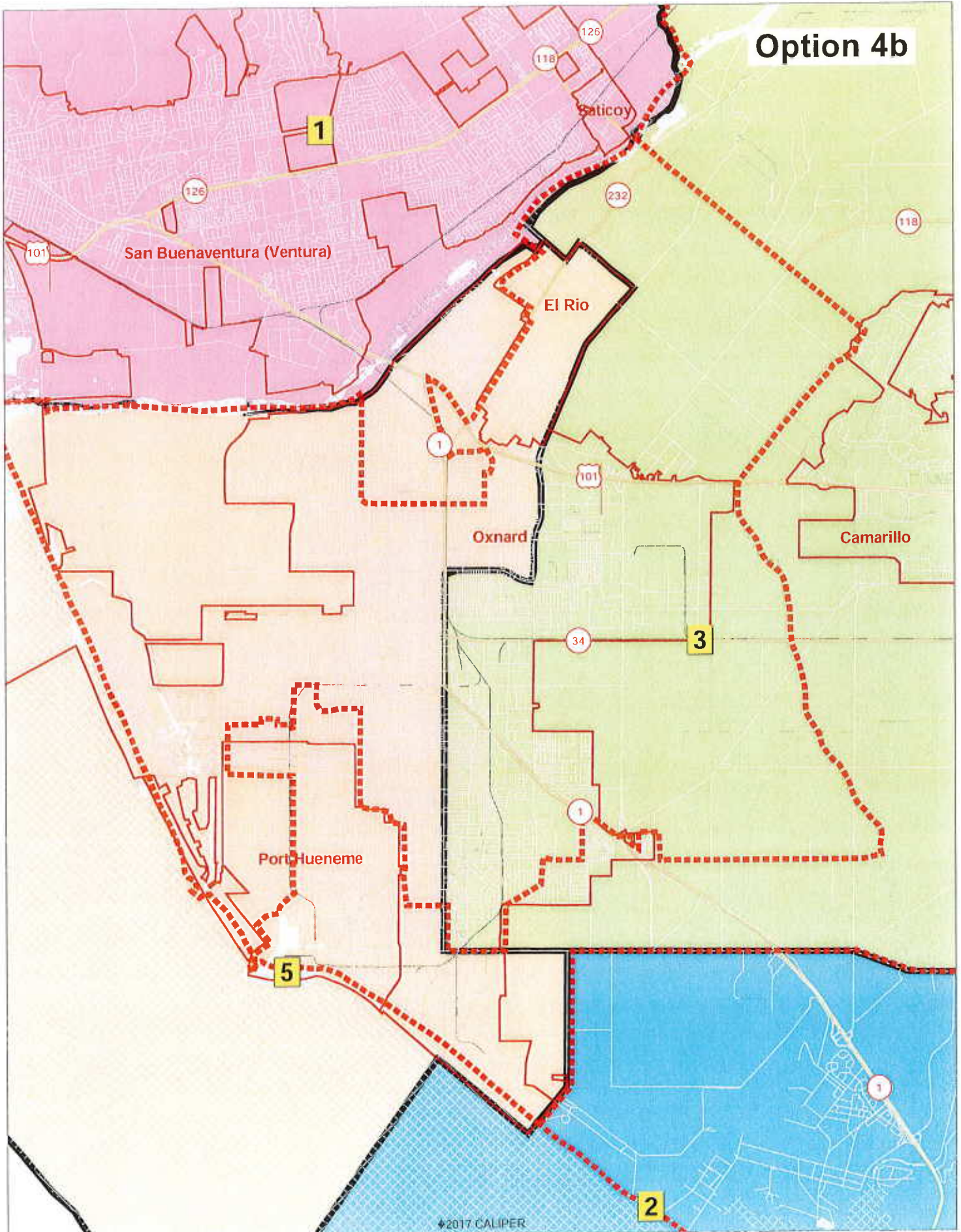
Option 4



Option 4b



Option 4b



ALL OPTIONS SUMMARY DEMOGRAPHICS

[illegible]



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.8

DATE: October 19, 2021

TO: City Council

FROM: Stephen Fischer, City Attorney, (805) 385-7483, stephen.fischer@oxnard.org

SUBJECT: Funding Obligations for Community Facilities District No. 5 (RiverPark) (0/10/10)

RECOMMENDATION

That the City Council (acting as the legislative body of Community Facilities District No. 5 (RiverPark)) adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
ACTING IN ITS ROLE AS THE LEGISLATIVE BODY OF COMMUNITY
FACILITIES DISTRICT NO. 5 (RIVERPARK) OF THE CITY OF OXNARD
SPECIFYING THE PROCESS THAT MUST BE FOLLOWED BEFORE
COMMUNITY FACILITIES DISTRICT NO. 5 (RIVERPARK) OF THE CITY
OF OXNARD MAY REIMPOSE THE FUNDING OBLIGATION FOR FIRE
PROTECTION SERVICES AT A FUTURE DATE

BACKGROUND

As part of the development of the RiverPark project, bonds were sold that paid for the cost of constructing public infrastructure with the RiverPark development, including two schools and a fire station. The residents of RiverPark will pay for this bonded indebtedness as part of the annual assessments for Community Facilities District No. 5 (RiverPark) ("CFD No. 5") until such bonds are paid in full.

Since its creation, CFD No. 5 has also paid about \$1.6 million a year for fire protection and suppression services, which went toward funding part of the cost of staffing the City fire station located within RiverPark. While the formation documents for CFD No. 5 authorized payments for a range of services (including fire protection and suppression services), the property owners within CFD No. 5 were unique within the City of Oxnard in that they have paid both for the cost of constructing the fire station and for the cost of funding most of the staffing costs for the firefighters who were based at this fire station.

At its June 29, 2021 meeting, the City Council (acting as the legislative body for CFD No. 5) voted to reduce the amount of money that CFD No. 5 paid to the General Fund for Fire Protection Services from \$1,670,520 to zero -- thus eliminating the portion of the CFD assessment that went toward the cost of the firefighters at the RiverPark fire station.

The elimination of this cost for Fire Protection Services (along with a reduction of \$400,000 for on-call and contingency costs) resulted in the special taxes for CFD No. 5 for fiscal year 2021/22 being reduced from \$5,050,134 to \$2,987,496.

ANALYSIS

While this budget modification is for fiscal year 2021/22, the City Council (acting as the legislative body for CFD No. 5)

has indicated that it does not intend to impose the Fire Protection Services funding obligation on CFD No. 5 in the future. In order to memorialize the intention of the City Council (acting as the legislative body for CFD No. 5) not to reinstate funding for Fire Protection Services for CFD No. 5, it is proposed that the City Council adopt a resolution indicating that it does not intend to reinstate this funding obligation in the future. However, in the event that a future City Council (acting as the legislative body for CFD No. 5) wishes to consider imposing such funding obligation, the proposed resolution provides that CFD No. 5 would not reimpose funding for Fire Protection Services unless and until all of the following events occur:

1. CFD No. 5 provides written notice to all property owners within CFD No. 5 of its intention to reinstate CFD No. 5's funding of the Fire Protection Services; and
2. The City Council (acting as the legislative body for CFD No. 5) adopts a resolution indicating its intention to reinstate CFD No. 5's funding of the Fire Protection Services; and
3. The City Council (acting as the legislative body for CFD No. 5) adopts by separate resolution a proposed budget that specifically includes a budgetary line item for CFD No. 5 to pay for Fire Protection Services.

Through these requirements, the property owners within CFD 5 would be assured that they would have full and adequate notice of any intention by a future City Council (acting as the legislative body of CFD No. 5) to reimpose assessments for Fire Protection Services on the property owners within CFD No. 5.

STRATEGIC PRIORITIES

This agenda item is a routine operational item.

FINANCIAL IMPACT

There is no financial impact with this report. The elimination of Fire Protection Services assessment and on-call/contingency costs for CFD No. 5 were approved on June 29, 2021, reducing the FY21/22 assessment from \$5M to \$2.9M.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Kenneth Rozell, Chief Assistant City Attorney

ATTACHMENTS

1. Resolution Regarding CFD No. 5.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
ACTING IN ITS ROLE AS THE LEGISLATIVE BODY OF COMMUNITY
FACILITIES DISTRICT NO. 5 (RIVERPARK) OF THE CITY OF OXNARD
SPECIFYING THE PROCESS THAT MUST BE FOLLOWED BEFORE
COMMUNITY FACILITIES DISTRICT NO. 5 (RIVERPARK) OF THE CITY
OF OXNARD MAY REIMPOSE THE FUNDING OBLIGATION FOR FIRE
PROTECTION SERVICES AT A FUTURE DATE

WHEREAS, as part of the development of the RiverPark project, bonds were sold that paid for the cost of constructing public infrastructure, including two schools and a fire station; and

WHEREAS, from the formation of Community Facilities District No. 5 (RiverPark) of the City of Oxnard (hereafter "CFD No. 5"), CFD No. 5 imposed assessments of about \$1.6 million a year that went toward funding part of the cost of staffing the City fire station location within RiverPark; and

WHEREAS, while the formation documents for CFD No. 5 authorize payments for a range of services (including fire protection and suppression services), the property owners within CFD No. 5 were unique within the City of Oxnard in that they have paid both for the cost of constructing the RiverPark fire station and for the cost of funding most of the staffing costs for the firefighters based at this fire station; and

WHEREAS, at its June 29, 2021 meeting, the City Council (acting as the legislative body for CFD No. 5) voted to reduce the amount of money that CFD No. 5 paid to the General Fund for Fire Protection Services from \$1,670,520 to zero -- thus eliminating the portion of the CFD assessment that went toward the cost of the firefighters at the RiverPark fire station; and

WHEREAS, the elimination of this cost for Fire Protection Services (along with a reduction of \$400,000 for on-call and contingency costs) resulted in the special taxes for CFD No. 5 for fiscal year 2021/22 being reduced from \$5,050,134 to \$2,987,496; and

WHEREAS, while the City Council (acting in its role as legislative body for CFD No. 5) has indicated that it does not intend to reimpose the Fire Protection Services funding obligation on CFD No. 5 in the future, the City Council wishes to impose specific obligations that must be followed in the event that a future City Council (acting as the legislative body for CFD No. 5) wishes to consider imposing such funding obligation in the future.

NOW, THEREFORE, the City Council of the City of Oxnard, acting in its capacity as the legislative body of CFD No. 5, does hereby find, resolve, determine and order as follows:

SECTION 1. The foregoing recitals are adopted as the findings of the City Council of the City of Oxnard, acting in its capacity as legislative body of CFD No. 5, as though fully set forth herein.

SECTION 2. CFD No. 5 may not reimpose the funding obligation on CFD No. 5 for Fire Protection Services unless and until all of the following actions have occurred:

A. CFD No. 5 provides written notice to all property owners within CFD No. 5 of its intention to reinstate CFD No. 5's funding of the Fire Protection Services; and

B. The City Council (acting as the legislative body for CFD No. 5) adopts a resolution indicating its intention to reinstate the CFD No. 5's funding of the Fire Protection Services; and

C. The City Council (acting as the legislative body for CFD No. 5) adopts by separate resolution a proposed budget that specifically includes a budgetary line item for CFD No. 5 to pay for Fire Protection Services.

Unless and until these specific actions have occurred, the CFD No. 5 may not reimpose the obligation on the property owners within CFD No. 5 to pay for Fire Protection Services.

PASSED AND ADOPTED THIS 19th day of October 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John Zaragoza, Mayor of the City Council
of the City of Oxnard, acting on behalf of
Community District No. 5 (RiverPark) of
the City of Oxnard

ATTEST:

Rose Chaparro, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney