

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



AGENDA
OXNARD CITY COUNCIL
PUBLIC WORKS AND TRANSPORTATION COMMITTEE
Council Chambers, 305 West Third Street
November 22, 2022
Regular Meeting - 8:30 to 10:00 PM

Zoom details to call-in for public comment during a meeting:

- 1. Dial Phone Number: (888) 475-4499**
- 2. Enter Meeting ID: 858 0921 9915**
- 3. Passcode: 947221**

If you wish to speak during public comments or a particular item on the agenda, please sign-on by following the zoom calling in steps listed above. Once the presiding officer calls for public speakers, **press *9 to raise your hand to inform the City Clerk you would like to speak during the public speaking section for that particular item on the agenda, while in the zoom waiting room.**

IN ACCORDANCE WITH ASSEMBLY BILL 361 AND IN RESPONSE TO THE DECLARED STATE AND LOCAL EMERGENCIES DUE TO THE NOVEL CORONAVIRUS, THE LEGISLATIVE BODY WILL MEET IN-PERSON AND REMOTELY. TO PARTICIPATE REMOTELY VISIT WWW.OXNARD.ORG.

To find out how you may provide public comment, please refer to the instructions below or at [www.https://www.oxnard.org/city-meetings/](https://www.oxnard.org/city-meetings/).

The public may 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. ATTEND THE MEETING AT THE LOCATION LISTED ABOVE: Submit a speaker card to the City Clerk.
2. EMAIL COMMENTS OR SIGN UP TO SPEAK REMOTELY BEFORE THE MEETING
 - a. Submit a request to speak remotely by no later than 3 p.m. on the day of the meeting by using the form available at www.oxnard.org/citymeetings.
 - b. Submit an email to cityclerk@oxnard.org no later than 3 p.m. on the day of the meeting (indicate the agenda item number in the subject line). All email correspondence will be forwarded to the legislative body prior to the start of the meeting and made part of the legislative record.
 - c. Contact the City Clerk's Office at (805) 385-7803 to submit your request.
3. PROVIDING PUBLIC COMMENTS REMOTELY DURING THE MEETING

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 include: (Minutes for Presentation + Council Discussion + Public Comment)

- a. To provide public comment during the meeting dial (888) 475-4499 and enter the Meeting ID and Passcode listed above as the Zoom details for this meeting. When the presiding officer announces the particular item on the agenda you want to speak on, **press *9 to raise your hand** while in the zoom waiting room. Once called on, **press *6 to unmute** your phone.
- b. Public comments on agenda items will be taken following the announcement of the item. After the item is announced, members of the public may register or otherwise be recognized for the purpose of providing public comment.

Please review the Zoom instructions on the registration page to help ensure there are no technical difficulties during your comments and help you understand public comment procedures using Zoom. 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 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, FLAG SALUTE

B. 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.

C. CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Public Works & Transportation Committee approve the minutes of the October 25, 2022 regular meeting as presented.

Contact: Rose Chaparro, (805) 385-7805

D. REPORTS

1. Public Works Department

SUBJECT: Water Cost of Service Report. (10 minutes)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council receive and file the Water Cost of Service Report.

(This item is categorically exempt from the California Environmental Quality Act pursuant to 14 C.C.R. § 15306)

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/KXaPHhp40VE>

Contact: Michael Wolfe, (805) 385-8055

2. Public Works Department

SUBJECT: Sewer Use Agreement A-8503 between City of Oxnard and Channel Islands Beach Community Services District. (10 Minutes)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute an Agreement with Channel Islands Beach Community Services District, for a ten-year term ending December 31, 2033, for a new Sewer Use Agreement (SUA).

(This item is not subject to the California Environmental Quality Act pursuant to Pub. Res. Code § 21080(b)(1) in conjunction with 14 C.C.R. § 15268).

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/FJhr5o5MXUk>

Contact: Michael Wolfe, (805) 385-8055

3. Public Works Department

SUBJECT: Agreement 32300052 with Garcia's Landscaping Maintenance, Inc. for On-Call Grid Pruning Services, Specification No. PW 23-38. (10 Minutes)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute an Agreement with Garcia's Landscaping Maintenance, Inc. in the amount not to exceed \$4,000,000 for a three-year term for On-Call Grid Pruning Services, Specification No. PW 23-38.

(This item is categorically exempt from the California Environmental Quality Act pursuant to 14 C.C.R. § 15301(h)).

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

Contact: Michael Wolfe, (805) 385-8055

4. Public Works Department

SUBJECT: Agreement 32300084 with Garcia's Landscaping Maintenance, Inc. for On-Call Tree Maintenance Services, Specification No. PW 23-39. (10 minutes)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council approve and authorize an Agreement with Garcia's Landscaping Maintenance, Inc. in the amount not to exceed \$4,000,000 for a three year term for On-Call Tree Maintenance Services.

(This item is categorically exempt from the California Environmental Quality Act pursuant to 14 C.C.R. § 15301(h)).

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

Contact: Michael Wolfe, (805) 385-8055

5. Public Works Department

SUBJECT: Professional Services Agreement No. 32300020 with Raftelis Financial Consultants, Inc. for a Wastewater and Environmental Resources Rate Study. (10 Minutes)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute a Professional Services Agreement with Raftelis Financial Consultants, Inc. (Raftelis), in the amount not to exceed \$275,000 for a term ending June 30, 2024, for a cost of service analysis and rate study for the Wastewater and Environmental Resources Divisions.

(This item is not subject to the California Environmental Quality Act pursuant to Pub. Res. Code § 21080(b)(1) in conjunction with 14 C.C.R. § 15268).

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/l5hDAiP6CXE>

Contact: Michael Wolfe, (805) 385-8055

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT



**PUBLIC WORKS AND TRANSPORTATION COMMITTEE
AGENDA REPORT**

**CONSENT AGENDA
AGENDA ITEM NO. C.1**

DATE: November 22, 2022
TO: Public Works and Transportation Committee
FROM: Rose Chaparro, City Clerk, (805) 385-7805, rose.chaparro@oxnard.org
SUBJECT: Approval of Minutes.

RECOMMENDATION

That the Public Works & Transportation Committee approve the minutes of the October 25, 2022 regular meeting as presented.

BACKGROUND

Approval of Minutes.

STRATEGIC PRIORITIES

This agenda item is a routine operational item.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Rose Chaparro, City Clerk

ATTACHMENTS

1. MINUTES 10 25 2022 Public Works & Transportation

MINUTES
OXNARD CITY COUNCIL
PUBLIC WORKS & TRANSPORTATION COMMITTEE
October 25, 2022

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 8:34 p.m., Chair Bert E. Perello called to order the regular meeting of the Oxnard City Council Public Works & Transportation Committee 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. Member John C. Zaragoza and Chair Bert E. Perello were present in person.

Staff members Alexander Nguyen, City Manager; Michelle (Elle) McCarron, Assistant City Attorney; Michael Wolfe, Public Works Director; Brian Yanez, Assistant Public Works Director; Joseph Marcinko, Assistant Public Works Director; Jose Arreola, Fleet Services Manager; Dee Lai, Assistant City Clerk and Rose Chaparro, City Clerk were also present in person.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA (None received.)

C. CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Public Works & Transportation Committee approve the minutes of the October 11, 2022 regular meeting as presented.

It was moved by Member Zaragoza, seconded by Chair Perello, to approve the meeting minutes as presented. VOTE: Perello and Zaragoza voted in favor, the motion carried 2-0.

D. REPORTS

1. Public Works Department

SUBJECT: Approve Purchase Order with WEX Bank for the Fleet Fuel Card Program. (10 minutes)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute a Purchase Order with WEX Bank in an amount not to exceed \$8,800,000 for a two year term for Fuel Cards.

Jose Arreola, Fleet Services Manager presented and answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Zaragoza, seconded by Chair Perello, to approve the recommended action as presented. VOTE: Perello and Zaragoza voted in favor; the motion carried 2-0.

2. Public Works Department

SUBJECT: Approve Purchase Order with Fleet Services, Inc. for Medium and Heavy Duty Equipment Parts and Supplies. (10 minutes)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Purchasing Agent to establish a Purchase Order with Fleet Services, Inc. in an amount not to exceed \$750,000 for a three-year term, with two one

year extensions upon agreement by both parties, beginning December 1, 2022 and ending November 30, 2025, for medium and heavy duty equipment parts and supplies.

Jose Arreola, Fleet Services Manager presented and answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Chair Perello, seconded by Member Zaragoza, to approve the recommended action as presented. VOTE: Perello and Zaragoza voted in favor; the motion carried 2-0.

3. Public Works Department

SUBJECT: First Amendment to Trade Services Agreement 9547-22-PW with Powers Bros. Machine, Inc., and a Second Amendment to Trade Services Agreement 9548-22-PW with All-Safe Electric, Inc. for On-Call Pump and Motor Repair Services. (10 minutes)

RECOMMENDATION: That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute the following on-call pump and motor repair services for the Water and Wastewater Divisions:

1. A First Amendment to Trade Services Agreement 9547-22-PW with Powers Bros. Machinery, Inc., to increase the not to exceed amount from \$100,000 to \$450,000 and to extend the term to February 29, 2024; and
2. A Second Amendment to Trade Services Agreement 9548-22-PW with All-Safe Electric, Inc., to increase the not to exceed amount from \$200,000 to \$450,000 and to extend the term to February 29, 2024.

Joseph Marcinko, Assistant Public Works Director presented and answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Zaragoza, seconded by Chair Perello, to approve the recommended action as presented. VOTE: Perello and Zaragoza voted in favor; the motion carried 2-0.

E. ITEMS FOR FUTURE AGENDAS (No requests were made.)

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Perello adjourned the meeting at 9:11 p.m.

ROSE CHAPARRO

City Clerk

BERT E. PERELLO

Chair



PUBLIC WORKS AND TRANSPORTATION COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.1

DATE: November 22, 2022

TO: Public Works and Transportation Committee

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Water Cost of Service Report. (10 minutes)

RECOMMENDATION

That the Public Works and Transportation Committee recommend that the City Council receive and file the Water Cost of Service Report.

(This item is categorically exempt from the California Environmental Quality Act pursuant to 14 C.C.R. § 15306)

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/KXaPHhp40VE>

BACKGROUND

The City of Oxnard's Water Division serves residential, commercial, industrial, institutional and agricultural customers. As the largest city in Ventura County, the City serves potable water to more than 43,000 service connections. Approximately 85% of those services are single and multi-family residential.

The Water Division is responsible for operating and maintaining water production, treatment facilities, blending stations and a distribution system to deliver potable water to City customers. Approximately 30-40% of the City's water supply is imported water purchased from the Metropolitan Water District of Southern California provided by the Calleguas Municipal Water District (CMWD). Approximately 30-40% of the water supply is Oxnard groundwater pumped by the United Water Conservation District (UWCD). The remaining water supply is produced by the City's groundwater wells and treated by reverse osmosis or blended and disinfected before entering the City distribution system. Finally, The City has an Advanced Water Purification Facility (AWPF) that produces recycled water sold to agricultural, industrial and the golf course as customers.

The City's water system includes: ten groundwater wells, five connections from the United Water Conservation District, one connection from the Calleguas Municipal Water District, one reverse osmosis treatment plant, six blending stations, over 500 miles of transmission and distribution pipelines, 43,000 Meters and Appurtenances and a network of remote pressure monitoring stations.

The Public Works and Transportation Committee (PWTC) requested that the Public Works Department provide various reports related to Water, Recycled Water, and Wastewater. Specifically for Water, the PWTC desired information on a Water Division virtual tour, Oxnard's water sources and drought updates, the cost of water, the Urban Water Management Plan, and recycled water. This report is an update about the cost of water per the

PWTC's request that relates to the long-term future of Oxnard's water supply.

DISCUSSION

As a separate enterprise fund, the water utility relies mainly on revenues paid through customer water and recycled water rates to fund daily operations and maintenance, repairs, capital improvements to renew and replace aging infrastructure, debt service payments and appropriate reserves. The Oxnard community owns its water system. Its financial health is an important responsibility shared between our customers, community leaders and staff. Providing a safe and reliable water supply for public health and safety is the utmost priority.

Budget

The financial costs of the City's water utility include the purchase of water supply, current operating expenses, debt service payments on bonds used to pay for major investments in system facilities and equipment, and other financial requirements established by the City to ensure the financial integrity and sustainability of the water utility. The following budget estimates were based on FY 2022-23 approved budget appropriations and projected future budgets:

Table 1.

Water Utility Funds	FY 2022-23 Budget
Total Revenues	\$ 68,127,319
Total Expenditures	\$ 68,008,769
Net Revenue (deficit)	\$ 118,550
Bonds	\$ 6,525,000
Capital Improvement Projects	(\$ 17,104,500)
Estimated Beginning Fund Balance (unaudited/preliminary)	\$ 23,447,964
Estimated Ending Fund Balance	\$ 12,987,014

Operating expenditures include the costs of day-to-day utility operations, maintenance and repair functions including professional services, energy and fuel, process water requirements, purchased water, laboratory supplies and equipment, information and monitoring systems, and indirect costs associated with utility administration and finance. Aging infrastructure, rising costs of water acquisition and operating supplies,

tightening local groundwater supplies, and increasing regulations are some of the biggest challenges facing the water division today. The following table represents the share of the total water acquisition costs when compared to the overall expenditure budget:

Table 2.

Water Supply Acquisition Cost				
Fiscal Year	United Water	Calleguas	Groundwater*	Share of total expenditures
2019-20**	\$4,853,083	\$16,148,692	\$1,979,726	46.9%
2020-21**	\$5,529,599	\$14,643,551	\$2,444,933	44.3%
2021-22**	\$7,670,622	\$16,969,219	\$911,460***	52.34% (est.)
2022-23	\$7,100,000 (est.)	\$18,000,000 (est.)	\$2,400,000 (est.)	40.52% (est.)
2023-24	\$7,455,000 (est.)	\$18,900,000 (est.)	\$2,400,000 (est.)	42.37% (est.)
2024-25	\$7,827,750 (est.)	\$19,845,000 (est.)	\$2,400,000 (est.)	44.31% (est.)

* Does not include costs for operating and maintaining the groundwater production wells.

** Actual final expenditure figures

***Only partial fees were paid due to system issues with Fox Canyon's reporting portal

Electricity rates continue to increase year after year. Electricity usage is necessary to operate our desalter facility, blending stations, and the numerous pieces of equipment necessary for treatment processes. The following table provides historical rate data for electricity:

Table 3.

Electricity	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Per kWh (cents)	12.0	11.9	12.7	13.4	14.6 (est.)

Another major component of our operating and maintenance costs is labor. The California State Water Resources Control Board mandates that water systems utilize only State Certified Operators to operate and maintain water treatment and water distribution systems. The level of certification required by the State is based on the complexity of the water system with 1 being the lowest in complexity and 5 being the most complex. Oxnard's water treatment, advanced water treatment and water distribution systems are all currently rated by the State at a level 4.

Highly knowledgeable, trained and certified water staff are critical in providing safe and reliable drinking water to our community. Recruiting and retaining skilled operators is critical to our operations and essential in meeting permit requirements from the State. The following table provides some historical data on labor costs:

Table 4.

Drinking Water Recycled Water Operating Labor Costs			
Fiscal Year	Labor Costs	# of Full-time Equivalent Positions	Share of total expenditures

2019-20	\$6,715,168	57.50	13.71%
2020-21	\$7,358,329	68.50*	14.42%
2021-22	\$9,605,431 (est.)	69.50*	19.67% (est.)

*Number includes AWP FTEs not part of FY 2019-20 number

Capital Improvement Projects

The City plans to make necessary investments in water utility capital improvements, including the renewal, replacement, improvement and expansion of capital facilities and infrastructure to meet current and future system needs. Some of the major capital improvement projects include:

- Automated Metering Infrastructure - \$30,000,000 (estimated)
- Kamala and Hobson Cast Iron Replacement - \$16,000,000 (estimated)
- Calleguas Distribution Pipeline - \$60,000,000 (estimated)
- New Wells - \$11,400,000 (estimated)
- Desalter Facility Improvements - \$11,000,000 (estimated)
- SCADA Improvements - \$2,500,000 (estimated)
- Blending Station Improvements - \$1,150,000 (estimated)

Current Water Rate Comparison

The following tables provides a comparison of what an average single family or multi-family unit would pay for consumption of 12 units of water (hundred cubic feet of water per unit):

Table 5. Single Family (¾ inch meter)

Single Family (¾ inch meter)	Oxnard	Ventura	Camarillo	Port Hueneme	Thousand Oaks
Water bill	\$65.63	\$69.53	\$52.03	\$104.13	\$89.50

Table 6. Multi-Family (¾ inch meter)

Multi-Family (¾ inch meter)	Oxnard	Ventura	Camarillo	Port Hueneme	Thousand Oaks
Water bill	\$69.79	\$74.58	\$52.03	\$107.88	\$89.50

Supply and Demand

Depending upon the overall customer demand, the City of Oxnard acquires 30% to 40% of its water supply from groundwater that is pumped from City wells. Fees are paid to Fox Canyon Groundwater Management Agency and UWCD on a per-acre basis. On an annual basis, the City currently has an allocation of 7,358 acre feet of groundwater (amounts pumped above this allocation would result in penalties). The following table provides historical information on the standard fees that are paid for groundwater:

Table 7.

Groundwater Fees	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Overall % Change
Fox Canyon (per AF)	\$12.50	\$12.50	\$17.00	\$40.00	\$40.00	104.7%
United (per AF)	\$209.55	\$215.84	\$272.92	\$319.60	\$319.60	41.6%

It should be noted that the above costs are only the fees paid to the GMA. The overall per acre foot cost to produce direct disinfected groundwater is \$582, which includes operations and maintenance costs. The overall cost to produce one acre foot of treated and desalted groundwater is \$1,268, when factoring in operation and maintenance costs. Disinfected groundwater is groundwater that is treated and can be sent directly to our customers or blended with our other sources. The key difference between disinfected and desalted groundwater is that desalted water is well water that is extracted from specific wells that are high in total dissolved solids and then processed at our desalter facility to produce ultrapure water, which is also known as permeate water.

In addition to groundwater pumped through City owned wells, UWCD also pumps 30% to 40% of the City's water for us. The overall cost, that includes operation and maintenance costs, for UWCD to pump one acre foot of the City's water is \$881, which also includes well replacement fees. The City can currently purchase up to 8,669 acre feet of water pumped by UWCD, but additional water can be purchased at a significantly higher cost. The following table provides the historical costs from UWCD to pump our water:

Table 8.

UWCD	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Overall % Change
Variable Rate (per AF)	\$528.65	\$534.94	\$537.44	\$555.55	560.16	5.7%
Fixed Rate (annual)	\$556,890	\$525,329	\$805,299	\$740,778	800,484	35.8%

The City acquires the remaining 30% to 40% of its water supply from CMWD, which provides water from the State Water Project. The overall cost, including operation and maintenance costs, to utilize one acre foot of CMWD water is \$1,667. Due to the current drought, water supplies from the State Water Project have been impacted. At this time, the City's allocation of State water supplies has been calculated by demand shaping, which adjusts the quantity based on seasonality and anticipated demand pattern. The quantity available to Oxnard is 1,233, 771, and 605 acre feet for the months of October, November, and December, respectively. Any additional water supplies acquired would result in penalties on a per-acre basis. The following table provides historical information on CMWD water rates:

Table 9.

CMWD	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Overall % Change
Variable Rate (per AF)	\$1,375	\$1,423	\$1,472	\$1,507	\$1,561	12.7%
Fixed Rate (annual)	\$1,553,868	\$1,424,868	\$1,522,140	\$1,493,688	\$1,720,825	10.2%

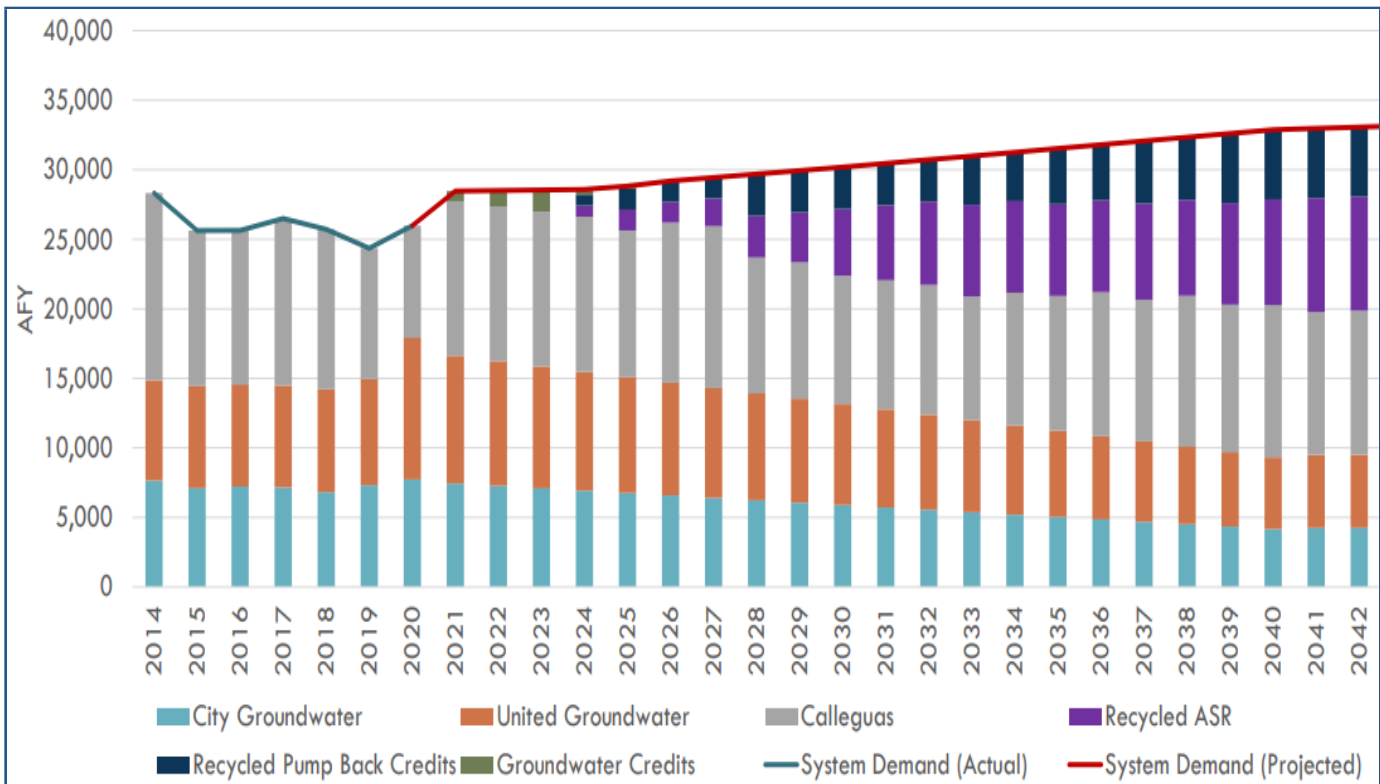
In the next five years, the City expects demands to increase by approximately 1,600 AFY from current conditions. This increase is based on normal year conditions; current 2022 use is likely lower than typical unconstrained demand as many of the City's residents continue to conserve water during this latest drought. Future demands may be impacted by population growth, climate change, and commercial customer needs.

Table 10.

USE TYPE	ADDITIONAL DESCRIPTION	PROJECTED WATER USE, AFY				
		2025	2030	2035	2040	2045
Single Family		9,939	10,091	10,266	10,436	10,604
Multi-Family		4,067	4,128	4,200	4,269	4,339
Commercial		4,215	4,279	4,354	4,425	4,497
Industrial		2,507	2,545	2,590	2,632	2,675
Landscape		3,282	3,331	3,390	3,445	3,501
Agricultural irrigation		1,221	1,239	1,261	1,281	1,302
Other	Fire Hydrant	35	35	36	37	37
Losses		2,636	2,676	2,723	2,768	2,813
Sales/Transfers/Exchanges to Other Agencies	Wheeled to PHWA	917	1,857	2,704	3,581	3,581
TOTAL:		28,819	30,181	31,524	32,874	33,349

The following graph provides projections by supply through 2042 which accounts for projected drought cycles:

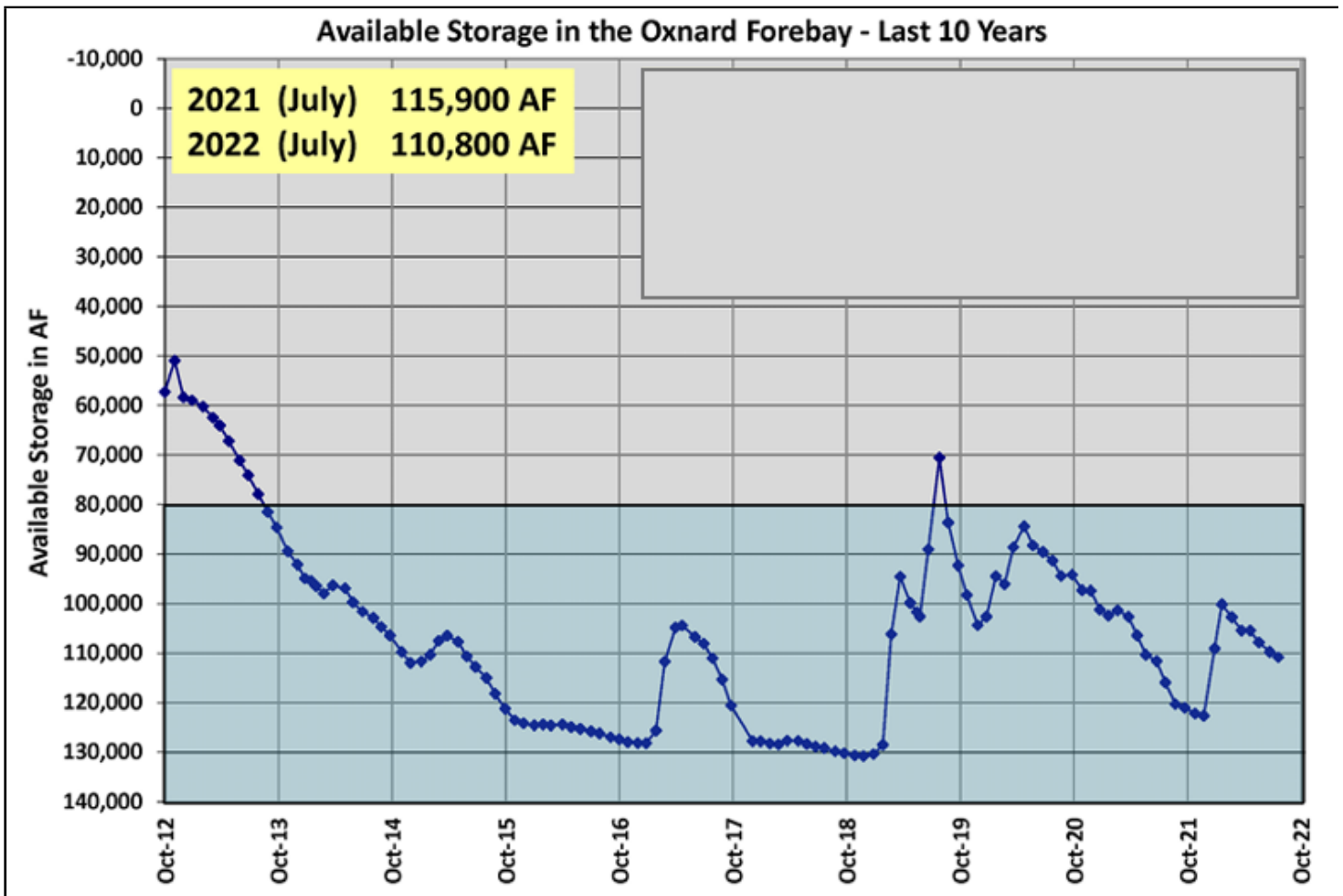
Graph 1.



Oxnard Basin and State Water Project Conditions

Due to factors such overpumping and the ongoing drought, the groundwater basins in this area managed by the GMA have been steadily deteriorating. The basin condition is determined by the amount of available storage in the basin. When the basin levels are low, there is more storage available and that means the basin is not being replenished from rain events, percolation or other methods of groundwater recharge. The rainy season in 2019 resulted in available storage of approximately 70,000 acre feet. The most recent study of the basin in July 2022 shows that the basin storage is now at 110,800 acre feet. The graphs below provides historical information of the basin from 2012 to 2022 available from United Water Conservation District:

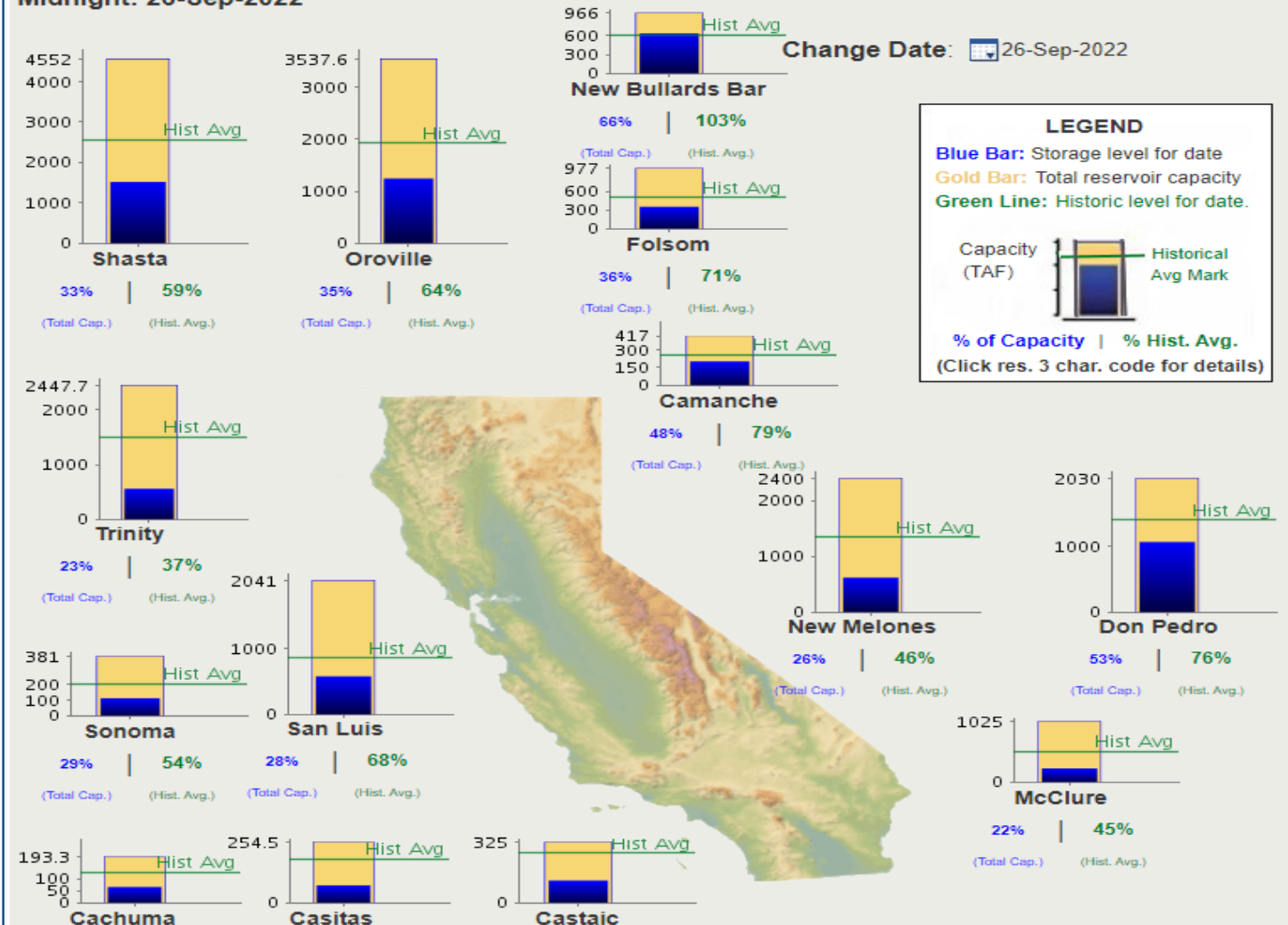
Graph 2.



The current drought has also greatly impacted California's State Water Project (SWP) supplies. The SWP utilizes reservoirs to store water for future use during drought periods. The latest update from the SWP is provided below:

CURRENT CONDITIONS: MAJOR WATER SUPPLY RESERVOIRS:26-SEP-2022

Midnight: 26-Sep-2022



Planning for the future

The City of Oxnard is committed to delivering a safe and reliable drinking water supply today and for future generations. City Council support for investments in the City's water system have provided a solid foundation for success; however, there are many challenges in the future for which Oxnard and much of the western United States must prepare. The following is an analysis of the City's Strengths, Weaknesses, Opportunities, and Threats:

Strengths:

- Groundwater Recovery Enhancement and Treatment (GREAT) program - Combines wastewater recycling and reuse; groundwater injection, storage, and recovery; and groundwater desalination to provide water supply solutions
- Five-year Capital Improvement Plan for water infrastructure totals over \$110 million
- Recently adopted the 2020 Urban Water Management Plan which provides planning for Oxnard to be resilient, liveable, productive, and sustainable
- Updated Water Shortage Contingency Plan that provides the foundation for a staged response to worsening water shortage conditions during a drought

Weaknesses:

- Upcoming water regulatory changes from the State for water use efficiency standards
- Implementation timelines for regulatory changes
- Future staffing challenges due to reduced certified operator pool
- Water rates last reviewed in 2017 with adjustments implemented September 2017 and January 2018; minor adjustment due to Infrastructure Use Fee reduction implemented September 2021

Opportunities:

- Construct Aquifer Storage and Recovery well and demonstrate recycled water injection
- Develop an Indirect Potable Reuse program with recycled water
- Store State Water Project supplies during wet years (Conjunctive Use)
- Conduct a cost of service study to determine future costs (capital and O&M)
- Design future rates to ensure each rate class pays its fair share of the utility's costs

Threats:

- Challenges from climate change have created more enduring droughts which impact our water supply
- Aging infrastructure and demand on the water system creates operational issues
- Global supply chain is impacting the ability to purchase necessary supplies to maintain the water system
- Rising costs industry wide will strain financial resources

CONCLUSION

The City of Oxnard has made and will continue to make investments into the water system to ensure the delivery of safe and reliable drinking water supply for generations to come. In order to ensure future success, the City must be prepared to continue investing in our water system, meet State and Federal regulatory standards, obtain the necessary infrastructure and permitting for use of our recycled water, and address the challenges from climate change and rising costs that many water systems in the United States are facing.

Our current 5-Year Capital Improvement Program (CIP) lays out the immediate infrastructure projects needed to continue delivering high-quality water to our community. This CIP provides a roadmap on how the City will build water resiliency during drier periods and times of drought to help maintain a safe and secure water supply.

As part of the GREAT program, the City has the goal of utilizing recycled water as another water source for the potable water system. Completion of the Aquifer Storage and Recovery (ASR) well is a critical component for the future. The most challenging aspect of this project will be in obtaining State regulatory approvals to use the ultrapure recycled water for blending with other City water resources and utilized for potable reuse.

Climate change continues to impact our environment, specifically by causing erratic drought cycles. Drought impacts continue to cause water supply shortages and revenue shortfalls. In addition, rising costs of water acquisition and operating supplies, as outlined above, are straining the financial security of the water funds. Securing a reliable water supply requires long and short term project planning for drought resiliency and a financially secure operating budget to face these challenges.

Preparing today for creating a more secure and reliable water system is critical in meeting the current public health and safety needs of our community and maintaining it for the future generations in Oxnard's tomorrow.

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 financial impact in receiving this report.

Prepared by: Joseph Marcinko, Assistant Public Works Director

ATTACHMENTS

1. Presentation

Water Cost of Service Report

Public Works and Transportation Committee
November 22, 2022

City Council
December 20, 2022

Joseph Marcinko
Assistant Public Works Director

FOR PUBLIC WORKS AND TRANSPORTATION MEETING:

That the Public Works and Transportation Committee recommend that the City Council receive and file the Water Cost of Service Report.

FOR COUNCIL MEETING:

That the City Council receive and file the Water Cost of Service Report.

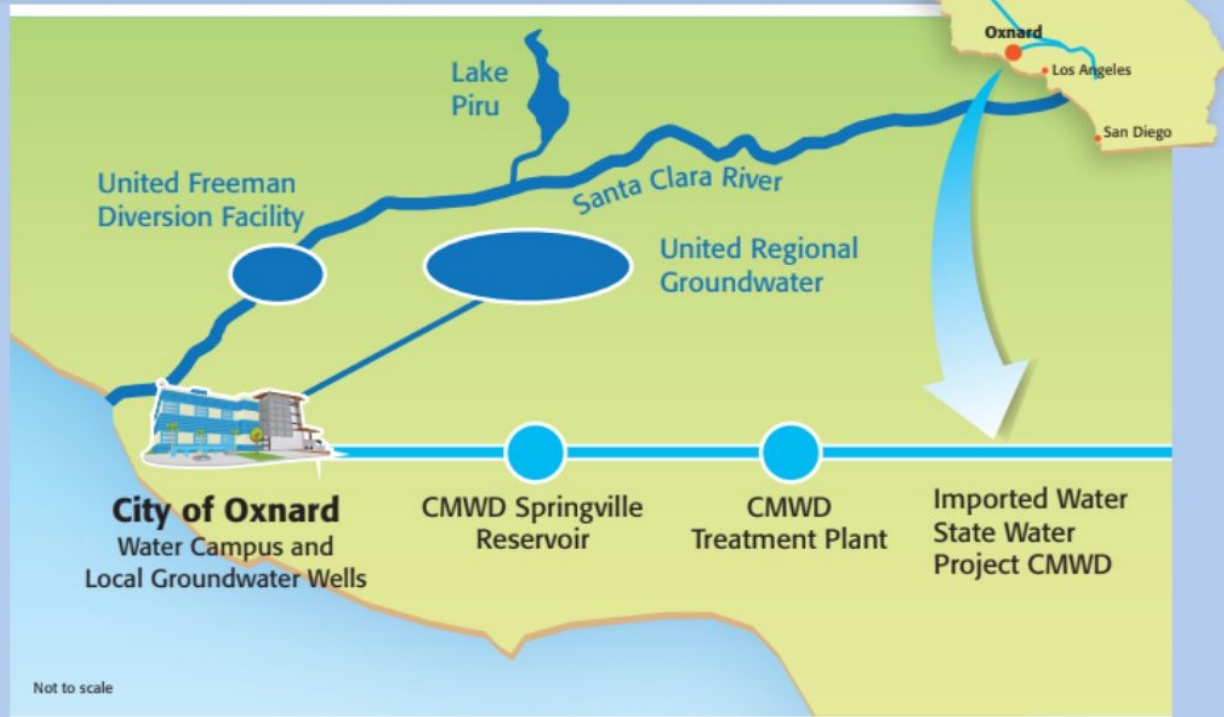
(This item is categorically exempt from the California Environmental Quality Act pursuant to 14 C.C.R. § 15306)

Oxnard's Water System includes:

- Ten Groundwater wells
- Five Interconnections to UWCD
- One Interconnection to CMWD
- One Desalter Facility
- Six Blending Stations
- >500 miles Distribution Pipelines
- 43,000 Meters and Appurtenances
- Advanced Water Purification Facility

Water Supply Map

Oxnard Water is a blend of imported water, regional groundwater, and local Oxnard groundwater.



**Imported Purchased
Surface Water (CMWD)**
30-40%



**City Pumped
Groundwater**
20-30%



**Local Purchased
Groundwater (UWCD)**
30-40%

- The Public Works & Transportation Committee in 2021 requested that the Public Works Department provide reports regarding the following water related topics:
 - Water Division Virtual Tour
 - Water Sources and Drought Updates
 - Cost of Water
 - Urban Water Management Plan
 - Recycled Water
- This report provides a cost of service analysis, which is a component of Oxnard's future long-term plans for water

- Water Operating Budget is Funded from Ratepayers Fees
- Water Revenues Cover:
 - Operations
 - Maintenance
 - Repairs
 - Debt Service
 - Capital Improvements
 - Cash Reserves

Water Utility Funds	FY 2022-23 Budget
Total Revenues	\$ 68,127,319
Total Expenditures	\$ 68,008,769
Net Revenue (deficit)	\$ 118,550
Bonds	\$ 6,525,000
Capital Improvement Projects	\$ (17,104,500)
Beginning Fund Balance	\$ 23,447,964
Ending Fund Balance	\$ 12,987,014

- Water acquisition: one of the largest expenditures
- Water acquisition in FY 2022-23 is estimated at 41% of the budget

Water Supply Acquisition Cost				
Fiscal Year	United Water	Calleguas	Groundwater*	Share of total expenditures
2019-20**	\$4,853,083	\$16,148,692	\$1,979,726	46.92%
2020-21**	\$5,529,599	\$14,643,551	\$2,444,933	44.33%
2021-22**	\$7,670,622	\$16,969,219	\$911,460***	52.34% (est.)
2022-23	\$7,100,000 (est.)	\$18,000,000 (est.)	\$2,400,000 (est.)	40.52% (est.)
2023-24	\$7,455,000 (est.)	\$18,900,000 (est.)	\$2,400,000 (est.)	42.37% (est.)
2024-25	\$7,827,750 (est.)	\$19,845,000 (est.)	\$2,400,000 (est.)	44.31% (est.)

* Does not include costs for operating and maintaining the groundwater production wells.

** Actual final expenditure figures

***Only partial fees were paid due to system issues with Fox Canyon's reporting portal

- Electricity costs have been increasing in recent years:

Electricity	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Per kWh (cents)	12.0	11.9	12.7	13.4	14.6 (est.)

- Labor required to maintain State-required staffing has increased in cost:

Drinking Water & Recycled Water Operating Labor Costs			
Fiscal Year	Labor Costs	# of Full-time Equivalent Positions	Share of total expenditures
2019-20	\$6,715,168	57.5	13.7%
2020-21	\$7,358,329	68.5*	14.4%
2021-22	\$9,605,431 (est.)	69.5*	19.7% (est.)

*Number includes AWPFF FTEs not part of FY 19/20 number

- Automated Metering Infrastructure - **\$30 M** (estimated)
- Cast Iron Pipe Replacement - **\$16 M** (estimated)
- Calleguas Distribution Pipeline - **\$60 M** (estimated)
- New Wells - **\$11.4 M** (estimated)
- Desalter Facility Improvements - **\$11 M** (estimated)
- SCADA Improvements - **\$2.5 M** (estimated)
- Blending Station Improvements - **\$1.15 M** (estimated)

- Cost comparison for 12 HCF (hundred cubic feet) of water
- Average water bill for single family and multi-family water:

	Single Family	Multi-Family
Water bill	\$65.63	\$69.79

- 12 HCF is the equivalent to 8977 gallons of water

- One acre foot of Oxnard treated groundwater is \$1,268
- Includes operational expenditures to make it potable

Groundwater Fees	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Overall % Change
Fox Canyon (per AF)	\$12.50	\$12.50	\$17.00	\$40.00	\$40.00	104.7 %
United (per AF)	\$209.55	\$215.84	\$272.92	\$319.60	\$319.60	41.6 %

- One acre foot of UWCD treated groundwater is \$881
- Includes operational expenditures to make it potable

UWCD	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Overall % Change
Variable Rate (per AF)	\$528.65	\$534.94	\$537.44	\$555.55	\$560.16	5.8%
Fixed Rate (annual)	\$556,890	\$525,329	\$805,299	\$740,778	\$800,484	35.9%

- One acre foot of surface water from CMWD is \$1667
- Includes operational expenditures to make it potable

CMWD	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Overall % Change
Variable Rate (per AF)	\$1,375	\$1,423	\$1,472	\$1,507	\$1,561	12.7%
Fixed Rate (annual)	\$1,553,868	\$1,424,868	\$1,522,140	\$1,493,688	\$1,720,825	10.2%

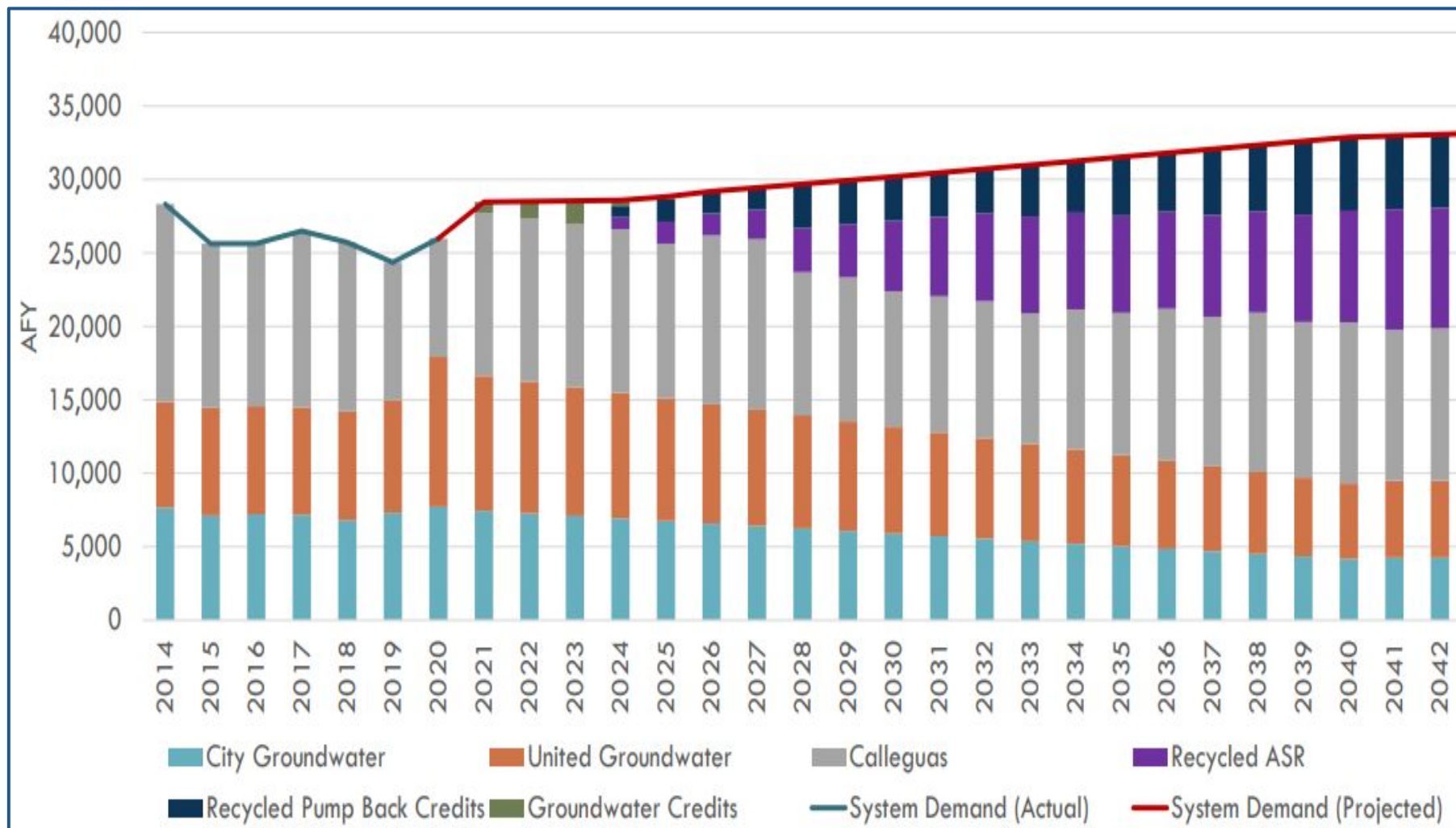
WATER SUPPLY AND DEMAND FUTURE PROJECTIONS

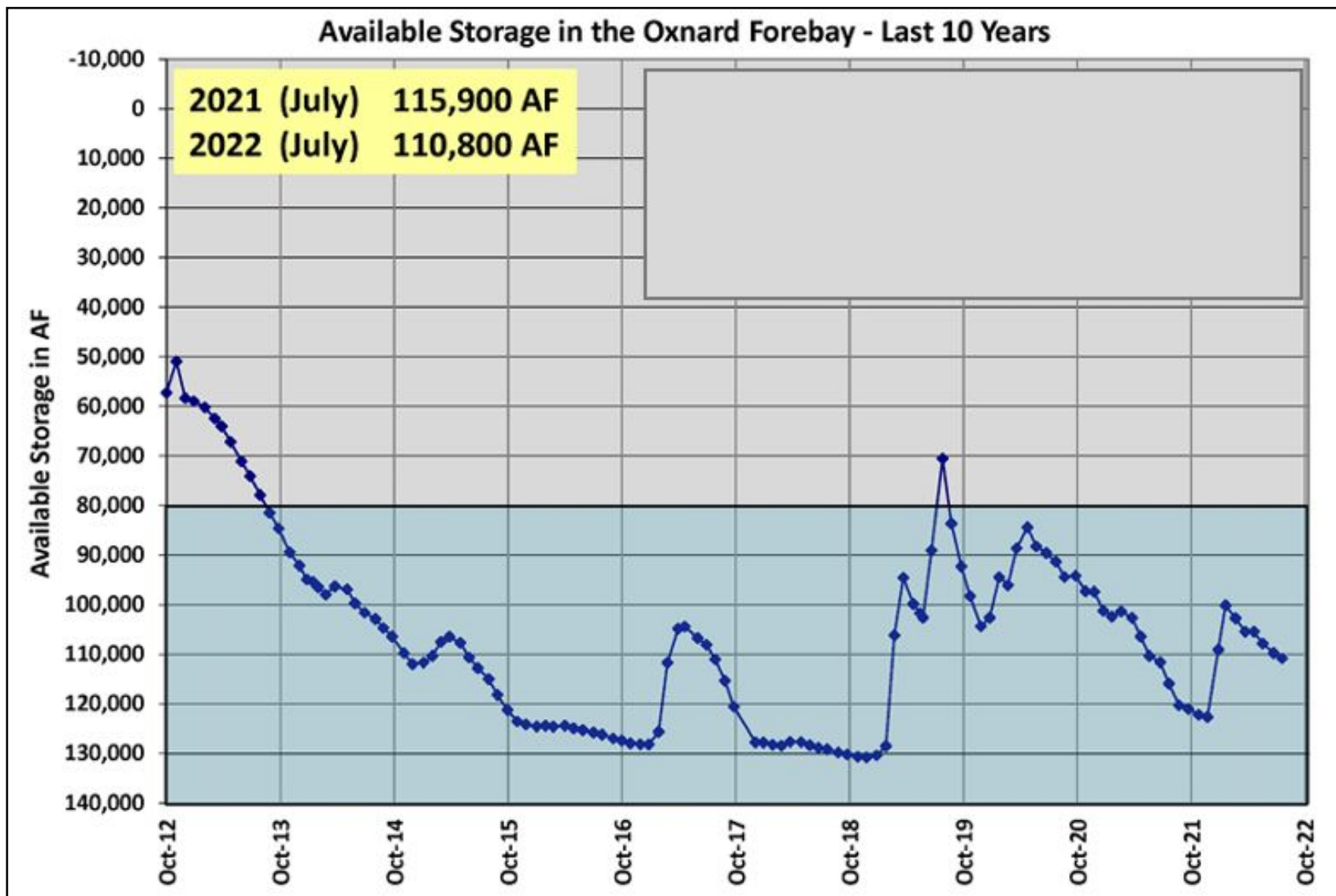
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USE TYPE	ADDITIONAL DESCRIPTION	PROJECTED WATER USE, AFY				
		2025	2030	2035	2040	2045
Single Family		9,939	10,091	10,266	10,436	10,604
Multi-Family		4,067	4,128	4,200	4,269	4,339
Commercial		4,215	4,279	4,354	4,425	4,497
Industrial		2,507	2,545	2,590	2,632	2,675
Landscape		3,282	3,331	3,390	3,445	3,501
Agricultural Irrigation		1,221	1,239	1,261	1,281	1,302
Other	Fire Hydrant	35	35	36	37	37
Losses		2,636	2,676	2,723	2,768	2,813
Sales/Transfers/Exchanges to Other Agencies	Wheeled to PHWA	917	1,857	2,704	3,581	3,581
TOTAL:		28,819	30,181	31,524	32,874	33,349

WATER SUPPLY AND DEMAND PROPORTIONAL PROJECTIONS

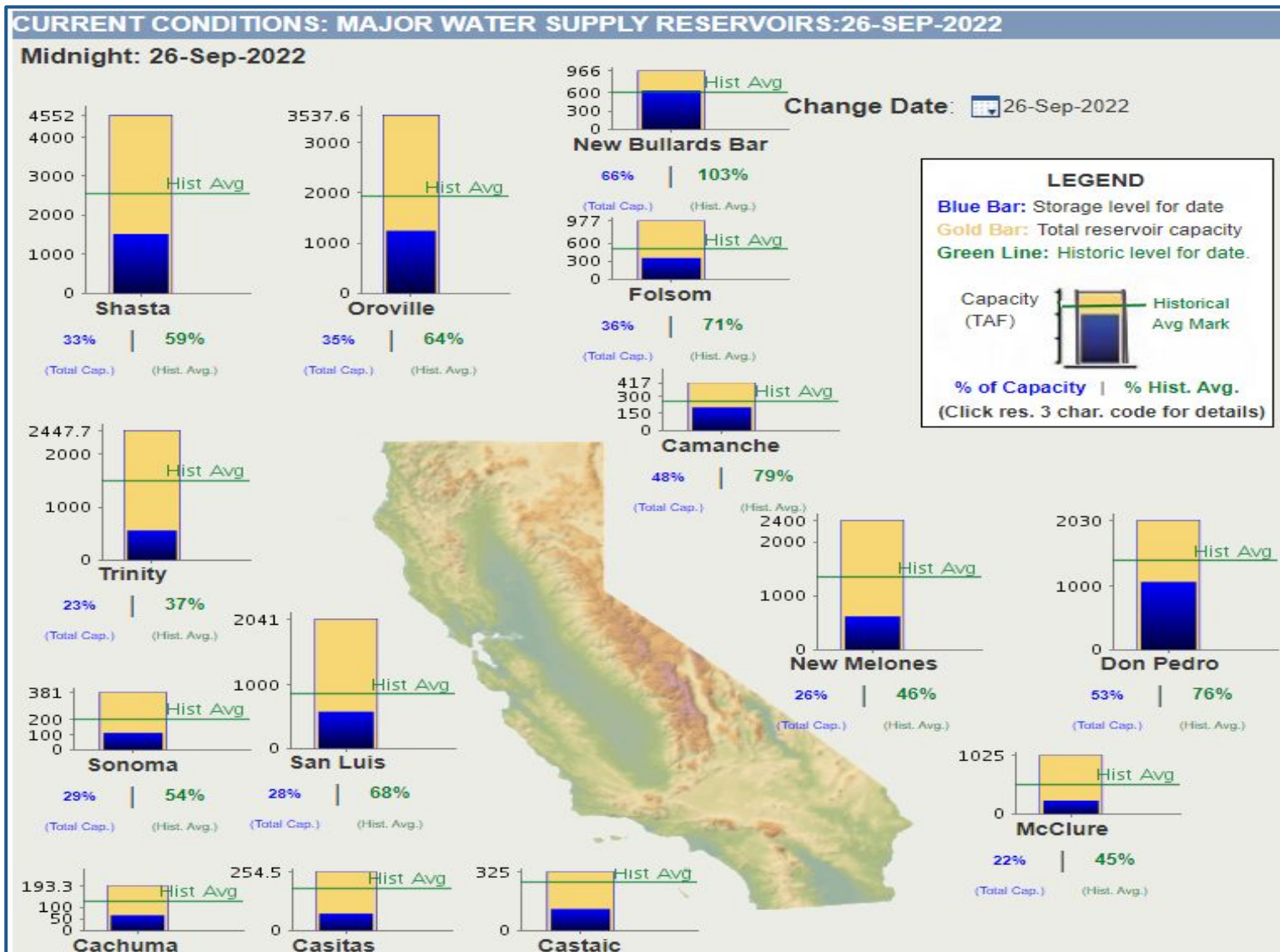
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STATE WATER PROJECT RESERVOIR STORAGE LEVELS

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Strengths

- Multiple Water Sources ‘
- GREAT Program
- Robust CIP
- Urban Water Management Plan
- Water Shortage Contingency Plan

Weaknesses

- New Regulatory Requirements
- Regulatory Timelines
- Future Staffing Levels
- Water rates last reviewed in 2017

Opportunities

- Aquifer Storage & Recovery
- Develop Indirect Potable Reuse
- Conjunctive Use
- Cost of Service Study
- Design Fair and Equitable Rates

Threats

- Climate Change (Droughts)
- Aging Infrastructure
- Global Supply Chain Issues
- Rising Equipment/Supply Costs

Outside factors continue to increase costs to provide water.

Oxnard's Water Division is always committed to:

- Delivering safe and reliable water 24 hrs/day, 365 days/yr
- Implementing 5-year capital improvement program
- Utilizing recycled water as additional water source
- Ensuring water budget is properly funded and utilized
- Preparing to handle climate change challenges
- Securing a reliable and well maintained water system
- Maintaining public health and safety for future generations

There is no direct financial impact in receiving this report.



QUESTIONS



**PUBLIC WORKS AND TRANSPORTATION COMMITTEE
AGENDA REPORT**

**REPORTS
AGENDA ITEM NO. D.2**

DATE: November 22, 2022

TO: Public Works and Transportation Committee

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Sewer Use Agreement A-8503 between City of Oxnard and Channel Islands Beach Community Services District. (10 Minutes)

RECOMMENDATION

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute an Agreement with Channel Islands Beach Community Services District, for a ten-year term ending December 31, 2033, for a new Sewer Use Agreement (SUA).

(This item is not subject to the California Environmental Quality Act pursuant to Pub. Res. Code § 21080(b)(1) in conjunction with 14 C.C.R. § 15268).

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/FJhr5o5MXUk>

BACKGROUND

The Oxnard wastewater system is a regional sewer collection and treatment system that provides wastewater services to areas outside the City including the City of Port Hueneme; Channel Islands Beach Community Services District (District); unincorporated areas of Ventura County; and two naval bases. Management and control of regional wastewater services is through individual Sewer Use Agreements (SUA). The Wastewater Division is in the process of updating the SUAs. The District SUA will be the first agreement to be updated. Their current agreement expires on December 31, 2022.

Established in 1982, the District provides water, sanitary sewer, and refuse collection services to residents within the unincorporated neighborhoods of Hollywood Beach, Hollywood-by-the-Sea, and Silver Strand. The area consists of approximately 535 acres and serves an estimated population of approximately 5,000. The District previously acquired the capacity of 0.5 Million Gallons per Day (MGD) peak day dry weather flow and 0.9 MGD peak day wet weather flow at the Oxnard Wastewater Treatment Plant (OWTP).

On July 11, 2006, the City of Oxnard approved agreement A-6680 with the District. Agreement A-6680 was amended on December 16, 2008, and July 30, 2013. On May 17, 2016, the City of Oxnard approved a new agreement (A-7864) with the District. Under agreement A-7864 both parties agreed to keep the terms and conditions set forth by predecessor Agreement A-6680, except the terms and conditions that are contrary or inconsistent to A-7864. The purpose of the agreement was to engage in good faith negotiations to finalize a new Wastewater Treatment and Transportation agreement.

On November 30, 2016, the City of Oxnard executed a first amendment to A-7864 for the purpose of extending the agreement to December 31, 2018. On February 5, 2019, the City of Oxnard executed a second amendment to A-7864 for the purpose of extending the agreement to December 31, 2020, and finally, on November 17, 2020, the City of Oxnard executed a third and final amendment to A-7864 for the purpose of extending the agreement to December 31, 2022.

DISCUSSION

Under the current agreement, the District reimburses the City for the treatment of wastewater received at the OWTP on a quarterly basis based on the Oxnard regional formula rate in Ordinance No. 2907. In return, Oxnard reimburses the District for the use and maintenance of sewer lines within their jurisdiction on a quarterly basis based on the single-family residential rate in Ordinance No. 2917. A primary goal of the new SUA is to eliminate the two-way interagency billing between Oxnard and the District. The new SUA includes a methodology to bill the District based on actual flows from the District service area. This approach will result in a single sewer bill from Oxnard to the District.

The new SUA will establish a standard agreement that includes updated provisions such as metering of all flows, identification of service districts and connection points, inclusion of pretreatment program requirements, and the basis for billing. This SUA may be extended in ten-year increments by mutual agreement of the City and District. This new agreement template has been reviewed and approved by Oxnard and District legal teams.

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

This new Sewer Use Agreement will result in an increase in annual revenue to Oxnard from the District in the range of \$250,000 to \$350,000. A range is being provided since the total actual net revenue is based upon sewer flow data received as well as lease payments from Oxnard to the District for the use of their facilities.

Prepared by: Jan Hauser, Wastewater Division Manager, Joseph Marcinko, Assistant Public Works Director

ATTACHMENTS

1. A-8503 CIBCSD SUA
2. Presentation

Sewer Use Agreement
between
City of Oxnard and
Channel Islands Beach Community Services District

This Agreement is entered into this ____ day of _____, 202__, between the City of Oxnard ("City") and Channel Islands Beach Community Services District ("the District") (hereinafter jointly referred to as the "Parties").

RECITALS

1. City owns and operates a wastewater treatment plant (OWTP), wastewater collection system, and an Advanced Water Purification Facility (AWPF) referred to as the "System".
2. The System is regulated by a National Pollution Discharge Elimination System (NPDES) permit and by Waste Discharge Regulations (WDR) and Water Reclamation Requirements (WRR).
3. Wastewater from the District is transported and treated through the System.
4. The City has received wastewater from the District since 1982 through a series of Agreements and Amendments.
5. Facilities located within the District's Service Area contribute domestic and non-domestic wastewater.
6. The District has purchased capacity at the OWTP in the amount of 0.5 million gallons per day (MGD) peak dry weather flow (PDWF) and 0.9 MGD peak wet weather flow (PWWF) in the OTWP.
7. The City and the District intend for this Agreement to supersede all prior agreements, amendments, notices, written and oral communications between the Parties related to the City's receipt of the District's wastewater.

AGREEMENT

Now therefore, in consideration of the covenants, conditions, and promises contained herein and for such other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1: RECITALS

The Recitals set forth above are true and correct and hereby incorporated into this Agreement by this reference, as though fully set forth herein.

SECTION 2: TERMS & CONDITIONS

2.1 This Agreement between the Parties creates a contractual right for the District to discharge wastewater from the District's Service Area as described in "Exhibit A" to City's Sewer System in a manner compliant with City's code, the NPDES permit, and local, state, and federal regulations. The City contractually agrees to receive and dispose of all such wastewater under and pursuant to its standard operating procedures and provide treatment of the wastewater it receives from the District.

2.2 Term of the Agreement: January 1, 2023 to December 31, 2033.

2.3 The Parties shall, no later than one (1) year prior to the expiration of this Agreement, negotiate in good faith, terms and conditions for a new Sewer Use Agreement.

2.4 This Agreement may be terminated by mutual agreement by the Parties.

2.5 The following Exhibits are incorporated into the Agreement as though fully set forth herein and shall be referred to as follows:

Exhibit A – Service Area Map of the District

Exhibit B – Pre-treatment Program Multijurisdictional Agreement

Exhibit C – Wastewater Monitoring and Reporting Requirements

Exhibit D – Rates, Fees and Charges

Exhibit E – Special Service Area Conditions

The Exhibits listed above are intended to form part of the Agreement and to the extent that any exhibit contradicts this Agreement, the terms and conditions in the Agreement control.

2.6 No sewer service shall be provided by the District outside of the Service Area, identified in Exhibit A, without prior written agreement by the City.

2.7 A Party shall be in default if it fails to perform any of its obligations under this Agreement at the time performance is due. The defaulting party shall have thirty (30) days from receipt of written demand to cure such non-performance or to notify the non-defaulting Party of the existence of, and basis, for a good faith dispute. If the default is curable, but cannot be cured within the 30-day period for reasons beyond the control of the defaulting party, and the defaulting Party is diligently pursuing reasonable efforts to cure such default, the cure period shall be extended as reasonably necessary to permit performance. Should the Defaulting Party fail to cure such non-performance, the non-defaulting party may issue an Order to Comply and Monetary Fine pursuant to the City's Emergency Response Plan.

SECTION 3: OBLIGATIONS OF THE CITY

3.1 The City, with all due care and diligence in accordance with the Agreement, shall perform the Services set forth in Section 2.1.

3.2 The City shall manage all City-owned works, facilities, equipment, materials and supplies to carry out the Services as specified in the Agreement.

3.3 The City shall perform the services in accordance with this Agreement, the NPDES permit and local, state, and federal regulations.

3.4 The City shall be responsible for the management of this Agreement including: enforcement for breach of any section of the Agreement; review of monthly reports; monthly billing; and notification to the District of any related issues in a timely manner.

3.5 The City shall be responsible for the operation, maintenance, repair and replacement of all facilities, equipment, and related works within the Oxnard City limits including the OWTP, collection system, and pump stations.

3.6 The City shall oversee and manage the Pretreatment Program within the District's Service Area as identified in Exhibit B.

SECTION 4: OBLIGATIONS OF THE DISTRICT

4.1 The District shall manage, operate, maintain, repair, and replace all related infrastructure within the District's Service Area.

4.2 The District shall adopt the legal authority necessary to regulate all aspects of this Agreement within its Service Area including wastewater discharge from residential, commercial, governmental, and industrial users.

4.3 The District shall adopt an ordinance that is in conformity with Oxnard City Code Chapter 19, Article I. Sewerage System; Wastewater Disposal which may be amended from time to time.

4.4 The District shall comply with the City's NPDES permit No. CA0054097, and WDR/WRR order R4-2020-0051 File No. 08-070 (available on oxnard.org).

4.4 The District shall comply with all applicable local, state, and federal regulations including Sanitary Sewer Overflows (SSO), per Order NO. WQ 2013-0058-EXEC and Order 2006-0003-DWQ as may be amended or updated from time to time.

4.5 The District shall comply with the Pretreatment Program requirements as identified in Exhibit B.

4.6 The District shall give reasonable notice to the City if any substantial changes are anticipated in the volume or characteristics of the District's wastewater discharge.

4.7 The District shall submit, at a minimum, to the City Monthly Self-Monitoring Reports (SMR) as defined in Exhibit C. The City may from time to time request other related documentation.

4.8 The District shall make data and information available to the City to support the proper management of the Pretreatment Program as defined in Exhibit B.

4.9 The District shall provide free and open access to the District's Service Area and related infrastructure to the City at the City's request. The City shall make its best efforts to provide reasonable notice to the District prior to the City's access, but such notice is not mandatory. The City shall observe all safety and health regulations. The District shall provide the City with keys or access codes required to enter facilities within the District's Service Area.

SECTION 5: WASTEWATER DISCHARGE REQUIREMENTS

5.1 Discharge Quantity

- (a) The District has purchased capacity to discharge up to 0.5 million gallons per day (MGD) peak dry weather flow (PDWF) and 0.9 MGD peak wet weather flow (PWWF).
- (b) All flows discharged to the system shall be metered for billing and compliance purposes. Meters shall be capable of recording total daily flow. Flows shall be metered at the location(s) identified in Exhibit A and more commonly known as Lift Station A and Lift Station B.
- (c) The District shall be responsible for operation (including calibration), maintenance, repair and replacement of flow meters at Lift Station A and Lift Station B.
- (d) If a meter fails or malfunctions, previous monthly readings shall be used as the basis for monthly billing, as agreed to by the Parties.
- (e) Meters shall be calibrated per manufacturer's recommendation or every 3 months. Calibration certification shall be submitted to the City.

5.2 Wastewater Quality

- (a) The District shall not exceed the pollutant limits identified in Exhibit C. Any exceedance of pollutant limits as identified in the Oxnard Local Limits may result in applicable enforcement action pursuant to the Oxnard City Code Chapter 19.

5.3 Monitoring and Reporting

- (a) The District shall monitor for the pollutants listed in Exhibit C at the frequency noted. Reporting is also identified in Exhibit C. The City may require additional monitoring and reporting.
- (b) Other unique monitoring, reporting or other requirements are identified in Exhibit E.

SECTION 6: RATES, FEES & CHARGES

6.1 The City shall invoice the District monthly for wastewater services based on the Regional User Charge Formula. The charges will be calculated using the data submitted in the monthly self-monitoring report. The District shall pay monthly invoices within 30 days.

6.2 The Regional Rate shall be a wholesale rate determined through a cost-of-service rate study and updated from time-to-time.

6.3 Other Services supplied by the City including the management of the Pretreatment Program, sampling and laboratory services shall be billed on a time and material basis at the actual cost of providing the service. Invoices for such services shall include a detailed accounting of the costs.

6.4 Modifications and additional details on Rates, Fees and Charges can be found in Exhibit D.

6.5 In the event that the District fails to make any payment by its respective due date, the City may add a late payment charge pursuant to Oxnard City Code Section 19-136.

6.6 The District shall be solely responsible for any lawfully assessed penalties for non-compliance with any of the terms of this Agreement.

SECTION 7: MEETINGS

7.1 Annual Meetings:

- (a) At least once every calendar year, during the term of the Agreement, the Parties shall hold a meeting for the purpose of sharing information related to this Agreement. The City shall be responsible for scheduling the meeting at a mutually agreeable time and location.
- (b) Annual meeting minutes shall be produced, reviewed, and accepted by the Parties.

7.2 Ad-hoc Meetings:

- (a) Either Party may at any time request a meeting for any purpose at a time and location that is mutually agreed upon.

SECTION 8: MODIFICATION OF OR AMENDMENTS TO THE AGREEMENT

8.1 This Agreement may be amended, modified, or otherwise altered, or its provisions waived, only upon mutual consent of the Parties by written amendment, and in a manner specified in Section 9 of this Agreement.

SECTION 9: NOTICE

9.1 All notices given or required to be given pursuant to this Agreement shall be in writing and by electronic means. Notices shall be addressed to each Party's Designated Representative as set forth below.

Oxnard Designated Representative:		Channel Islands Beach Community Services District Designated Representative:	
Name:	Jan Hauser	Name:	Pete Martinez
Title:	Wastewater Division Manager	Title:	General Manager
Phone:	805-271-2205	Phone:	805-985-6021
Email:	jan.hauser@oxnard.org	Email:	pmartinez@cibcsd.com
Mailing Address:	6001 Perkins Rd Oxnard, CA 93033	Mailing Address:	353 Santa Monica Dr. Channel Island Beach, CA 93035

SECTION 10: RECORDS

10.1 The District shall provide the following records at the City's request.

- (a) Financial records of the District's wastewater system.
- (b) Files, documents, plans, drawings, specifications, notes, minutes of meetings, and e-mails related to the Agreement.
- (c) Plans, programs, reports, surveys and guidelines prepared by the District in carrying out the services in the District's area.
- (d) Any local, state, or federal correspondence related to the Agreement or the operation of the District's wastewater system.
- (e) Any permits, reports, records or analytical data of non-domestic dischargers.
- (f) All records related to the Agreement shall be retained for a minimum of 5 years or according to the record retention laws in the State of California, whichever is longer.

SECTION 11: INDEMNIFICATION, INSURANCE & LIABILITY

11.1 Indemnification:

- (a) The District shall to the fullest extent permitted by law, immediately defend, indemnify, and hold harmless City, its legislative and advisory bodies, and the City's officials, directors, officers, employees, and agents (the "Indemnitees") from and against all liabilities regardless of nature, type, or cause, arising out of or resulting from or in connection with the District's performance of this Agreement or the District's failure to comply with any of its obligations contained in this Agreement, including but not limited to all liabilities that result or are claimed to have resulted from the discharge of wastewater containing hazardous substances into the System by the District or any other person in the District's Jurisdiction using the District's wastewater facilities.

- (b) Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. The District's obligation to indemnify applies unless it is adjudicated that any of the liabilities covered by this Section are the result of the sole active negligence or sole willful misconduct of any of the Indemnitees.
- (c) The District understands and acknowledges that the above indemnification provision extends to claims against City which arise out of, are related to, or are based upon the actual, alleged or threatened discharge, dispersal, release, saturation or escape of pollutants into the System by the District or any other person in the District's Jurisdiction using the District's wastewater facilities, and any directive to City to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize said pollutants, such as any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids or alkalis, chemicals and waste.
- (d) City agrees to indemnify, defend and hold harmless the District and its Board, and each member thereof, and its officers, employees and agents, from and against all claims, damages, losses and expenses, direct and indirect, and consequential damages, including but not limited to fees and charges of attorneys and court and arbitration costs, arising out of or resulting from City's sole negligence or willful misconduct in City's performance under this Agreement.

11.2 Limitation of Liability:

Except in cases of criminal negligence or willful misconduct, the Parties shall not be liable to each other in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use or loss of profits of interest costs.

11.3 Insurance:

The Parties shall maintain such insurance as may be required by law and such other insurance, to such extent and against such hazards and liabilities, including, but not limited to public liability, workman's compensation and other liability coverage (such as errors and omissions, products or service liability coverage) as is customarily maintained by municipal entities.

SECTION 12: ASSIGNMENT OF AGREEMENT

The Parties shall not assign or transfer to any third party, the Agreement, or any part thereof, or any right, benefit, obligation, or interest therein or thereunder without the prior mutual consent of the Parties.

SECTION 13: INTERGRATED AGREEMENT

This Agreement supersedes any and all prior or contemporaneous agreements, either oral or written, between the City and the District with respect to the subject matter of this Agreement. No agreement, statement, or promise with respect to the subject matter of this Agreement, which is not contained in this Agreement, or in a valid modification or amendment to this Agreement, shall be valid or binding on either Party.

SECTION 14: GOVERNING LAW

This Agreement, its meaning and interpretation, and the relation between the Parties shall be governed by the laws and any other instruments having the force of law in the State of California, as they may be issued and in force from time to time including, any decree of the Governor or government of the State of California. The site of any hearing or action, whether arbitration, judicial, or non-judicial, of whatever nature or kind regarding this Agreement shall be conducted in the County of Ventura, State of California. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association in accordance with its Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

SECTION 15: WAIVER

No waiver shall be binding unless executed in writing by the Parties making the waiver in conformity with Sections 8 and 9 of this Agreement. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. Failure of either Party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of such provisions or any of the remaining provisions of this Agreement.

SECTION 16: FORCE MAJEURE

“Force Majeure” shall mean any event, beyond the reasonable control of the District or of the City. No delay or nonperformance by either Party hereto caused by the occurrence of any event of Force Majeure shall, (a) constitute a default or breach of the Agreement; or (b) give rise to any claim for damages or additional cost occasioned thereby, if and to the extent that such delay or nonperformance is caused by the occurrence of an event of Force Majeure.

SECTION 17: COUNTERPARTS

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

[SIGNATURES ON NEXT PAGE]

In witness whereof, the Parties have entered into this Agreement effective January 1, 2023.

CITY OF OXNARD

**CHANNEL ISLANDS BEACH
COMMUNITY SERVICES DISTRICT**

John C. Zaragoza, Mayor Date

Jared Bouchard, Board President Date

John Mathews, Legal Counsel Date

ATTEST:

Rose Chaparro, City Clerk Date

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney Date

EXHIBIT A

THE DISTRICT SERVICE AREA

Exhibit A-1 District's Service Area Limit

Exhibit A-2 District's Sewer Connection Detail

LEGEND



CONTRIBUTING JURISDICTIONAL AREA BOUNDARY



PROPERTY LINE OR ROAD RIGHT OF WAY



CONNECTION POINT TO OXNARD COLLECTION SYSTEM



FLOW METER AND SAMPLING LOCATION

**CHANNEL ISLANDS BEACH
COMMUNITY SERVICES DISTRICT**

PACIFIC OCEAN

LIFT STATION B

23RD AVE

32ND AVE

LEHMAN RD

LIFT STATION A

PATTERSON RD

PLEASANT VALLEY RD

CLARA ST

HEMLOCK ST

CHANNEL ISLANDS BLVD



NTS

**CHANNEL ISLANDS BEACH COMMUNITY SERVICES DISTRICT
SEWER USE AGREEMENT SERVICE AREA LIMITS**

EXHIBIT A-1

LEGEND



CONTRIBUTING JURISDICTIONAL AREA BOUNDARY



PROPERTY LINE OR ROAD RIGHT OF WAY



CONNECTION POINT TO OXNARD COLLECTION SYSTEM



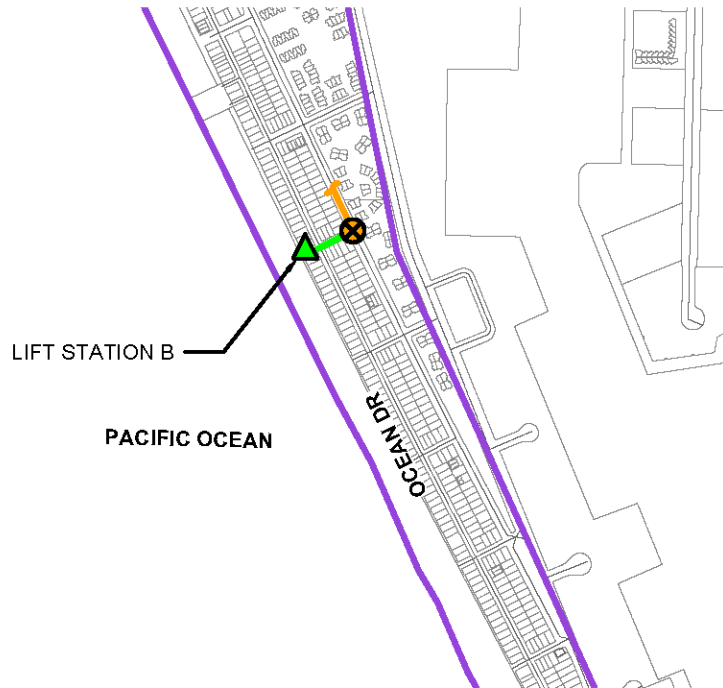
LIFT STATION



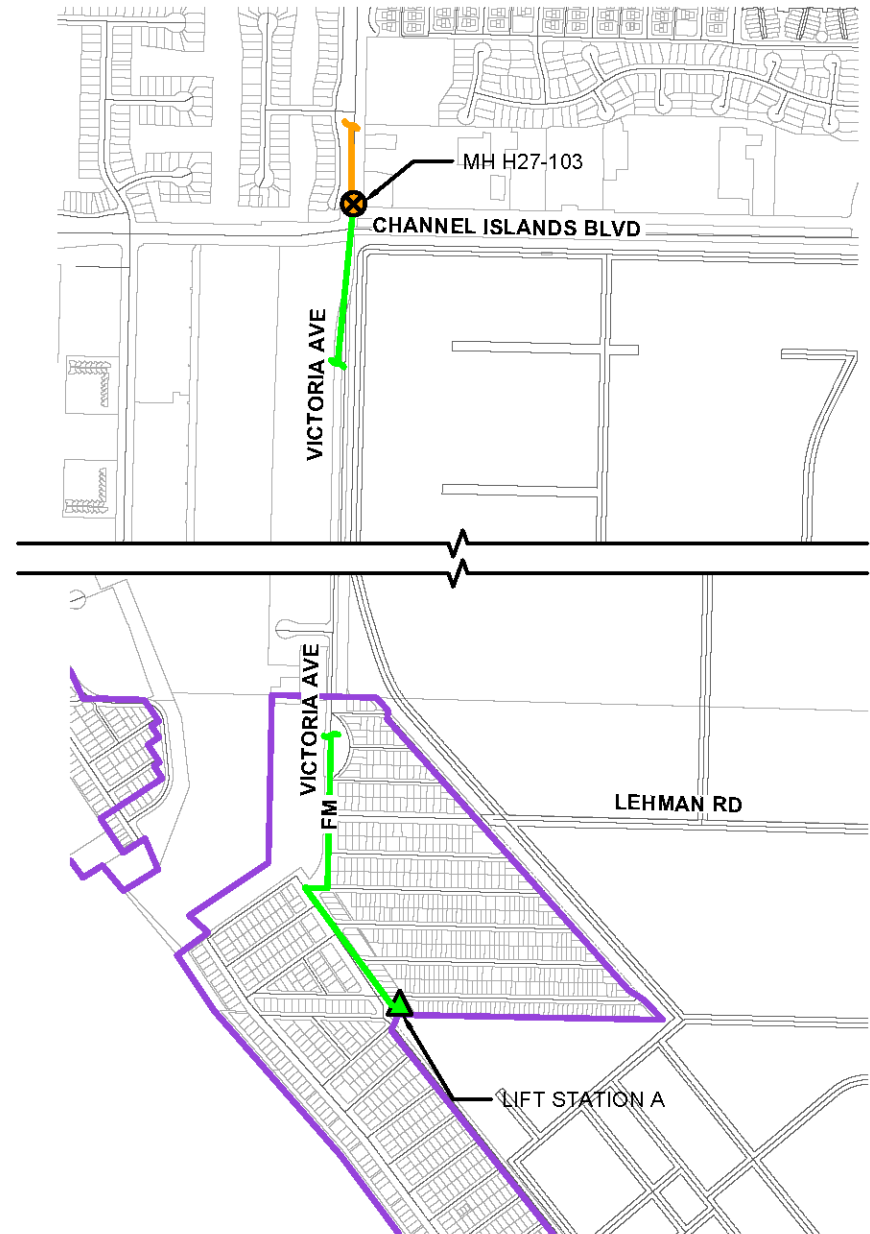
OXNARD COLLECTION SYSTEM



CHANNEL ISLANDS BEACH COMMUNITY SERVICES DISTRICT
COLLECTION SYSTEM



NTS



CHANNEL ISLANDS BEACH COMMUNITY SERVICES DISTRICT SEWER USE AGREEMENT CONNECTION DETAIL

EXHIBIT A-2

EXHIBIT B**PRETREATMENT PROGRAM MULTIJURISDICTIONAL AGREEMENT**

1. The District shall adopt an ordinance that is in conformity with Oxnard City Code Chapter 19, Article I. Sewerage System; Wastewater Disposal.
2. The District designates the City as the agent of the District for the purposes of implementation and enforcement of the Pretreatment Program within the District's Service Area and more commonly known as the Multijurisdictional Agreement.
3. The City, on behalf of and as agent for the District, will perform technical and administrative duties necessary to implement and enforce the Pretreatment Program within the District's Service Area. The City will: (1) issue permits to all industrial users, which shall mean all non-domestic dischargers, required to obtain a permit; (2) conduct inspections, sampling, and analysis; (3) enforce non-compliance pursuant to Oxnard City Code Chapter 19 and provided for in the District's sewer use ordinance; and (4) perform any other technical or administrative duties the Parties deem appropriate. In addition, City may, as the agent of the District, take emergency action to stop or prevent any discharge which presents or may present an imminent danger to the health or welfare of humans, which reasonably appears to threaten the environment, or which threatens to cause interference, pass through, or sludge contamination.
4. The District shall reimburse the City for all costs incurred in implementing and enforcing the Pretreatment Program within the District's Service Area. City shall provide the District with a detailed accounting of all such costs with a monthly invoice.
5. The District shall take whatever action is necessary to ensure the implementation and enforcement of the pretreatment program against its non-domestic users, including, but not limited to, implementing and enforcing its sewer use ordinance on its own behalf and the City's authority. Failure of the District to implement and enforce its sewer ordinance against its non-domestic users shall cause the City to take enforcement action pursuant to Oxnard City Code Chapter 19.
6. New non-domestic users of the District's sewer system shall require the City's review and approval.
7. The District shall provide the City with a comprehensive list of all non-domestic users of the District sewer system. Any changes to the list shall be identified in the Monthly Report.
8. Entitlement to Collected Penalties - All amounts received from a permit holder as a result of enforcement proceedings or special charges recovered shall be credited to City except to the extent The District requests reimbursement for extraordinary staff time and expense incurred in support of any enforcement action.

9. Compensation to the City – the City shall be responsible for invoicing the District for all costs associated with the implementation of the Pretreatment Program in the District’s Service Area. Should a permit holder fail to pay any permit fee, discharge fee or non-compliance fee, the City will pursue all possible means of collection and reserves the right to terminate permit and discharge privileges of the permit holder.
10. The City will invoice all the District’s non-domestic users for the annual wastewater discharge permit fee. In the event of nonpayment, the City may pursue all possible means of collection and reserves the right to terminate permit and discharge privileges of the permit holder. The District agrees to assist the City with collection of the required fees to enforce the Pretreatment Program.

EXHIBIT C**WASTEWATER MONITORING AND REPORTING REQUIREMENTS****1.0 Monitoring**

- 1.1** At a minimum, the following constituents shall be monitored at the frequency shown on tables C-1 and C-2.

Table C-1: Monitoring Schedule

Pollutant	Monitoring Schedule	Pollutant	Monitoring Schedule
Ammonia	Annual	Mercury	Annual
Arsenic	Annual	Molybdenum	Annual
Biochemical Oxygen Demand (BOD ₅)	Monthly	Nickel	Annual
Boron	Annual	Oil and Grease (vegetable)	Annual
Cadmium	Annual	Oil and Grease (mineral)	Annual
Chloride	Annual	Selenium	Annual
Chromium	Annual	Silver	Annual
Copper	Annual	Total Suspended Solids	Monthly
Hydrogen Sulfide (dissolved)	Annual	Total Dissolved Solids	Annual
Lead	Annual	Zinc	Annual

Table C-2: Local Discharge Limits

Pollutant	Local Limit (mg/L)	Pollutant	Local Limit (mg/L)
Ammonia	57 mg/L	Mercury	0.05 mg/L
Arsenic	0.13 mg/L	Molybdenum	1.50 mg/L
Biochemical Oxygen Demand (BOD ₅)	800 mg/L	Nickel	0.14 mg/L
Boron	1.86 mg/L	Oil and Grease (vegetable)	250 mg/L
Cadmium	0.013 mg/L	Oil and Grease (mineral)	100 mg/L
Chloride	9,205 mg/L	Selenium	0.49 mg/L
Chromium	0.44 mg/L	Silver	0.06 mg/L
Copper	2.02 mg/L	Total Suspended Solids	1,000 mg/L
Hydrogen Sulfide (dissolved)	0.34 mg/L	Total Dissolved Solids	1,850 mg/L
Lead	0.97 mg/L	Zinc	1.06 mg/L

1.2 The District shall sample for BOD₅ and TSS on a monthly basis served by Lift Station A and Lift Station B at locations mutually agreed to by the Parties. If no agreement is reached by the Parties, then the City shall choose the sampling location. The samples shall be a 24-hour composite sample. The samples shall be composited proportionately in relation to flow.

1.3 Analyses of the required samples shall be conducted in accordance with the most recent edition of "Standard Methods for Examination of Water and Wastewater", jointly published by the American Public Health Association, and the American Water Works Association, and the Water Pollution Control Federation.

1.4 The District shall sample for the constituents listed in Section 1.1 by June 30, of every year.

1.5 Exceedance of any local limit shall require additional sampling, investigation, and compliance.

1.6 Flow shall be monitored and recorded for Lift Station A and Lift Station B for daily and total monthly flow.

1.7 City reserves the right to require additional samples to be collected by the District for analyses of any constituents.

2.0 Monthly Report

2.1 The District shall submit an electronic monthly report by the 14th day of every month. This monthly report shall include:

- (a) Daily and total monthly flows from each connection (LS A & LS B)
- (b) Analytical results for BOD₅ & TSS
- (c) A PDF version and an Excel file with monthly Flow, BOD and TSS data
- (d) Existing and new non-domestic connections
- (e) Any spills or violations for the reporting month
- (f) Any significant changes to the District sewer infrastructure
- (g) Meter calibration certification, if applicable

3.0 Annual Report

3.1 The District shall submit an annual report by July 15 of every year. This report shall include:

- (a) A summary of the monthly reports of the previous year (avg flow data, BOD, TSS)
- (b) Results of all local limit constituents identified in Section 1.0 of this Exhibit.
- (c) Any significant changes to the District's sewer system or infrastructure.
- (d) A summary report on SSOs, spills, and violations.
- (e) The total number and type of connections by classification as of July 1st.

4.0 Additional Reporting & Information Requests

4.1 The District shall submit flow meter calibration reports from a qualified calibration company. Calibrations shall be performed in accordance with the manufacturer's recommendation or every 3 months.

4.2 The District shall submit technical information on all flow meters including brand, model, O&M manuals and other related information.

4.3 The District shall provide a copy of its sanitary sewer system (preferably in GIS format) to the City which shall include pipe location and size, manholes and any other appurtenance location such as pump stations and flow meters.

4.4 The District shall provide a copy of its Sanitary Sewer Management Plan (SSMP) including updates which are required every five years.

4.5 The District shall report all spills to the City, County, and the Los Angeles Regional Water Quality Control Board as required by the most recent sanitary sewer overflows (SSOs) regulations.

4.6 The District shall provide any information required by the State to the City for review and record keeping.

4.7 The District shall provide any other relevant information requested by the City.

EXHIBIT D

RATES, FEES AND CHARGES

1.0 Monthly Wastewater Rates and Charges

1.1 The District shall be billed monthly based on the Regional Monthly User Charge (RMUC) and the City's proportionate share of depreciation and operation and maintenance costs of shared facilities. Shared facilities include: Lift Station A; Lift Station B; Force Main A; Force Main B.

1.2 The current Regional Rates defined in City of Oxnard Ordinance 2907 were developed in 2016 and published in a report dated July 13, 2016. The regional rate is a wholesale rate that was calculated using certain applicable operation & maintenance costs, but did not include debt service.

1.3 Regional Treatment and Disposal Facility User Charge:

The monthly rate for the District shall be calculated by the Regional User Charge Formula as follows:

$$\text{RMUC} = e (\text{Vm}) + f (\text{Bm}) + g (\text{Sm})$$

Where:

Vm = $V (\text{LS A}) + V (\text{LS B}) - V (\text{LS 1}) - V (\text{Victoria Users})$ in millions of gallons

$V (\text{LS A})$ = Metered flow from Lift Station A

$V (\text{LS B})$ = Metered flow from Lift Station B

$V (\text{LS 1})$ = Metered flow from Lift Station 1

$V (\text{Victoria Users})$ = Actual billed sewer use from the users on the west side of S. Victoria Avenue discharging to the Oxnard gravity sewer that flows to LS A.

Bm = monthly biological oxygen demand (BOD) discharge in thousands of pounds as defined in Exhibit C Section 1.2

Sm = monthly suspended solids (SS) discharge in thousands of pounds as defined in Exhibit C Section 1.2

e , f , and g are unit cost coefficients established in Oxnard Ordinance 2907

1.4 Proportionate Operation and Maintenance Costs

- (a) This cost is the City's monthly proportionate share of operation and maintenance (O&M) costs for shared facilities as defined above.
- (b) O&M costs are calculated as follows:

District Budget Line Items	Annual District O&M Expenses FY 2023
Operations & Maintenance	\$100,919
Telemetry	\$35,374
Power	\$22,050
Maintenance Expenses	\$19,487
Salaries & Benefits	\$420,720
Administrative Expenses	\$192,955
Total	\$791,505

District Asset	Percentage of District System *	Proportionate O&M Cost
Force Main A	12.90%	\$102,104
Force Main B	10.80%	\$85,483

District Asset	Percentage of Oxnard Flow Contribution**	Annual Oxnard O&M Cost
Force Main A	10%	\$10,210
Force Main B	53%	\$45,188
	Annual Cost	\$55,398
	Monthly Cost	\$4,617

* Percent of sewer system using foot-inches (L x D)

** AECOM report dated March 21, 2011

- (c) Total monthly Operations and Maintenance charge O&M = \$4,617

1.5 Depreciation Expense

- (a) The depreciation expense (DEP) is the City's monthly proportionate share of depreciation costs for shared facilities as defined above.
- (b) Depreciation costs are calculated as follows:

FORCE MAIN A DEPRECIATION CALCULATION

Asset Valuation						
[A]	[B]	[C]	[D] = [B]/[C]	[E]	[F] = [E] - [A]	[G] = [B] - [D] x [F]
Install Year	Install Cost in 2015	Asset Useful Life	Yearly Depreciation	Current Year	Asset Age	Replacement Cost Less Depreciation
2015	\$1,471,595	50	\$29,432	2023	8	\$1,236,140
Calculation Inputs						
Rate of Return	7.90%	[H]				
Oxnard % Total	10%	[I]				
CIBCSO Total	90%	[J]				
Oxnard Depreciation Calculation						
[K] = [G] x [I]	[L] = [K] x [H]	[M] = [D] x [I]	[N] = [L] + [M]			
Share of Asset	Asset Return	Depreciation	Total Annual Payment	Monthly Charge		
\$123,614	\$9,766	\$2,943	\$12,709	\$1,059		

FORCE MAIN B DEPRECIATION CALCULATION

Asset Valuation						
[A]	[B]	[C]	[D] = [B]/[C]	[E]	[F] = [E] - [A]	[G] = [B] - [D] x [F]
Install Year	Install Cost in 2015	Asset Useful Life	Yearly Depreciation	Current Year	Asset Age	Replacement Cost Less Depreciation
2015	\$1,213,151	50	\$24,263	2023	8	\$1,019,047
Calculation Inputs						
Rate of Return	7.90%	[H]				
Oxnard % Total	53%	[I]				
CIBCSO Total	47%*	[J]				
Oxnard Annual Payment Calculation						
[K] = [G] x [I]	[L] = [K] x [H]	[M] = [D] x [I]	[N] = [L] + [M]			
Share of Asset	Asset Return	Depreciation	Total Annual Payment	Monthly Charge		
\$540,095	\$42,668	\$12,859	\$55,527	\$4,627		

*Per Harbor Area Wastewater Infrastructure Review 2012 - Final Report

This assumes original install pipe was fully depreciated (installed 1966)

- (c) Total monthly depreciation charge DEP = \$5,686

1.6 Total Monthly Bill Calculation

- (a) The District's monthly sewer bill shall be calculated as follows:
 - RMUC - O&M - DEP
 - RMUC - \$4,617 - \$5,686
 - RMUC - \$10,303

1.7 Updates to Rates Fees and Charges

- (a) All rates, fees and charges will be reviewed and updated accordingly on an annual basis

2.0 Pretreatment Program Fees and Charges

Monthly charges for management and implementation of the Pretreatment program will be based on actual time and materials and will include labor, material, laboratory services, rental equipment, contracted services, and any other cost directly related to the management of the program. An itemized invoice will be sent to the District every month based on expenses from the previous month.

EXHIBIT E

SPECIAL SERVICE AREA CONDITIONS

The District and Oxnard currently share certain wastewater facilities including Lift Station A, Lift Station B, Force Main A and Force Main B. The City is currently completing a capital project to remove Oxnard wastewater from discharging to Lift Station B. The project is currently planned for completion by the end of 2023. When this project is completed, the billing procedure identified in Exhibit D will be updated.

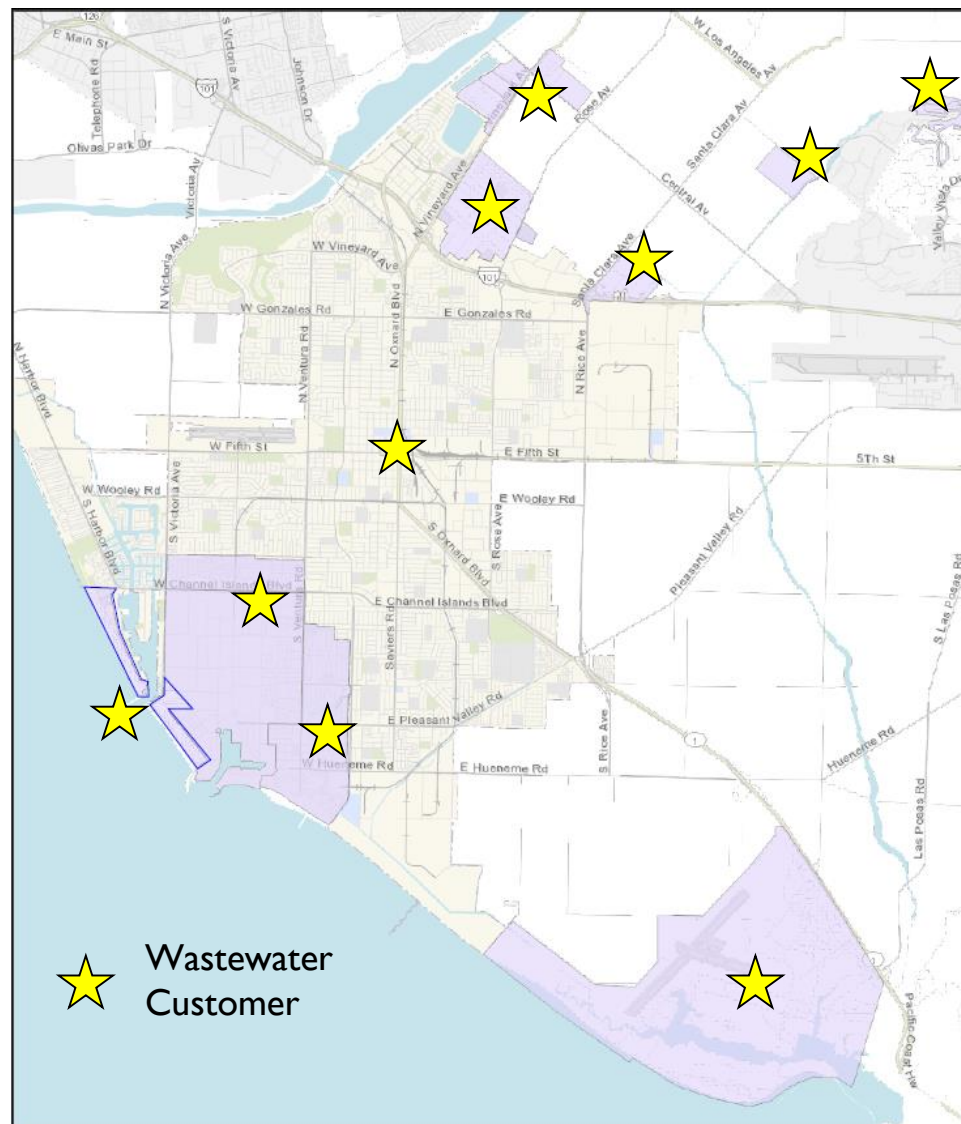
Sewer Use Agreement A-8503 between City of Oxnard and Channel Islands Beach Community Services District

Public Works and Transportation Committee
November 22, 2022

Jan Hauser,
Wastewater Division Manager

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute an Agreement with Channel Islands Beach Community Services District (District), for a ten-year term ending December 31, 2033, for a new Sewer Use Agreement (SUA).

- The Oxnard wastewater system provides wastewater services to
 - City of Oxnard
 - City of Port Hueneme
 - Channel Islands District
 - Unincorporated areas of Ventura County
 - Two Naval Bases
- The District's SUA expires on December 31, 2022 and will be the first of many to be updated



- Established in 1982, the District provides water, sanitary sewer, and refuse collection services to
 - Unincorporated neighborhoods of Hollywood Beach
 - Hollywood-by-the-Sea
 - Silver Strand
- The District previously acquired 0.5 Million Gallons per Day (MGD) peak day dry weather flow and 0.9 MGD peak day wet weather flow at the Oxnard Wastewater Treatment Plant (OWTP)



- July 11, 2006 - City of Oxnard and the District enter into Sewer Use Agreement A-6680
 - First Amendment - December 16, 2008
 - Second Amendment - July 30, 2013
- May 17, 2016 - City of Oxnard and the District enter into new Sewer Use Agreement A-7864
 - Replaced A-6680
 - First Amendment - November 30, 2016
 - Second Amendment - February 5, 2019
 - Third Amendment - November 17, 2020

- Under the current sewer use agreement A-7864
 - The District reimburses the City for the treatment of wastewater received at the OWTP based on the Oxnard regional formula rate in Ordinance No. 2907
 - Oxnard reimburses the District for the use and maintenance of sewer lines within their jurisdiction based on the single family residential rate in Ordinance No. 2917
- The new SUA will:
 - Eliminate the two-way billing between Oxnard and the District
 - Include methodology to bill the District based on estimated actual flows
 - Result in a single sewer bill from Oxnard to the District
 - Require metering of all flows
 - Identify service districts and connection points
 - Include pretreatment program requirements
 - Require an annual meeting between both Parties

This new Sewer Use Agreement will result in an increase in annual revenue to Oxnard from the District in the range of \$250,000 to \$350,000. A range is being provided since the total actual net revenue is based upon sewer flow data received as well as lease payments from Oxnard to the District for the use of their facilities.



QUESTIONS



PUBLIC WORKS AND TRANSPORTATION COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.3

DATE: November 22, 2022

TO: Public Works and Transportation Committee

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Agreement 32300052 with Garcia's Landscaping Maintenance, Inc. for On-Call Grid Pruning Services, Specification No. PW 23-38. (10 Minutes)

RECOMMENDATION

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute an Agreement with Garcia's Landscaping Maintenance, Inc. in the amount not to exceed \$4,000,000 for a three-year term for On-Call Grid Pruning Services, Specification No. PW 23-38.

(This item is categorically exempt from the California Environmental Quality Act pursuant to 14 C.C.R. § 15301(h)).

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

BACKGROUND

The Public Works Department is responsible for over 48,000 trees in parkways, medians, and parks within the City of Oxnard. For more than a decade, the City has not had a routine and continuous tree maintenance program. The current staffing levels within the Public Works Department conducts and oversees a large amount of work, both routine, and emergency, throughout the entire City. This work includes the landscape maintenance of the City's rights-of-way (e.g. parkways and medians), parks, and trees. The contracting of this routine tree trimming work, which lends itself to be easily packaged and offered to a contractor, will allow the City staff to be more flexible and reactive to other maintenance needs throughout the City. With limited staffing dedicated to maintaining our urban forest, two tree services agreements are necessary for unscheduled on-call issues (e.g. fallen tree and stump removal) and the routine annual tree pruning. This is one of the two recommended contracts.

This Agreement provides large-scale grid pruning work and achieves our goal of a citywide five-year grid pruning cycle. Grid pruning is a term used when all of the trees, regardless of size or species, are trimmed within a given geographic location. The latest example of a grid pruning project was the Arterial Street Tree pruning that took place last year. In this project, all of the City's general fund trees along arterial streets were pruned. The minimum number of trees allowed per project in this Agreement is 250. There is no maximum number of trees that may be grid pruned in one year. However, the amount of trees that may be pruned are subject to available funding.

This Agreement has a not to exceed amount of \$4,000,000 and a three-year term. All work will be issued

through task orders at the direction of the City Staff overseeing tree projects.

DISCUSSION

The intent of this Agreement is to provide large-scale trimming projects along streets, in parks, and through neighborhoods. With the Arterial Street Grid Pruning project that occurred last year, work completed through this agreement will be the second year of our goal of a 5-year grid pruning program for all City General Fund trees, regardless of location. The Special Districts Division will also be able to utilize this Agreement provided there is funding available for the district being serviced.

The notice inviting formal bids (NIFB) on the Project was published on September 29, 2022, and all bids were due on October 21, 2022. The City received the following bids:

Garcia's Landscaping Maintenance, Inc.:

Price per tree for 250-500 trees \$78.00

Price per tree for 501-1,000 trees \$72.00

Price per tree for 1,001 and greater trees \$68.00

Total of all contract unit prices \$218.00

Mariposa Tree Management, Inc.:

Price per tree for 250-500 trees \$193.00

Price per tree for 501-1,000 trees \$182.00

Price per tree for 1,001 and greater trees \$171.00

Total of all contract unit prices \$546.00

West Coast Arborists, Inc.:

Price per tree for 250-500 trees \$190.00

Price per tree for 501-1,000 trees \$190.00

Price per tree for 1,001 and greater trees \$190.00

Total of all contract unit prices \$570.00

The lowest bidder is Garcia's Landscaping Maintenance, Inc. (Garcia's) and their bid is responsive to the City's NIFB. Following this determination, procurement staff reviewed all documentation received from Garcia's and their subcontractors. Procurement staff verified possession of the required currently valid licenses, reviewed the federal Occupational Safety and Health Administration (OSHA) website for safety violations, and verified registration with the California Department of Industrial Relations (DIR). Based upon the available information and research performed to date, staff believes the contractor is capable of satisfactorily completing the project. Therefore, staff recommends that the City Council award the Agreement for these services to Garcia's.

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 Agreement with Garcia's Landscaping Maintenance, Inc. shall not exceed \$4,000,000 for On-Call Grid Pruning Services for a term of three years. This Agreement will be used as needed and as funding is available.

Parks will be the primary division using this Agreement within the Park's General Fund FY23 adopted budget (account 1013302-53200). However, the Special Districts division will also have the ability to utilize this Agreement provided the funding is available for the district being serviced. Funding for subsequent fiscal years will be requested in the recommended budgets.

Estimated Spending Plan with Garcia's					
Division	FY 2022-23 (6 months)	FY 2023-24	FY 2024-25	FY 2025-26 (6 months)	TOTAL
Parks	\$400,000	\$800,000	\$800,000	\$400,000	\$2,400,000
Special Districts	\$260,000	\$600,000	\$600,000	\$140,000	\$1,600,000
TOTAL	\$660 ,000	\$1,400,000	\$1,400,000	\$540,000	\$4,000,000

Prepared by: Steve Howlett, Assistant Public Works Director

ATTACHMENTS

1. Agreement 32300052
2. Presentation

**CITY OF OXNARD CONTRACT FOR
ON-CALL GRID PRUNING SERVICES
SPECIFICATION NO. PW 23-38**

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 GARCIA'S LANDSCAPING MAINTENANCE, INC. ("Contractor"). Contractor's license number is 1068347.

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

1. Incorporation. The Contract consists of all Contract Documents, which shall include the General Provisions, Special Provisions and all documents referenced in either the General or Special Provisions as well as the Contractor's Bid Response. These documents are incorporated herein by reference.
2. Scope of Services. Contractor shall perform all Tasks in a good and workmanlike manner for the project identified as On-Call Grid Pruning Services, Specification No. PW 23-38 ("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 million dollars (\$4,000,000.00) during the 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

GARCIA'S LANDSCAPING MAINTENANCE, INC.

☐ John C. Zaragoza, Mayor¹ Date
☐ Alexander Nguyen, City Manager
☐ Purchasing Manager

Pablo Garcia, President² Date

Tenley Garcia Hernandez, 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. 32300052_____
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.

10/22

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 32300052

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) _____

LOSS ADJUSTMENT EXPENSE _____

(to) _____

☐ 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. _ 32300052 _

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 _____

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

☐ COMMERCIAL AUTO POLICY☐ BUSINESS AUTO POLICY☐ OTHER

OTHER PROVISIONS

LIMIT OF LIABILITY

\$ _____ per accident, for bodily injury and property damage.

CLAIMS: Underwriter=s representative for claims pursuant to this insurance.

Name: _____

Name: _____

Address: _____

Telephone: ()

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

1. **INSURED.** The City, its officers, agents, volunteers and employees are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured.
2. **CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured=s scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.
3. **SEVERABILITY OF INTEREST.** This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company=s limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.
4. **CANCELLATION NOTICE.** With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.
5. **PROVISIONS REGARDING THE INSURED=S DUTIES.** Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.
6. **SCOPE OF COVERAGE.** This policy, if primary, affords coverage at least as broad as:
 - a. Insurance Services Office Automobile Liability Coverage, "Occurrence" form CA0001, code (Any auto@); or
 - b. If excess, affords coverage which is at least as broad as the primary insurance form referenced in the preceding section (1).

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

ENDORSEMENT HOLDER

CITY OF OXNARD

Attn: Insurance Compliance

Reference No. 32300052

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 _____

____ (“Principal”)

(Name and address of Contractor)

a contract (the "Contract") for the Work described as On-Call Grid Pruning Services, Specification No. PW 23-38 (the "Project").

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

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

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____
 ("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, and
 our heirs, assignees, successors, executors and administrators are held and firmly bound,
 jointly and severally, unto the Agency and all Contractors, Subcontractors, laborers, material
 suppliers, and other persons employed in the performance of the Contract and any Task related
 to the Contract and referred to in Title 3 (commencing with Section 9000) of Part 6 of Division 4
 of the Civil Code in the penal sum of _____

Dollars (\$_____), this amount being not less than a hundred percent (100%) of the total not to exceed Contract Price, in lawful money of the United States of America, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to this Work or labor that the Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this Bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by Agency in successfully enforcing this obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

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

The Project shall be considered “accepted” for the purposes of triggering Bond deadlines at the Contractor’s final completion of all Tasks, the City’s acceptance of all Tasks, and the end of the Contract Term, whichever occurs last. Upon expiration of the time within which the California Labor Commissioner may serve a civil wage and penalty assessment against the principal, any of its Subcontractors, or both the principal and its Subcontractors pursuant to Labor Code

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

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

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

Dated: _____

“Principal”

“Surety”

By: _____

By: _____

Its:

Its:

By: _____

By: _____

Its:

Its:

(Seal)

(Seal)

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

Bond No. _____

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

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

____ (“Principal”)

(Name and address of Contractor)

a contract (the "Contract") for the Work described as On-Call Grid Pruning Services, Specification No. PW 23-38 (the "Project").

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

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

(Name and address of Surety)

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

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

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

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

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract, including all incorporated documents, or of the Work to be performed under any Task Order shall in any way affect the Surety's obligations under this Bond. The Surety hereby waives notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the Work in any Task Order. Surety hereby waives

California Civil Code 2845 and 2849. The City is the principal beneficiary of this Bond and has all rights of a party hereto.

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

Dated: _____

“Principal”

“Surety”

By: _____

By: _____

Its:

Its:

By: _____

By: _____

Its:

Its:

(Seal)

(Seal)

Note: This Bond must be executed and dated, all Surety 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 GRID PRUNING SERVICES
SPECIFICATION NO. PW 23-38**

Bidder's Name: Garcia's Landscaping Maintenance Inc.

To the Honorable Mayor and Members of the City Council:

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

ITEM NO.	DESCRIPTION	UNIT	EVALUATION QUANTITY	CONTRACT UNIT PRICE
1.	Tree Pruning by Grid	Per Tree	250-500	\$ 78.00
2.			500-1000	\$ 72.00
3.			1001 and greater	\$ 68.00
TOTAL OF ALL CONTRACT UNIT PRICES (BID PRICE):				\$ 218.00

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

BID PRICE IN DIGITS: \$ 218.00

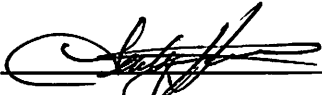
BID PRICE IN WORDS: Two hundred eighteen dollars and zero cents.

Bidder acknowledges receipt of all addenda

Addendum: Date Received:
#01 09/28/2022
#02 10/14/2022

Addendum: Date Received:
#03 _____
#04 _____

Bidder's Name (Company): Garcia's Landscaping Maintenance Inc.

Signature: 

Print: Tenley Garcia Hernandez

Title: Secretary

Date: 10/07/2022

EXHIBIT B

SPECIAL PROVISIONS

Contractor shall furnish labor, tools, equipment, materials, supplies and other incidentals and appurtenant work necessary to complete on-call grid pruning services. Work on an on-call basis as requested through Task Order.

1000 GENERAL CONDITIONS

1000-1 Work quality

All tree pruning shall comply with good arboriculture practices for the particular species of trees being trimmed and shall be consistent with the International Society of Arboriculture Standards and Best Management Practices including but not limited to ISAP standards and ANSI A300 standards. The Contractor shall also meet the requirements of the current ANSI, 2133, entitled "Safety Requirements for Arboricultural Operation."

The Project Manager shall determine if the Contractor has met all pruning requirements and payment shall not be made for pruning that is not in accordance with the above standards. The Contractor shall be deemed in Contract default, if they consistently fail to comply with the aforementioned standards.

1000-2 Inspection of Hazardous Conditions

Trees shall receive routine maintenance and periodic inspections at the direction of the Project Manager. The Contractor is not to inspect, monitor, or maintain trees unless a Task Order has been issued from the City. Tree problems that are clearly visible during the maintenance activities, but not considered hazardous, will be reported to the City for direction and/or further evaluation. These hazards may be discovered through both routine pruning Work or through other forms of inspection. All work history should be recorded within the City's tree inventory management program.

1000-2 Public Noticing of Tree Pruning Operations

Contractor shall be required to notify residents and/or businesses of scheduled tree pruning operations at least forty-eight (48) hours prior to the Work being performed. Notifications shall be made in the form of door hangers.

The Contractor shall be required to post city approved "No Parking" signs on individual trees scheduled for pruning forty-eight (48) hours prior to the Work being performed.

1000-3 Traffic Control

The Vendor shall maintain the following requirements:

1. Contractor shall submit traffic control plans for approval by the City Traffic Engineer. The traffic control plan must be approved by the City prior to beginning Work. City-approved and stamped traffic control plans are required prior to issuance of an encroachment permit.
2. Maintain a minimum of one lane in each direction at all times. Maintain access to all existing business at all times.

3. Traffic control plans must conform to the SSS and to the MUTCD.
4. Work taking place along arterial streets or other major thoroughfares shall be from 9:00 AM to 3:30 PM within the traffic lane and 8:00 AM to 5:00 PM outside the traffic lane. No interference with traffic at all other times.
5. No lane closure beyond the Work areas.

City staff shall stop operations 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 Vendor's expense.

1000-3.1 Furnishing and installing traffic control plans, work area traffic control devices, flagging and any other traffic control Work shall be considered as a component of the unit price per item and no separate or additional compensation will be allowed.

1000-4 Clean up

Contractor shall clean all job sites when Work is completed, including the raking of leaves, twigs, etc. from the lawns and parkways and the sweeping of streets and sidewalks.

Each day's scheduled Work shall be completed and cleaned up and under no circumstances shall any brush, leaves, debris, or equipment be left on the street or sidewalk overnight when feasible.

Brush and debris shall be removed daily, sidewalks swept, lawns and parkways raked out, and gutters cleaned.

City staff or authorized representative shall be the sole judge as to the adequacy of the cleanup.

1000-5 Disposal of Debris

All tree branches produced as a result of the Contractor's operations, under this Contract, will be reduced, reused, recycled, and/or transformed. The City will receive access to their Greenwaste Recycling report, detailing the amount of debris recycled and the location. This report is used for compliance with Assembly Bill 939.

1. Greenwaste Recycling Report: Greenwaste that is transported to an off-site facility for grinding into mulch, shall be documented. That documentation will be provided to the City on a monthly basis.
2. Wood Chips:
 - a. Chips generated from pruning operations within the City may first be dumped at a City designated site.
 - b. At the direction of the City, wood waste generated from tree removals, shall be chipped into pure wood chips with an even uniform size. These chips shall be dumped in specified locations in the City.

1000-6 Data Reporting

Work performed on trees will need to be recorded in a digital format that is compatible with the City's GIS tree database. The Contractor will need to create and maintain a database with individual entries for each task performed on a specific tree (example: individual rows in a spreadsheet for each task completed for an individual tree). The Contractor database is required to use the existing tree IDs from the City's GIS database to record and link the Contractors work performed for each individual tree. The City's GIS Division will provide a copy of the City GIS tree database.

Entries in the database will need to have standardized repeatable values, where applicable, to allow the City to perform analysis and reporting. For example, a work type of tree trim will always need to be entered into the contractor database as "Tree_Trim" instead of a variety of similar entries (example: "trim tree", "tree trimming", "trimming", etc.).

Any new trees planted or work on trees that are otherwise not already existing in the inventory will require the capture of GPS coordinates of the new tree with a minimum horizontal accuracy of 10 feet. The GPS coordinate data will be entered into the Contractors database using latitude and longitude or coordinates from the local State Plane Coordinate System (NAD83_2011, State Plane, California Zone 5, US Feet). Attributes to be collected by field personnel may include, but is not limited to:

- Tree ID Number
- City District/Grid/LLDs/Parks/R-Areas/Residential
- Street
- Location by Address
- Location by GPS
- Species by botanical name & common name
- Tree diameter
- Tree height
- Tree condition
- Tree dollar value
- Recommended Maintenance
- Existing overhead Utilities
- Parkway Size
- Parkway Type
- Sidewalk, street and gutter damage

Work reports will be submitted monthly.

2000 Scope of Work

2000-1 Tree Pruning

Prior to beginning the Work, the Contractor shall review with the Project Manager the various methods, tools, and work scheduling to be used on the project. Unless otherwise indicated, tree pruning shall include but not be limited to accepted pruning practices.

Daily tree pruning operations shall commence no earlier than 8:00 A.M. and shall be completed each day no later than 5:00 P.M., or as required by City ordinances, or emergency operations. Work will not be performed adjacent to residential housing before

9:00 A.M unless prior approval is obtained from the Project Manager.

All debris resulting from tree pruning operations shall be removed from the Work site on a daily basis.

1. Grid Tree Pruning

At the direction of the Project Manager, the tree pruning per pre-designed areas, grids, neighborhoods or prune routes shall be conducted to include all trees regardless of size. The only exception is no Eucalyptus globulus will be included in this work. Pruning will include structural pruning, crown raising, and slight crown cleaning in accordance with the standards set forth in the General Provisions above.

- a. Contractor shall comply with the requirements of the General Provisions above.
- b. Contractor shall endeavor to maintain good public relations at all times. The Work shall be conducted in a manner which will cause the least possible interference and annoyance to the public. Work shall be performed by competent employees and supervised by an experienced, An English speaking supervisor is required in tree maintenance operations. The Contractor shall be responsible for advance notification to the residents at each Work location of the intended tree operations. The Contractor shall be responsible to see that private property and vehicles at Work locations are not endangered or damaged during the course of Work.
- c. Contractor shall exercise precautions as necessary when working adjacent to aerial and subterranean utilities. Contractor must utilize qualified line clearance tree trimmers if working within 10 ft. of high voltage power lines. In the event that aerial utility wires present a hazard to the Contractors personnel or others near the Work site, Work is to immediately cease and the appropriate utility company notified. Work shall then commence in accordance with instructions from the utility company. In the event that Work causes excavation, the City is responsible for properly marking the location and the Contractor is responsible for appropriate notification of Underground Service Alert (USA).
- d. No hooks, gaffs, spurs or climbers will be used for climbing trees other than for removals and inaccessible Palms, when needed and preapproved by the City Arborist.
- e. Final pruning cuts shall be made without leaving stubs. Cuts shall be made in a manner to promote fast callus growth.
- f. The specific techniques employed shall be consistent with industry practice for the size and species of tree being trimmed. All dead, broken, damaged, diseased, or insect infested limbs shall be removed at the trunk or main branch. All cuts shall be made sufficiently close, 1/2 inch, to the

parent stem so that healing can readily start under normal conditions. All limbs 2" or greater shall be undercut to prevent splitting. The remaining limbs and branches shall not be split or broken at the cut. All crossed or rubbing limbs shall be removed unless removal will result in large gaps in the general outline of the tree.

- g. Cut laterals to preserve the natural form of the tree, leaving the head open enough for the branching system to show and permitting the dead material to be easily cleaned out and light to show through the head. Tree foliage shall be reduced by at least twenty (20%) percent but no more than thirty (30%) percent.
- h. Trim to remove dead wood or weak, diseased, insect-infested, broken, low, or crossing limbs. Branches with an extremely narrow angle of attachment should normally be removed. Small limbs, including suckers and waterspouts, shall be cut close to the trunk or branch from which they arise.
- i. Heading cuts and/or topping will not be allowed without City approval. Heading, rounding over, or stubbing shall not be an accepted practice for reducing the size or the framework of any tree.

2000-2 Payment

Tree Pruning by Grid on the Bid sheet is priced per tree and is based on tree pruning in pre-designated districts or grids on a set cycle and includes all trees (small, medium and large sized). Trees are not excluded from the Grid. The minimum call out for a Task Order will be for 250 trees.

All Work will be pre-approved by a Task Order issued by the Project Manager prior to starting Work.

The Task Order shall include, but not be limited to, a list of each street that tree maintenance operations took place, the address of each individual tree, the species and height and trunk diameter of each individual tree, all materials, labor and taxes; if it does not, the Contractor shall clarify any missing information before commencing Work. A separate invoice is required for each Task Order issued pursuant to the Contract.

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 pre-approved by the Project Manager and included in the Task Order. No per diem will be paid. No additional payment will be made for travel time to and from the job site.

Furnishing and installing work area traffic control devices and flagging shall be considered as a component of the unit price per item and no separate or additional compensation will be allowed.

Move in/move out of equipment shall be considered as a component of the contract unit price and no separate or additional compensation will be made.

2000-3 Inspections

The City shall, at all times, have access to the Work and shall be furnished with every reasonable facility for ascertaining full knowledge respecting the progress, Workmanship, and character of materials and equipment used and employed in the Work.

Agreement 32300052 with Garcia's Landscaping Maintenance, Inc. for On-Call Grid Pruning Services

Public Works and Transportation Committee,
November 22, 2022

City Council
December 20, 2022

Kevin Thompson, Parks Manager

FOR PUBLIC WORKS AND TRANSPORTATION COMMITTEE:

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute an Agreement with Garcia's Landscaping Maintenance, Inc. in the amount not to exceed \$4,000,000 for a three year term for On-Call Grid Pruning Services, Specification No. PW 23-38.



FOR CITY COUNCIL:

That the City Council approve and authorize the Mayor to execute an Agreement with Garcia's Landscaping Maintenance, Inc. in the amount not to exceed \$4,000,000 for a three year term for On-Call Grid Pruning Services, Specification No. PW 23-38.



- It has been more than a decade since the city had a regular and ongoing tree maintenance program
- Grid pruning is a term used to describe a project where all trees, regardless of size or species are trimmed within a given geographic area
- Staff is working toward the implementation of a program where all general fund maintained trees will be grid pruned once every 5 years
- With the work completed by last year's arterial street grid pruning project, work completed this year through this agreement will be the 2nd year of the 5-year program

- Request for Bid (RFB) PW 23-28 was released on September 29, 2022
- Purchasing Department received three responsive bids by the October 21, 2022 closing date:
 - Mariposa Tree Management, Inc.
 - Garcia's Landscaping Maintenance, Inc. (Garcia's)
 - West Coast Arborists, Inc.
- As a result of the RFB, the City determined Garcia's to be the lowest responsive bidder
- Bid included rates for grid pruning projects of 250-500, 501-1,000 and over 1,001 trees
- Staff has verified vendor meets all insurance requirements, possesses a business tax certificate and is registered with the California Secretary of State

- The total not to exceed amount for this Agreement with Garcia's Landscaping Maintenance, Inc. is \$4,000,000 for a term of three years
- This Agreement can be utilized by both the Parks and Special Districts Divisions. As this is an on-call agreement, work will only be done as funding allows.

QUESTIONS?



PUBLIC WORKS AND TRANSPORTATION COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.4

DATE: November 22, 2022

TO: Public Works and Transportation Committee

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Agreement 32300084 with Garcia's Landscaping Maintenance, Inc. for On-Call Tree Maintenance Services, Specification No. PW 23-39. (10 minutes)

RECOMMENDATION

That the Public Works and Transportation Committee recommend that the City Council approve and authorize an Agreement with Garcia's Landscaping Maintenance, Inc. in the amount not to exceed \$4,000,000 for a three year term for On-Call Tree Maintenance Services.

(This item is categorically exempt from the California Environmental Quality Act pursuant to 14 C.C.R. § 15301(h)).

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

BACKGROUND

The Public Works Department is responsible for over 48,000 trees in parkways, medians, and parks within the City of Oxnard. For more than a decade the City has not had a routine and continuous tree maintenance program.

The current staffing levels within the Public Works Department is required to address a large amount of work, both routine, unscheduled, and emergency, throughout the entire City. This work includes the landscape maintenance of the City's rights-of-way (e.g. parkways and medians), parks, and trees. The contracting of on-call tree maintenance services, which lends itself to be easily utilized based on the contract pricing per task, will allow the City staff to be more flexible and reactive to other maintenance needs throughout the City. With limited staffing dedicated to maintaining our urban forest, two tree service agreements are necessary for unscheduled on-call issues (e.g. fallen tree and stump removal) and the routine annual tree pruning. This is one of the two recommended agreements.

This Agreement has a not to exceed amount of \$4,000,000 and a three-year term. All work will be issued through task orders at the direction of the Parks Manager and City Arborist.

DISCUSSION

The intent of this Agreement is to provide timely tree maintenance services that includes but not limited to trim and shape trees, remove dead and dying trees, grind tree stumps, plant trees, water trees, provide pest

control advisor recommendations, apply pesticides to trees, provide urgent responses to emergencies, and small scale pruning.

The notice inviting formal bids (NIFB) for the Project was published on September 19, 2022, and all bids were due on October 19, 2022. The City received the following bids with a total summary of rates for a wide variety of tree maintenance services:

Garcia's Landscaping Maintenance, Inc.: \$ 9,346.00
Mariposa Tree Management, Inc.: \$16,637.00
West Coast Arborists, Inc.: \$16,596.00

The lowest bidder is Garcia's Landscaping Maintenance, Inc. (Garcia's) and their bid is responsive to the City's NIFB. Following this determination, procurement staff reviewed all documentation received from Garcia's and their subcontractors. Procurement staff verified possession of the required currently valid licenses, reviewed the federal Occupational Safety and Health Administration (OSHA) website for safety violations, and verified registration with the California Department of Industrial Relations (DIR). Based upon the available information and research performed to date, staff believes that the contractor is capable of satisfactorily completing the project. Therefore, staff recommends that the City Council award this Agreement to Garcia's.

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 Agreement with Garcia's Landscaping Maintenance, Inc. shall not exceed \$4,000,000 for on-call tree maintenance services for a term of three years. This Agreement will be used as needed based on available funding.

Parks will be the primary division using this Agreement with funding available in the Park's General Fund adopted FY 2022-23 budget (account 1013302-53200). However, other departments and divisions, such as Special Districts, will also have the ability to utilize this Agreement provided the funding is available for the district being serviced. Funding for subsequent fiscal years will be requested in the recommended budgets.

Estimated Spending Plan with Garcia's					
Division	FY 2022-23 (6 months)	FY 2023-24	FY 2024-25	FY 2025-26 (6 months)	TOTAL
Parks	\$350,000	\$600,000	\$600,000	\$350,000	\$1,900,000
Special Districts	\$150,000	\$250,000	\$250,000	\$150,000	\$800,000
Other	\$250,000	\$400,000	\$400,000	\$250,000	\$1,300,000
TOTAL	\$750,000	\$1,250,000	\$1,250,000	\$750,000	\$4,000,000

Prepared by: Kevin Thompson, Parks Manager, Steve Howlett, Assistant Public Works Director

ATTACHMENTS

1. Agreement 32300084 Garcia's
2. Presentation

**CITY OF OXNARD CONTRACT FOR
ON-CALL TREE MAINTENANCE SERVICES
SPECIFICATION NO. PW 23-39**

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 GARCIA'S LANDSCAPING MAINTENANCE, INC. ("Contractor"). Contractor's license number is 963018.

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

1. Incorporation. The Contract consists of all Contract Documents, which shall include the General Provisions, Special Provisions and all documents referenced in either the General or Special Provisions as well as the Contractor's Bid Response. These documents are incorporated herein by reference.
2. Scope of Services. Contractor shall perform all Tasks in a good and workmanlike manner for the project identified as On-Call Tree Maintenance Services, Specification No. PW 23-39 ("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 million dollars (\$4,000,000.00) during the 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

GARCIA'S LANDSCAPING MAINTENANCE, INC.

☐ John C. Zaragoza, Mayor¹ Date
☐ Alexander Nguyen, City Manager
☐ Purchasing Manager

Pablo Garcia, President² Date

Tenley Garcia Hernandez, 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. 32300084 _____
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.

10/22

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. 32300084

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: _____

☐ 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****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. _ 32300084 _

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 _____

____ (“Principal”)

(Name and address of Contractor)

a contract (the "Contract") for the Work described as On-Call Tree Maintenance Services, Specification No. PW 23-39 (the "Project").

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

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

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____
 ("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, and
 our heirs, assignees, successors, executors and administrators are held and firmly bound,
 jointly and severally, unto the Agency and all Contractors, Subcontractors, laborers, material
 suppliers, and other persons employed in the performance of the Contract and any Task related
 to the Contract and referred to in Title 3 (commencing with Section 9000) of Part 6 of Division 4
 of the Civil Code in the penal sum of _____

Dollars (\$_____), this amount being not less than a hundred percent (100%) of the total not to exceed Contract Price, in lawful money of the United States of America, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to this Work or labor that the Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this Bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by Agency in successfully enforcing this obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

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

The Project shall be considered “accepted” for the purposes of triggering Bond deadlines at the Contractor’s final completion of all Tasks, the City’s acceptance of all Tasks, and the end of the Contract Term, whichever occurs last. Upon expiration of the time within which the California Labor Commissioner may serve a civil wage and penalty assessment against the principal, any of its Subcontractors, or both the principal and its Subcontractors pursuant to Labor Code

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

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

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

Dated: _____

“Principal”

“Surety”

By: _____

By: _____

Its:

Its:

By: _____

By: _____

Its:

Its:

(Seal)

(Seal)

Note: This Bond must be executed and dated, all Surety 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 _____

(Name and address of Contractor) _____ ("Principal")

a contract (the "Contract") for the Work described as On-Call Tree Maintenance Services, Specification No. PW 23-39 (the "Project").

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

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

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____
 ("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are
 held and firmly bound unto the Agency in the penal sum of _____
 _____ Dollars (\$ _____), this
 amount being not less than a hundred percent (100%) of the total not to exceed Contract Price,
 in lawful money of the United States of America, for the payment of which sum well and truly to
 be made, we bind ourselves, our heirs, assigns, successors, executors and administrators,
 jointly and severally, firmly by these presents.

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

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

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract, including all incorporated documents, or of the Work to be performed under any Task Order shall in any way affect the Surety's obligations under this Bond. The Surety hereby waives notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the Work in any Task Order. Surety hereby waives

California Civil Code 2845 and 2849. The City is the principal beneficiary of this Bond and has all rights of a party hereto.

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

Dated: _____

“Principal”

“Surety”

By: _____

By: _____

Its:

Its:

By: _____

By: _____

Its:

Its:

(Seal)

(Seal)

Note: This Bond must be executed and dated, all Surety 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 TREE MAINTENANCE SERVICES
SPECIFICATION NO. PW 23-39**

Bidder's Name: Garcia's Landscaping Maintenance Inc.

To the Honorable Mayor and Members of the City Council:

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

Item No.	Description	Unit	Evaluation Quantity	Amount
1	Pruning for Clearance	0"-6" Diameter at Breast Height	1	\$30.00
2	Pruning for Clearance	7"-12" Diameter at Breast Height	1	40.00
3	Pruning for Clearance	13"-18" Diameter at Breast Height	1	50.00
4	Pruning for Clearance	25"-30" Diameter at Breast Height	1	70.00
5	Pruning for Clearance	31"-36" Diameter at Breast Height	1	80.00
6	Pruning for Clearance	36" + Diameter at Breast Height	1	100.00
7	Prune Date Palm (Phoenix spp.)	Per Tree	1	290.00
8	Skin Trunk for Date Palm (Phoenix spp.)	Linear foot	1	18.00
9	Prune Fan Palm (Washingtonia spp.)	Per Tree	1	55.00
10	Skin Trunk for Fan Palm (Washingtonia spp.)	Linear Foot	1	15.00
11	Prune all other palm tree species	Per Tree	1	50.00

12.	Aesthetic or Service Request Pruning	0"-6" Diameter at Breast Height	1	50.00
13	Aesthetic or Service Request Pruning	7"-12" Diameter at Breast Height	1	75.00
14	Aesthetic or Service Request Pruning	13"-18" Diameter at Breast Height	1	110.00
15	Aesthetic or Service Request Pruning	18"-24" Diameter at Breast Height	1	130.00
16	Aesthetic or Service Request Pruning	25"-30" Diameter at Breast Height	1	160.00
17	Aesthetic or Service Request Pruning	31"-36" Diameter at Breast Height	1	225.00
18	Aesthetic or Service Request Pruning	36" + Diameter at Breast Height	1	325.00
19	Tree and Stump Removal	0"-24" diameter	1	450.00
20	Tree and Stump Removal	25"-40" diameter	1	950.00
21	Tree and Stump Removal	40"-48" diameter	1	1450.00
22	Tree and Stump Removal	Over 48" diameter	1	1600.00
23	Tree Planting	10 gallon tree	1	75.00
24	Tree Planting	15 gallon tree	1	125.00
25	Tree Planting	24 inch box tree	1	325.00
26	Tree Planting	36 inch box tree	1	850.00
27	Root Pruning	Linear foot	1	20.00
28	Root Prune with Root Barrier	Linear foot	1	30.00
29	Stump Grinding	Per diameter inch at 3 inches above grade	1	18.00
30	Tree Watering includes trunk with sprayer and operator	Per hour	1	75.00

31	Tree Watering includes truck with hose(s), operator and ground crew	Watering of 20 trees	1	150.00
32	General Labor Rate for 3 person crew with equipment for Small Tree Care	Per hour	1	225.00
33	Tree Canopy Spraying From Ground Level	Per diameter inch	1	6.00
34	Insecticide or Fungicide Trunk Banding	Per diameter inch	1	8.00
35	PGR Trunk Banding	Per diameter inch	1	8.00
36	Insecticide or GRP Soil Application	Per diameter inch	1	8.00
37	Insecticide or Fungicide Soil Application	Per diameter inch	1	8.00
38	Soil Injection Fertilization	Per diameter inch	1	7.00
39	Trunk Injection Insecticide/Miticide	Per diameter inch	1	8.00
40	Trunk Injection Fungicide	Per diameter inch	1	8.00
41	Trunk Injection Insecticide and Fungicide Combo	Per diameter inch	1	10.00
42	Avermectin Class Insecticide Injection	Per diameter inch	1	10.00
43	Pest Control Advisor Services	Per hour	1	75.00
44	Urgent Response Services, Monday through Friday, 7am-6pm	Per staff hour	1	92.00
45	Urgent Response Services, after hours, weekends and holidays	Per staff hour	1	112.00

46	General Labor Rates for 3 person crew with equipment	Per staff hour	1	225.00
47	Day rate Service Crew Boom Truck 8 hour day including a chip body, low decibel chipper, 1 Sr. Tree Trimmer, 1 Trimmer and 1 Ground Person	Per staff hour	1	195.00
48	Specialty Equipment Crane	Per hour	1	125.00
49	Specialty Equipment 95 foot aerial tower	Per hour	1	125.00
50	Specialty Equipment Loader or Bobcat	Per hour	1	100.00
		TOTAL BID PRICE:		\$9,346.00

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

BID PRICE IN DIGITS: \$ 9,346.00

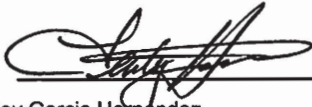
BID PRICE IN WORDS: Nine thousand three hundred forty six dollars and zero cents.

Bidder acknowledges receipt of all addenda

Addendum: Date Received:
#01 09/28/2022
#02 10/13/2022

Addendum: Date Received:
#03 _____
#04 _____

Bidder's Name (Company): Garcia's Landscaping Maintenance Inc.

Signature: 
Print: Tenley Garcia Hernandez

Title: Secretary
Date: 10/07/2022

Signature: 
Print: Pablo Garcia

Title: President
Date: 10/07/2022

EXHIBIT B

SPECIAL PROVISIONS

Contractor shall furnish labor, tools, equipment, materials, supplies and other incidentals and appurtenant work necessary to complete on-call Tree Maintenance services. Work on an on-call basis as requested through Task Order.

1000 GENERAL CONDITIONS

1000-1 Work quality

All tree pruning shall comply with good arboriculture practices for the particular species of trees being trimmed and shall be consistent with the International Society of Arboriculture Standards and Best Management Practices including but not limited to ANSI A300 standards. The Contractor shall also meet the requirements of the current ANSI, 2133, entitled "Safety Requirements for Arboricultural Operation."

The Project Manager shall determine if the Contractor has met all pruning requirements and payment shall not be made for pruning that is not in accordance with the above standards. The Contractor shall be deemed in Contract default, if they consistently fail to comply with the aforementioned standards.

1000-2 Inspection of Hazardous Conditions

Trees shall receive routine maintenance and periodic inspections at the direction of the Project Manager. The Contractor is not to inspect, monitor, or maintain trees unless a Task Order has been issued from the City. Tree problems that are clearly visible during the maintenance activities, but not considered hazardous, will be reported to the City for direction and/or further evaluation. These hazards may be discovered through both routine pruning Work or through other forms of inspection. All work history should be recorded within the City's tree inventory management program.

1000-2 Public Noticing of Tree Maintenance Operations

Contractor shall be required to notify residents and/or businesses of scheduled tree maintenance operations at least forty-eight (48) hours prior to the Work being performed. Notifications shall be made in the form of door hangers.

The Contractor shall be required to post city approved "No Parking" signs on individual trees scheduled for pruning forty-eight (48) hours prior to the Work being performed.

1000-3 Traffic Control

The Vendor shall maintain the following requirements:

1. Contractor shall submit traffic control plans for approval by the City Traffic Engineer. The traffic control plan must be approved by the City prior to beginning Work. City-approved and stamped traffic control plans are required prior to issuance of an encroachment permit.
2. Maintain a minimum of one lane in each direction at all times. Maintain access to all existing business at all times.
3. Traffic control plans must conform to the SSS and to the MUTCD.
4. Work taking place along arterial streets or other major thoroughfares shall be from 9:00 AM to 3:30 PM within the traffic lane and 8:00 AM to 5:00 PM outside the traffic lane. No interference with traffic at all other times.
5. No lane closure beyond the Work areas.

City staff shall stop operations 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 Vendor's expense.

1000-3.1 Furnishing and installing traffic control plans, work area traffic control devices, flagging and any other traffic control Work shall be considered as a component of the unit price per item and no separate or additional compensation will be allowed.

1000-4 Clean up

Contractor shall clean all job sites when Work is completed, including the raking of leaves, twigs, etc. from the lawns and parkways and the sweeping of streets and sidewalks.

Each day's scheduled Work shall be completed and cleaned up and under no circumstances shall any brush, leaves, debris, or equipment be left on the street or sidewalk overnight when feasible.

Brush and debris shall be removed daily, sidewalks swept, lawns and parkways raked out, and gutters cleaned.

City staff or authorized representative shall be the sole judge as to the adequacy of the cleanup.

1000-5 Disposal of Debris

All tree branches produced as a result of the Contractor's operations, under this Contract, will be reduced, reused, recycled, and/or transformed. The City will receive

access to their Greenwaste Recycling report, detailing the amount of debris recycled and the location. This report is used for compliance with Assembly Bill 939.

1. Greenwaste Recycling Report: Greenwaste that is transported to an off-site facility for grinding into mulch, shall be documented. That documentation will be provided to the City on a monthly basis.
2. Wood Chips:
 - A. Chips generated from pruning operations within the City may first be dumped at a City designated site.
 - B. At the direction of the City, wood waste generated from tree removals, shall be chipped into pure wood chips with an even uniform size. These chips shall be dumped in specified locations in the City.

1000-6 Data Reporting

Work performed on trees will need to be recorded in a digital format that is compatible with the City's GIS tree database. The Contractor will need to create and maintain a database with individual entries for each task performed on a specific tree (example: individual rows in a spreadsheet for each task completed for an individual tree). The Contractor database is required to use the existing tree IDs from the City's GIS database to record and link the Contractors work performed for each individual tree. The City's GIS Division will provide a copy of the City GIS tree database.

Entries in the database will need to have standardized repeatable values, where applicable, to allow the City to perform analysis and reporting. For example, a work type of tree trim will always need to be entered into the contractor database as "Tree_Trim" instead of a variety of similar entries (example: "trim tree", "tree trimming", "trimming", etc.).

Any new trees planted or work on trees that are otherwise not already existing in the inventory will require the capture of GPS coordinates of the new tree with a minimum horizontal accuracy of 10 feet. The GPS coordinate data will be entered into the Contractors database using latitude and longitude or coordinates from the local State Plane Coordinate System (NAD83_2011, State Plane, California Zone 5, US Feet). Attributes to be collected by field personnel may include, but is not limited to:

- Tree ID Number
- City District/Grid/LLDs/Parks/R-Areas/Residential
- Street
- Location by Address
- Location by GPS
- Species by botanical name & common name
- Tree diameter
- Tree height
- Tree condition

- Tree dollar value
- Recommended Maintenance
- Existing overhead Utilities
- Parkway Size
- Parkway Type
- Sidewalk, street and gutter damage

Work reports will be submitted monthly.

2000 Scope of Work

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

1. Tree Pruning
 - A. Pruning for clearance.
 - B. Pruning Palm Trees.
 - C. Aesthetic and/or Service Request pruning.
2. Tree Services
 - A. Tree removal.
 - B. Tree planting.
 - C. Root pruning.
 - D. Stump grinding.
3. Tree Care
 - A. Tree watering.
 - B. Small tree care.
 - D. Pesticide application.
 - D. Pest Control Advisor services.
 - E. Tree staking.
4. Other Services
 - A. Urgent response.
 - B. Service crew.

2000-1 Tree Pruning

Prior to beginning the Work, the Contractor shall review with the Project Manager the various methods, tools, and work scheduling to be used on the project. Unless otherwise indicated, tree pruning shall include but not be limited to accepted pruning practices.

Daily tree pruning operations shall commence no earlier than 8:00 A.M. and shall be completed each day no later than 5:00 P.M., or as required by City ordinances, or emergency operations. Work will not be performed adjacent to residential housing before 9:00 A.M.

All debris resulting from tree pruning operations shall be removed from the Work site on a daily basis.

1. Pruning for Clearance (all species except palms)

As directed by Project Manager, tree pruning for traffic clearances shall provide clearances of at least fourteen (14') feet and no greater than sixteen feet (16') above finish grade for moving vehicles within the traveled roadway, (9') for pedestrians on sidewalks in accordance with the standards set forth by the ISAP Standards (Best Management Practices) and the ANSI A300 Standards under "Pruning to Raise." Clearance trims are performed on a grid system or on a street-by-street basis. Clearances for adjacent structures and their connecting utility lines (service drops), shall be determined by the City Arborist and conform to the following:

- A. The minimum clearance under trees within the street right-of-way shall be fourteen (14') feet over the traveled road, and nine feet (9') over the curb line and the sidewalk side of the tree. When pruning the bottom branches, care shall be given to obtain a balanced appearance when viewed from across the street immediately opposite the tree.
- B. Cut to laterals to preserve the natural form of the tree. Remove lateral branches at their point of origin or shorten the length of a branch by cutting to a lateral, which is large enough to assume leadership.
- C. When cutting back, avoid cutting back to small suckers. Remove smaller limbs and twigs in such a manner as to leave the foliage pattern evenly distributed.
- D. Tree Pruning by Block on the Bid sheet is priced per tree and consists of pruning trees along a block segment or "run" as designated by the City. This is different from Grid Pruning where all trees are pruned (small, medium and large sized) within a grid or district.

2. Pruning Palm Trees

Palm tree pruning shall consist of the removal of all dead fronds five (5) feet down the trunk from the lowest green fronds, fruit clusters and other vegetation from the trunks of all palms in a manner selected by the Contractor and approved by the City Arborist and in accordance with the following:

- A. The use of climbing spurs or spike shoes for the purpose of climbing palm trees is prohibited, unless specifically approved by the City Arborist. The Contractor shall be required to use an aerial tower with sufficient height to reach the crown for the purpose of pruning City palm trees.
- B. Palm Skinning (additional service & cost) - Dead fronds, and parts thereof, including stubs, can be removed along the entire length of the trunk of each

palm, leaving a clean unsheathed appearance slicked from the ground to approximately twenty-four to thirty-six (24" - 36") inches from the base of the green fronds at the top of the tree. The frond stubs (cut close to the trunk) can be left in place within a span of at least eighteen (18") inches but no greater than thirty-six (36") inches.

- C. Removal for dead fronds lower than 5 feet will be charged at the Palm Skinning rate.

3. Aesthetic and/or Service Request Tree Pruning (All species except palms).

As directed by Project Manager, trees identified for an aesthetic trim shall be trimmed within two weeks of notification by the City to the Contractor.

- A. Contractor shall comply with the requirements of the General Provisions above.
- B. Contractor shall endeavor to maintain good public relations at all times. The Work shall be conducted in a manner which will cause the least possible interference and annoyance to the public. Work shall be performed by competent employees and supervised by an experienced, An English speaking supervisor is required in tree maintenance operations. The Contractor shall be responsible for advance notification to the residents at each Work location of the intended tree operations. The Contractor shall be responsible to see that private property and vehicles at Work locations are not endangered or damaged during the course of Work.
- C. Contractor shall exercise precautions as necessary when working adjacent to aerial and subterranean utilities. Contractor must utilize qualified line clearance tree trimmers if working within 10 ft. of high voltage power lines. In the event that aerial utility wires present a hazard to the Contractors personnel or others near the Work site, Work is to immediately cease and the appropriate utility company notified. Work shall then commence in accordance with instructions from the utility company. In the event that Work causes excavation, the City is responsible for properly marking the location and the Contractor is responsible for appropriate notification of Underground Service Alert (USA).
- D. No hooks, gaffs, spurs or climbers will be used for climbing trees other than for removals and inaccessible Palms when needed and preapproved by the City Arborist.
- E. Final pruning cuts shall be made without leaving stubs. Cuts shall be made in a manner to promote fast callus growth.
- F. The specific techniques employed shall be consistent with industry practice for the size and species of tree being trimmed. All dead, broken, damaged, diseased or insect infested limbs shall be removed at the trunk or main branch. All cuts shall be made sufficiently close, 1/2 inch, to the parent stem so that

healing can readily start under normal conditions. All limbs 2" or greater shall be undercut to prevent splitting. The remaining limbs and branches shall not be split or broken at the cut. All crossed or rubbing limbs shall be removed unless removal will result in large gaps in the general outline of the tree. All trees shall be thinned of smaller limbs when necessary to distribute the foliage evenly as needed.

- G. Cut laterals to preserve the natural form of the tree, leaving the head open enough for the branching system to show and permitting the dead material to be easily cleaned out and light to show through the head.
- H. Trim to remove dead wood or weak, diseased, insect-infested, broken, low, or crossing limbs. Branches with an extremely narrow angle of attachment should normally be removed. Small limbs, including suckers and waterspouts, shall be cut close to the trunk or branch from which they arise.
- I. The trimming shall provide a symmetrical shape and aesthetically pleasing appearance typical of the species. Trees shall also be trimmed to remove any obstruction around traffic control devices, traffic signs and streetlights. Additional trimming shall be performed to mitigate any extreme effect of the clearance trimming and provide an aesthetic appearance.
- J. Heading cuts and/or topping will not be allowed without City approval. Heading, rounding over, or stubbing shall not be an accepted practice for reducing the size or the framework of any tree.
- K. The minimum clearance under trees within the street right-of-way shall be fourteen (14') feet over the traveled road, and nine feet (9') over the curb line and the sidewalk side of the tree. When pruning the bottom branches, care shall be given to obtain a balanced appearance when viewed from across the street immediately opposite the tree.

2000-2 Tree Services

1. Tree Removals

After the City determines that a tree requires removal, the City shall prepare a list of trees to be removed, mark trees, notify homeowners, and submit a list to the Contractor. It is the Contractor's responsibility to call Underground Service Alert (USA) and prepare internal work orders. The Contractor's crew shall remove the tree, haul all debris and grind stumps to a depth of eighteen (18") inches unless prior approval is obtained by the City Arborist. All holes will be backfilled. The City Arborist shall make the final determination to remove or provide public noticing for removal at a later date. Removals shall be conducted in good workmanlike manner and in accordance with the standards of the arboricultural profession.

All wood from removed trees is the property of the City and shall be disposed of at the direction of the Project Manager. No wood shall be left along the public right-of-way unless approved by the Project Manager. All tree parts are to be loaded into transport vehicles or containers. The vehicles or containers must have the front, sides and rear solid and the top shall be tarped, or otherwise tightly enclosed. The transporting of tree parts must be made so that no debris escapes during the transport. Branches, suckers, bark, and other tree parts that are chipped are to be covered while transported and hauled to the disposal site during the workday.

The City is responsible for marking trees so that they are easily identifiable by Underground Service Alert (USA) and the Contractor. The Contractor shall be required to call USA at least 2 days before stumps are to be ground out. All tree stumps must be removed to at least 18 inches below the lowest soil level adjacent to the stump, or until deep roots are no longer encountered. The Contractor shall grind the stump a minimum distance of one and a half (1½') feet either side of the outer circumference of the stump, or until surface roots are no longer encountered.

Stumps should be cut low enough to the ground where routing can be done safely. This may be accomplished by cutting the stump at the time of grinding, or at the time of tree removal except for infrastructure conflicts. Holes created by stump and root grinding must be filled the same day. The resultant chips from routing may be used to fill the hole to two (2") inches above normal ground level. All excess routing chips debris will be removed and loaded into transport vehicles for disposal. Any damage caused by the contractor to infrastructure including paved surfaces, fences, etc. shall be restored to their original condition.

2. Tree Planting

Tree planting includes the tree, stakes, ties and watering at time of installation, as directed by the Project Manager. Contractor will guarantee the quality of the tree stock and the Workmanship.

- A. Contractor shall provide all equipment, labor, and materials necessary for the planting of trees throughout the City in accordance with the specifications herein.
- B. The City shall be responsible for marking the locations and the Contractor will notify Underground Service Alert (USA) prior to planting.
- C. Planting pit shall be dug twice the width and the same depth of the root ball. Before placing the tree in the planting pit, the Contractor shall examine the root ball for injured roots and the canopy for broken branches. Damaged roots should be cleanly cut off at a point just in front of the break. Broken branches should be cut out of the canopy making sure that the branch collar is not damaged.

- D. The tree shall be placed in the planting pit with its original growing level (the trunk flare) at the same height of the surrounding finish grade. In grass-covered parkways, the top of the root ball shall be level or slightly higher than the surrounding soil. In a concrete tree well, the root ball shall be 3 inches below the level of the finished surface of the concrete.
- E. Backfill material should be native soil. Eliminate all air pockets while backfilling the planting pit by watering the soil as it's put into the hole.
- F. Trees that are planted in parkways shall have a 4"-6" high water retention basin built around the tree that is capable of holding at least ten (10) gallons of water. In a concrete tree well, the soil should be raked against the edge of the concrete to create a sloping basin. Immediately after planting, the tree shall be watered thoroughly by filling the water retention basin twice.
- G. All trees shall be staked with two wooded lodge poles and two ties per pole. The minimum size of the lodge poles shall be ten (10') feet long, with a one and a half (1½") inch diameter. Tree ties shall be placed at one third (1/3) and two-thirds (2/3) of the trunk height. Stakes shall not penetrate the root ball and shall be driven into the ground approximately twenty-four to thirty (24"-30") inches below grade. The top of stakes shall be removed to not interfere with the canopy.
- H. Trunk protectors such as Arbor-Guards or equal shall be placed at the base of the trunk of all new trees immediately after planting.
- I. In some cases, root barriers may be required. The City will make this determination. Should a root barrier be required, the Contractor will install a mechanical barrier that redirects root growth downward, eliminating the surface rooting that damages expensive hardscapes and creates a hazard. The barrier shall be twelve (12") inches in depth and at a length determined by the City and placed in a circular fashion surrounding the tree's root system. Root barriers are an additional service.
- J. Clean up all trash and any soil or dirt spilled on any paved surface at the end of each working day.
- K. All trees shall be of good nursery stock that adheres to the American Standard for Nursery Stock as described in the current ANSI 260.1 standards. Trees shall be free from pests, disease, and structural defects. If these issues are determined by the City, then the Contractor will be responsible for replacing the tree(s) at no additional cost.
- L. All newly planted trees are to be watered for the next 8 weeks, at least once a week, for an establishment period.

3. Root Pruning

At the direction of the Project Manager, the Contractor will prune the roots of trees and

add root barrier. The depth, distance from trunk and length of the cut will be determined by the City Arborist, or assigned, on a tree by tree basis.

4. Stump Grinding

At the direction of the Project Manager, stumps of previously removed trees will be ground. The Contractor will call Underground Service Alert (USA) and prepare an internal work order. Crew grinds stumps to a depth of eighteen (18") inches. All holes will be backfilled; as well as all debris cleaned up and hauled away.

2000-3 Tree and plant care

Services include watering, small tree care, pesticide applications and Contractor's Pest Control Advisor recommendations.

1. Watering

- A. Watering is performed with a water truck application through an agreed upon sprayer system and/or emitters. This application will water various routes throughout the street landscapes and/or parks.
- B. Watering is performed by hand using a hose or multiple hoses attached to a water truck or water buffalo. Water will be applied to an existing tree well made of mounded dirt around the base of trees. Each basin will hold approximately 20-40 gallons of water. Water will be applied at a rate as not to blow out the well and allow for it to fill. Any damage to the well that reduces the capacity or allows water to escape will be repaired by the Contractor at the time of watering to ensure the proper amount of water is delivered and there is no runoff into the street or sidewalk.

2. Small Tree Care

The City requires an active approach to the care of its young and newly planted trees. The Contractor shall be required to perform basic maintenance that will include, but not be limited to, tree well adjustments and watering, removal of weeds from tree wells, structural pruning, and re-staking when necessary.

The Contractor may be required to replace existing tree stakes or install new ones. All trees shall be staked with two wooded lodge poles and two ties per pole. The minimum size of the lodge poles shall be ten (10') feet long, with a one and a half (1½") inch diameter. Tree ties shall be placed at one third(1/3) and two-thirds (2/3) of the trunk height. Stakes shall not penetrate the root ball and shall be driven into the ground approximately twenty-four to thirty (24"-30") inches below grade. Top of the stakes shall be removed from the canopy.

3. Pesticide Application and Reporting

At the direction of the Project Manager, the Contractor shall be required to provide plant health care services including, but not limited to, the following; spraying, injecting, and soil drenching as necessary to reduce a potentially harmful pest. This is done to maintain or improve the selected tree's appearance, vitality, and safety, using the most cost-effective and environmentally sensitive practices and treatments available. All pesticide recommendations are to be made by the Contractor's Pest Control Advisor in accordance with the California Department of Pesticide Regulations.

A. Pesticide Treatment of Trees

1. Contractor shall have an in-house Qualified Applicator to apply chemicals in accordance with the recommendations from the in-house Agricultural Pest Control Advisor and all applicable product labels and regulations. Contractor to submit Qualified Applicator certification documentation to the Project Manager prior to commencing Work.
2. Applications will be made by drench, spray, or injection as conditions warrant. The primary method of application shall be trunk or soil injection.
3. The following are pesticides that may be used on this Contract for treatment of Polyphagous Shot Hole Borer (PSHB), Golden Spotted Oak Borer (GSOB), Fusarium dieback, and other pests. This list is not all inclusive or exhaustive.
 - a. Propiconazole
 - b. Tebuconazole
 - c. Thiabendazole
 - d. Emamectin benzoate
 - e. Imidacloprid
 - f. Dinotefuran
 - g. Bifenthrin
 - h. Carbaryl

B. Pesticide Usage and Reporting

1. Contractor shall submit Pesticide Usage Report(s) to the City at the end of each month summarizing the facilities treated, pests treated, pesticides used, pesticide application rates, staff hours, and equipment.
 - a. The Report(s) will provide all information needed, and in a format sufficient, for all annual reporting, including 1PM and NPDES.
2. City 1PM Policy encourages use of the least toxic pesticide required for effective control of a given pest.

C. Pests and Diseases

1. For all trees known or suspected to be diseased/infested, the Contractor shall disinfect all tools and cut surfaces after each cut and between trees.
2. For all trees with known or suspected PHSB, Fusarium, Gold Spotted Oak Borer or other high priority pests/ pathogens as determined by the County, The Contractor shall handle all debris in a manner consistent with the newest version of all appropriate Best Management Practices (BMP), which minimizes the chance of spreading infection or infestation.
3. Material and debris from trees with known or suspected disease/infestation shall be chipped to 1" or smaller and shall not be left on site or used as mulch off site.
4. No additional charges for disinfection or special handling shall be allowed.

D. Pest Control Advisor Services

At the Project Manager's direction, the Contractor will conduct inspections, sampling, testing and other data collection services. Analyze the data and provide results and recommendations in a report to address the specific issue in question. Contractor to submit Pest Control Advisor documentation to Project Manager prior to commencing work.

2000-3 Other Services

1. Urgent Response

The Contractor shall be required to provide urgent on-call response for damaged trees as a result of storms or other reasons. Urgent calls may occur at any given time. The Contractor will be provided with locations and the Work to be done at each location via telephone from the City. Urgent work shall begin within two (2) hours of the initial telephone call.

Contractor shall be required to provide a twenty-four (24) hour emergency phone number or the names of at least ten (10) contact individuals upon award of Contract. Should the contact persons or their phone numbers change during the course of the Contract, those changes shall be submitted to the City within two (2) Working Days.

Contractor shall be required to provide all necessary traffic control during the course of emergency work. Should the work involve any high voltage power lines or any utility lines the Contractor shall be required to notify the responsible utility company.

Work performed under the emergency provision of this Contract shall be paid for on a crew hour basis. This shall include all labor, tools equipment, disposal fees and necessary materials.

2. Service Crew

The crew and equipment can be modified to complete any type of miscellaneous tasks including special projects that may consist of extraordinary work including but not limited to debris and brush cleanup, hanging lights and flags, changing light bulbs, building tree watering wells, etc.

3000 Payment

All Work will be pre-approved by a Task Order issued by the Project Manager prior to starting Work.

The Task Order shall include, but not be limited to, a list of each street that tree maintenance operations took place, the address of each individual tree, the species and height and trunk diameter of each individual tree, all materials, labor and taxes; if it does not, the Contractor shall clarify any missing information before commencing Work. A separate invoice is required for each Task Order issued pursuant to the Contract.

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 pre-approved by the Project Manager and included in the Task Order.

Furnishing and installing work area traffic control devices and flagging shall be considered as a component of the unit price per item and no separate or additional compensation will be allowed.

Move in/move out of equipment shall be considered as a component of the contract unit price and no separate or additional compensation will be made. No per diem will be paid. No additional payment will be made for travel time to and from the job site.

4000 Inspections

The City shall, at all times, have access to the Work and shall be furnished with every reasonable facility for ascertaining full knowledge respecting the progress, Workmanship, and character of materials and equipment used and employed in the Work.

Agreement 32300084 with Garcia's Landscaping Maintenance, Inc. for On-Call Tree Maintenance Services

Public Works and Transportation Committee,
November 22, 2022

City Council
December 20, 2022

Kevin Thompson, Parks Manager

FOR PUBLIC WORKS AND TRANSPORTATION COMMITTEE:

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute an Agreement with Garcia's Landscaping Maintenance, Inc. in the amount not to exceed \$4,000,000 for a three year term for On-Call Tree Maintenance Services, Specification No. PW 23-39.

FOR CITY COUNCIL:

That the City Council approve and authorize the Mayor to execute an Agreement with Garcia's Landscaping Maintenance, Inc. in the amount not to exceed \$4,000,000 for a three year term for On-Call Tree Maintenance Services, Specification No. PW 23-39.

- It has been more than a decade since the city had a regular and ongoing tree maintenance program
- The number of staff dedicated to maintaining the City's urban forest has been limited. The focus of City staff has been on hazard mitigation, responding to emergency situations and residential tree trim requests
- Over the years many of the standard maintenance tasks have been deferred due to lack of resources
- With the passing of Measure E, funding has been dedicated to maintaining the City's urban forestry

- Request for Bid (RFB) PWV 23-39 was released on September 19, 2022
- Purchasing Department received three responsive bids by the October 19, 2022 closing date:
 - Mariposa Tree Management, Inc.
 - Garcia's Tree Maintenance Services, Inc. (Garcia's)
 - West Coast Arborists, Inc.
- As a result of the RFB, the City determined Garcia's to be the lowest responsive bidder

- The Agreement allows for a variety of standard maintenance task including:
 - Removal of dead and dying trees
 - Grinding of tree stumps
 - Planting trees
 - Watering trees
 - Pest Control Advisor recommendations
 - Pesticide application
 - Urgent response call out
 - Small scale pruning
- Staff has verified vendor meets all insurance requirements, possesses a business tax certificate and is registered with the California Secretary of State

- The total not to exceed amount for this Agreement with Garcia's Tree Maintenance Services, Inc. is \$4,000,000 for a term of three years
- This Agreement can be utilized Citywide. As this is an on-call agreement, work will only be done as funding allows.

QUESTIONS?



PUBLIC WORKS AND TRANSPORTATION COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.5

DATE: November 22, 2022

TO: Public Works and Transportation Committee

FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org

SUBJECT: Professional Services Agreement No. 32300020 with Raftelis Financial Consultants, Inc. for a Wastewater and Environmental Resources Rate Study. (10 Minutes)

RECOMMENDATION

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute a Professional Services Agreement with Raftelis Financial Consultants, Inc. (Raftelis), in the amount not to exceed \$275,000 for a term ending June 30, 2024, for a cost of service analysis and rate study for the Wastewater and Environmental Resources Divisions.

(This item is not subject to the California Environmental Quality Act pursuant to Pub. Res. Code § 21080(b)(1) in conjunction with 14 C.C.R. § 15268).

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/I5hDAiP6CXE>

BACKGROUND

A cost of service study is an analysis in which the total cost to provide a utility service is spread or allocated to various customer classes of service. More particularly, this study is an analysis based on various data, such as historical and anticipated future costs, which allocates the utility's costs to its customer classes as fairly as possible based on their consumption patterns. Cost of service studies provide useful information to a utility as part of the traditional planning process. These studies provide detailed cost information necessary for designing rates, showing cost differences among rate classes, unbundling rates into separate functional components, pricing special services, developing economic development incentives, responding to customer rate inquiries, and can be a good reference when recommending policies.

Most utilities use these studies as a guide for designing rates, to ensure that each rate class pays its fair share of the utility's costs. Utilities should initiate this study periodically to assess whether the existing rates are sufficient to recover utility costs and margins. This will help the utility to remain financially sound and promote equity among the utility customers. Consultants are normally brought in to conduct these studies because of their broad background in the utility industry and their extensive experience conducting these studies.

Wastewater

The Oxnard Wastewater Treatment Plant (OWTP) is a regional plant with a permitted treatment capacity of

over 31 million gallons per day. The OWTP provides wastewater treatment to the City of Oxnard, City of Port Hueneme, Channel Islands Beach Community Services District, unincorporated areas of Ventura County, and two (2) naval bases.

In 2017, a rate study was completed by Carollo Engineers to establish wastewater rates capable of supporting the OWTP operational, capital, and debt service requirements. The goals of the study included: having targeted reserve levels; meeting bond requirements; increasing the resilience of utility finances to address unexpected demands of the wastewater operation; and to provide funding for Phase 1 and Phase 2 of the capital improvement plan. As a result of the rate study, the wastewater rates were increased over the next 5 years, ending on January 1, 2021.

Environmental Resources

The City's Environmental Resources Division (ER) is responsible for providing collection, transfer, disposal, and container maintenance to approximately 37,000 single-family residences, approximately 15,000 multi-family living units, and commercial establishments throughout Oxnard. Residential refuse, organic waste, and recycling collection services are provided weekly. Businesses and multi-family communities are primarily serviced by front load dumpsters with pickups available six days per week.

In addition to scheduled weekly services, other collections provided by ER include neighborhood clean-up events, bulky waste drop-off collection, 311 program to clean up illegally dumped debris, curbside special collections, temporary dumpster rentals, and household hazardous waste.

In addition, the City's ER Division owns and operates the Del Norte Regional Recycling and Transfer Station (Del Norte Facility). In FY 2021-22 ER was responsible for a year-end actual of 319,619 tons of material. Of that, the Del Norte Facility received, processed and transferred 293,987 tons of municipal solid waste, source-separated recyclables, and organic waste from permitted waste haulers and self-haulers of western Ventura County including all material collected by ER from its residential and commercial sanitation/recycling collection routes in Oxnard.

Based on the last rate study for ER completed by Black and Veatch in May 2012, City Council approved Ordinance Number 2861 "Readopting and Establishing Solid Waste System User Fees and Charges" which implemented a two-step rate increase of one percent (1%) effective on October 1, 2012, and one percent (1%) on January 1, 2013, for standard service collection. Since this date, no formal cost of service study has been completed for the refuse utility; subsequently, no further refuse rate changes have occurred.

DISCUSSION

On July 15, 2022, the Purchasing Department released a Request for Proposal PW 23-03 for a Rate Study for the Wastewater and Environmental Resources Divisions. This solicitation closed on August 5, 2022, where a total of two (2) proposals were received from Raftelis Financial Consultants, Inc. (Raftelis) and NewGen Strategies and Solutions LLC. An evaluation team consisting of the following Public Works staff; Public Works Director, Assistant Public Works Director, Wastewater Division Manager, Management Analyst, and Material Recovery Facility Manager reviewed all proposals and Raftelis was determined to be the most qualified based on the evaluation criteria in the request for proposal. Evaluation criteria consisted of the qualifications of the proposer's project team, proposer's past performance with similar projects, rate methodology, level of effort, and cost.

Wastewater

As a result of the previous rate study and subsequent Council approved rate increases, the wastewater finances are markedly improved. The City's rating from Standard and Poor's Global Ratings (S&P) on the wastewater

fund increased from “A-” to “A” from calendar years 2021 to 2022. Operation and maintenance costs, capital improvement funding, debt service and reserves are all meeting stated requirements, plans and goals. The primary focus of the proposed rate study is to evaluate the rate structure which was adopted many decades ago. Specifically, the rate study will assess our current rate structure for fairness, simplicity, and clarity. In addition, the study includes an evaluation of fees, charges and penalties which have not been updated in many years. Finally, a benchmarking study will be completed which will compare wastewater rates, charges and fees with other cities in Ventura County and three similar systems in the state.

Environmental Resources

ER is an established self-supporting enterprise fund. Revenues are derived primarily from sanitation/recycling collection charges, waste tipping fees, and recycling commodities sales from the Del Norte Regional Recycling and Transfer Station that is owned and operated by the City. Together, these derived primary revenues must be adequate to fund the Solid Waste Enterprise Fund’s operations, debt service, capital improvements, and must meet reserve fund targets.

As previously stated in this report, the last rate increase for standard service collection was one percent (1%) effective on January 1, 2013. Since then, operating costs have risen for labor, fuel, supplies, equipment maintenance and replacement, processing and disposal, and internal service charges. Revenues derived from user fees and charges are also needed for maintaining reserves as specified in Council Resolution No. 15,595 adopted from the annual budget FY 2022-23 that establishes financial management policies.

New operational costs have emerged due to the compliance of meeting mandates under California State requirements of AB 341, AB 1826, and SB 1383 to develop, implement and maintain the City’s mandatory commercial organics and recycling compliance programs.

The goal of this rate study is to independently assess and evaluate the City’s solid waste rates and charges, and to provide recommendations for future solid waste rates and rate structures. The objective of this study is to develop a rate structure that will adequately fund the City’s Solid Waste Enterprise Fund’s future operation and maintenance, capital projects, debt service and reserve balances while minimizing cost to the users as much as is reasonably possible.

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 cost for this agreement with Raftelis, in the amount not to exceed \$275,000, will be funded from existing appropriations in the approved FY 2022-23 budget from the Wastewater Operating Fund 611 (account 6113614-53200) and from the Environmental Resources Operating Fund 631 (account 6313630-53200). Funding for the subsequent fiscal year will be requested in the FY 2023-24 recommended budget.

Estimated Rate Study Spending plan				
Division	Account	FY 22-23	FY 23-24	TOTAL
Wastewater	6113614-53200	\$49,127	\$73,691	\$122,818
Environmental	6313630-53200	\$46,892	\$70,338	\$117,230

Resources				
As- Needed Support	Various	\$13,981	\$20,971	\$34,952
TOTAL		\$110,000	\$165,000	\$275,000

Prepared by: Brian Yanez, Assistant Public Works Director, Joseph Marcinko, Assistant Public Works Director

ATTACHMENTS

1. Agreement No. 32300020
2. Presentation

**AGREEMENT FOR PROFESSIONAL SERVICES
COVER PAGE**

- (1) Agreement Start Date: December 20, 2022
- (2) Consultant: Raftelis Financial Consultants, Inc.
- (3) Services: Wastewater and Environmental Resources Divisions Rate Study Consulting Services
- (4) Schedule of Services: "See Schedule of Services Exhibit"
- (5) Agreement Ending Date: December 31, 2023
- (6) Total Agreement Amount: \$275,000
- (7) City's Project Manager: Brian Yanez, Assistant Public Works Director
- (8) Consultant's Project Manager: Steve Gagnon, Senior Manager
- (9) Insurance Coverage: INS- B
- (10) Addresses for Notice:

FOR CONSULTANT:

Raftelis Financial Consultants, Inc.
Union Bank Plaza
445 S Figueroa St. #2270
Los Angeles, CA 90071
Attn: Steve Gagnon, Project Manager

FOR CITY:

City of Oxnard
Public Works Administration
305 W Third St., East Wing, Third Floor
Oxnard, CA 93030
Attn: Brian Yanez, Assistant Public Works Director

- (11) Contact Emails:

*CONSULTANT'S PROJECT
MANAGER:*

Steve Gagnon, sgagnon@raftelis.com

CITY'S PROJECT MANAGER:

Brian Yanez, brian.yanez@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-B)

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: invoices@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.

If Consultant provides any architectural, landscape architectural, engineering or land surveying (“design professional”) services, 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, 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.

If Consultant provides no design professional services, to the maximum extent permitted by law, Consultant shall hold harmless, defend and indemnify the Indemnitees from and against Claims caused by the negligence, gross negligence or willful misconduct by Consultant in performance of this Agreement, or the uncured breach with any of the material terms contained in this Agreement, by Consultant or of any of its officials, directors, officers, employees, subcontractors, or agents. 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, immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding.

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 18704 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 relief 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.

[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

RAFTELIS FINANCIAL CONSULTANTS, INC.

Jennifer Yates,¹
Purchasing Agent

Date

Pieffer Brandt,
President/CEO

Date

ATTEST:

Jessica Jasso
Corporate Secretary

Date

Rose Chaparro, CITY Clerk
(only if Mayor authorizes)

Date

APPROVED AS TO FORM:

Stephen M. Fischer, CITY
Attorney (always required)

Date

¹ The City Council must authorize any agreement over \$200,000 annually. The City Manager may authorize any agreement over \$100,000 up to \$200,000 annually. The Purchasing Agent may authorize any agreement up to \$100,000 annually. All agreements shall be executed by the Purchasing Agent.

SCOPE OF SERVICES EXHIBIT

This project shall consist of all the tasks necessary for development and implementation of a new rate structure for each of the two City of Oxnard utilities (Solid Waste and Wastewater). Through the development of updated rate structures, the City is intending that rate studies for the respective division be separated into standalone reports, so if needed, can be staggered in implementation and/or presentations. The tasks for each respective utility shall include but not be limited to:

Task 1 - Project Management-

(The following subtask shall be completed as part of Task 1)

1. Project Management - Consultant shall address the management and administrative responsibilities associated with project initiation, schedule, budget control, monthly invoicing and progress report preparation, internal team coordination, and coordination with the City. Monthly invoicing shall include a transmittal letter summarizing the budget, schedule; work completed to date and anticipated work in the upcoming month. Detailed labor back-up shall be provided.
2. Schedule Development- Consultant shall develop a schedule for the study in a manner that, if needed, can be implemented in a way that individual utilities can be prioritized, i.e. the City and Consultant can choose to work on one or both of utilities at any one time. Currently the City is prioritizing the rate studies in the following order: Solid Waste followed by Wastewater.
3. Meetings – The following meetings should be assumed:
 - a. Kick-off meeting to verify scope, review schedules, discusses information needs and communications and any other related project issues.
 - i. Discuss City's Project Drivers
 - ii. Introductions between City staff and consultant s Project Team
 - iii. Identify areas of concern or key issues and confirm study goals and objectives
 - iv. Finalize the work plan and schedule
 - v. Discuss the City's rate objectives
 - vi. Discuss the data request and any additional data requirements
 - b. Monthly status meetings – Consultant shall assume six **virtual** meetings per utility.
 - a. Consultant and City Shall discuss data needs, schedule, and any City decisions needed to move forward.
 - c. Public Relations and Outreach meetings - Consultant shall assume up to six meetings per utility.
 - d. Draft and final report review meetings
 - e. Attendance and presentation at City Committee meetings and the City Council meetings - Consultant shall assume up to 6 totals.
4. Quality Assurance/Quality Control (QA/QC) – The consultant shall develop a QA/QC plan for the review of all deliverables. Performed at two project milestones: 1) at the completion of the financial plan and 2) after the completion of the cost of service and rate design. Our quality assurance/quality control (QA/QC) program is as follows:
 - a. **Built-In Model Checks:** 1) Ties to Total Operating Budget; 2) Revenue requirement check to ensure rates are collecting the right amount of revenue derived from the financial plan; and 3) Revenue proof to ensure rates are designed to collect the total revenue requirement.
 - b. **Project Manager Review:** The Project Manager shall review each model worksheet at each project milestone.
 - c. **Senior Consultant Review:** A Senior Consultant, who is not involved with the project, shall perform a complete model review. This review includes both modeling integrity and adherence to common rate-setting practices. Analysts not involved with the project provide a fresh perspective.

Deliverables – Monthly invoices, meeting minutes, schedule variations based on prioritization, and QA/QC plan, verification, and required presentations

Task 2 - Information Review and Data Collection

1. Consultant shall submit a request for information (RFI) and review information from the City including, but not limited to:
 - a. current and future flow/usage projections
 - b. population projections
 - c. current and future planned development
 - d. sphere of influences
 - e. customer billing information
 - f. five (5) years of revenues and expenses
 - g. City financial policies
 - h. current ordinances
 - i. debt documents
 - j. capital improvement program
 - k. historical rate studies
 - l. current and future capital improvement plan and funding
 - m. regional agreements
 - n. and any other related information needs
 - o. current programs and future programs

Deliverables – Technical Memo summarizing information review and any discrepancies or missing information. RFI

Task 3 - Financial Plan and Revenue Requirements

1. Consultant shall determine future revenue requirements to sufficiently fund each utility's operations and maintenance (O&M), capital replacement and refurbishment (R&R) program, capital improvement plan, debt service requirements, and reserve funding. To ascertain the utility's financial condition, Consultant shall evaluate current and projected revenues, water usage, expenses, and the appropriate use of debt. For capital investment, Consultant shall incorporate the City's most recently completed Master Plans and Capital Improvement Program documents in the financial plan to ensure that the utility can fully fund capital needs throughout the planning horizon. Consultant shall provide revenue requirements over a 10-year planning horizon. Doing so illustrates future rate impacts and potential challenges to the City's financial health so the City can plan expenses, reserve balances, or capital project scheduling to smooth rate impacts.
2. Develop and provide an easy to use rate model in Microsoft Excel and train staff how to use it. User friendly flexible model shall include a financial plan dashboard with the following features:
 - a. Flexibility to change many assumptions such as Water or Wastewater use, Tonnage Generation, Fleet Replacement Cycle, CIP levels, Revenue Adjustments
 - b. Error flagging and problematic results such as failure to meet Debt Coverage, below target reserves, etc.
 - c. Sensitivity analyses and various "what-if" scenario assessments, so that impacts can be viewed instantaneously with built-in screen graphics
 - d. Evaluate cost of service rate adjustment options over an extended planning period
 - e. Recommend a 5 year rate adjustment strategy to establish cost of service rates

- f. Reserve analysis must be part of the rate model

Deliverables – Technical Memo summarizing the results of the wastewater revenue requirements. Assumptions should be clearly identified. Consultant shall draft a financial planning model in Microsoft Excel. Consultant shall hold up to two webinars to review assumptions and finalize the financial plan with which to calculate rates. Budgeted for a half-day webinar to train (4 hours) staff on model use.

Task 4 - Cost-of-Service Analysis

The consultant shall develop an Excel spreadsheet (or equivalent) tool that incorporates the results of Tasks 3 and 4 and allows for the evaluation of alternatives. The cost of service tool shall include at a minimum estimated revenue requirements for the next five years, cost allocations, customer class allocations, debt service, capital improvements and comparison of existing to new proposed rates.

1. **Functionalizing** revenue requirements to functions. For example, typical water functions include supply, treatment, pumping, storage, distribution, meter reading, and customer service. Solid waste functions would include collection service type and materials management functions at the Del Norte Recycling and Transfer Station. The other utilities have different functions.
2. **Allocating** those functions to cost causative factors, which are specific to each utility. For example, supply, base costs, max day, and max hour costs for a water utility. Solid waste factors may include, but not limited to, quantity of waste and collection routing requirements.
3. **Distributing** cost components to customer classes based on how customers use the services of each utility

Deliverables – Cost of Service tool, Technical Memo describing the use of the tool, assumptions and alternatives. Consultant shall provide Cost-of-service analysis in Microsoft Excel. Webinar if needed

Task 5 - Five-Year Rate Design and Calculation

Rate model shall consist of the following three modules:

Financial Planning Module - Task 3
Cost-of-Service Module - Task 4
Rate Calculation Module - Task 5

The rate model shall include a summary of customer bill impacts of the proposed rate structure. Consultant shall graphically illustrate customer bill impacts at different usage levels and/or meter sizes. This tool has proven particularly useful for public outreach and during the Proposition 218 process. Consultant shall also illustrate class-wide impacts based on consumption through a dollar impact distribution graph.

General services provided by the utilities to all customers should be evaluated and incorporated into the rate model as allowed by codes, regulations, and law. Additionally, review and recommendations for rate assistance programs should be analyzed. Consultant shall meet and discuss with staff from each utility to identify general services provided and assistance programs.

Specific items to be included in rate design development for respective divisions include but are not limited to:

1. The consultant shall evaluate alternatives to the existing rate designs. The annual costs of providing services should be allocated among customer classes commensurate with their service requirements. In this step, costs are identified and allocated to cost components and distributed to respective customer classes according to the industry standards. An analysis shall be completed for the following:
 - a. Evaluation and comparison of Rate Structure options

- b. The use of the User Charge Formula for Regional and Industrial Customers vs. Residential Customers (Wastewater only)
 - c. Minimum Monthly Charges
 - d. Recommended Reserve amounts
2. Bill Impacts - The Consultant shall determine the potential financial impact on customers that result from the proposed rate structures. The model shall include a series of tables and figures (graphs) that show projected rate impacts on different types of customers at various use levels and meter sizes. Class-wide impacts shall be illustrated via a dollar impact distribution graph.

Solid Waste

- a. Cost of service analysis for each of the services provided and each of the waste streams
- b. Analysis of residential cart system to determine most efficient cart size (64-gallon or 96-gallon) for standard and variable residential curbside service
- c. Container size, type, and useful life
- d. Equity of rates between customer classes for different types of services provided, and types of waste disposed of.
- e. Cost impacts to implement California State mandates of recycling compliance programs: AB 341, AB 1826, AB 827 and SB 1383.
- f. Customer user fees for tipping waste at the Del Norte Regional Recycling and Transfer Station
- g. Identify and separately study non-Proposition 218 fees related to the operation of the Del Norte Regional Recycling and Transfer Station
- h. Analysis of technology and tools
 - i. Electronic work order system
 - ii. GIS mapping
 - iii. Routing/rerouting system
 - iv. Solid waste software
- i. Refuse vehicle replacement program
- j. Analysis of street sweeping costs associated with refuse collection
- k. Operation and maintenance of vehicles consisting of dump trucks, tractor trailers, front loaders, side loaders, trash/recycling trucks, tipper trailers, flatbed trucks, forklifts, etc.
- l. Operation and maintenance of transfer station.
- m. Operation and maintenance of a Buyback Center for Household Hazardous Waste.
- n. Negotiations with recycling vendors on commodity prices.
- o. Transportation of solid waste to the landfill or recycling vendors.
- p. Research, evaluate, and implement various waste diversion methods.
- q. Citywide Neighborhood Bulky Item Drop-Off Days
- r. Del Norte Drop Off-Days
- s. Citywide street sweeping.
- t. Write and execute waste diversion grant projects.
- u. Maintenance and repair of solid waste equipment, including trash/recycling collection containers (carts), dumpsters, roll-offs cardboard compactor, plastic film baler, etc.
- v. Coordination of special trash and recycling collection programs for neighborhood events, block parties, and special trash and recycling collection requests by delivering and removing trash/recycling carts, dumpsters, or roll-off containers.
- w. Special collection of bulky items.
- x. Review commercial trash and recycling service requests, determine service needs, and coordinate account set-up with the Finance Department.
- y. Create and distribute education materials for waste diversion.

- z. Collect and recycle holiday trees annually.

Solid Waste Rate Design Considerations

Consultant shall identify funding requirements of the solid waste system considering Operating, Capital, Container Fleet, Regulatory Compliance, and other solid waste related funding requirements. Through task 4 consultants shall functionalize the costs by type of service and by class of customer. The cost allocation may functionalize costs around new services as may be required for regulatory compliance. Task 5 shall focus on balancing the cost-of-service with other rate design objectives of the City with the proposed rates. The rate design may consider the development of new fees for service. This task shall consider the recently completed solid waste capital recovery and connection fee study.

Wastewater

- a. Tiered rate versus single rate for single and multi-family units
- b. The use of the User Charge Formula for regional and industrial customers vs. a single flow based charge with surcharges
- c. The percentage of wastewater returned to the sewer based on customer class and water meter usage

Wastewater Rate Design Considerations

Consultant shall discuss the pros and cons of the current (volumetric) rate structure with City Staff; as well as, provide alternatives to the formula for industrial customers and review/calculate return to sewer factors.

Deliverables – Consultant shall provide Rate Model in Microsoft Excel as well as a technical memorandum discussing the pros and cons of each rate structure. Consultant shall provide up to three virtual web meetings with City staff to review rate results.

Task 6 - Fees, Charges and Penalties

Wastewater

The consultant shall review current rates, fees and charges and propose modifications and additions. Specifically, it is desired that the Pretreatment Program becomes self-funded. Current annual fees have not been modified for nearly 20 years. Fees and charges to be evaluated are annual program fees, late fees, surcharges, penalties for permit violations and other identified charges based on program costs. A connection fee study was recently completed and should be reviewed.

Solid Waste

The consultant shall review current rates, fees and charges and propose modifications and additions related to Solid Waste operations. Specifically, it is desired that the state mandates from AB 1826 and SB 1383 non-funded mandates and compliance orders be reviewed. Fees and charges to be evaluated are program fees, late fees, surcharges, penalties for go backs and other identified charges based on operational costs.

Consultants approach shall be as follows:

1. Interview staff to determine the stand-alone process for service provision. Determine and identify the specific labor, materials, equipment, and other applicable costs required for the miscellaneous solid waste fees, charges, and penalties. Evaluation shall consider the impacts from compliance with SB 1383 as it relates to the fees, charges, and penalties considered in this task. Regulatory costs associated with compliance with SB 1383 and other applicable regulations are considered in prior tasks as it relates to the principal charges for service.

Deliverables – Consultant shall provide a Technical Memo Cost of Service tool for the pretreatment program and solid waste fees in Microsoft Excel. Memo shall describe the use of the tool, assumptions and alternatives by reviewing the methodology and calculation of the fees and how to use the calculation to update the fees. Two web meetings or as/if needed meetings to discuss Pretreatment Program and Solid Waste related fees, charges, and penalties.

Task 7 – Benchmarking (Rate Survey)

The consultant shall complete a benchmarking study to compare current and proposed rates and rate structures, fees, charges and penalties with all municipal utilities in or operators serving Ventura County and three (3) mutually agreed on similar utilities in California. Comparable utilities in California shall be similar in population sizes served, treatment type, and operational volume

1. Consultant shall customize research from the California and Nevada rate survey to include agencies that are similar in size and in Ventura County. Consultant shall prepare a report summarizing the research which includes the prevalence of each rate structure. To the extent practical propose mirroring entities surveyed for the wastewater system with that of the solid waste system unless otherwise directed by City staff. Consultant shall confirm the benchmarking survey criteria and entities with City staff prior to commencing the task.

Deliverables – Technical Memo describing the benchmarking approach, details on the comparable utilities and comparison of different customer classes at current and proposed new rates. Benchmarking results shall be provided in the rate model and be used in presentations to staff, Council, and the public.

Task 8 - Ordinance Review and Update

The consultant shall provide a digital update of the current respective Oxnard Utility rate ordinances clearly showing recommended modifications using track changes (or equivalent) as necessary for the implementation of the final rate structure, fees, and policies as a result of the Rate Study.

Deliverables – Red-lined Oxnard rate ordinances

Task 9 - Public Outreach, Facilitated Stakeholder Workshops, City Council & Committee Meetings, and Public Hearing

1. Prepare reports and present findings and rate/fee recommendations to City staff.
2. Incorporate any City comments and finalize the report.
3. Prepare rates, reports, and findings to present at a public workshop.
4. Assist City staff with developing the annual rate review which incorporates conditional, automatic adjustments into the rate review options, based on a number of accepted variables (triggers) in compliance with Proposition 218.
5. Prepare staff reports and PowerPoint presentations to present rates and rate study to Commissions, Inter-Neighborhood Council Organizations, stakeholders, City Council
6. Committees and City Council meetings at a Public Hearing in collaboration with staff. - assume up to 10 meetings total.

Key Influencer/Stakeholder Engagement Workshop Facilitation

Consultant's strategic communications team shall consult with the City to facilitate a key influencer/stakeholder engagement workshop per utility, ideally before the rate study results are finalized and presented at the various outreach meetings. Facilitators shall establish clear contexts for all deliberations, create an environment where all

parties are comfortable, listen actively, evoke the creativity of the group, ask appropriate questions, and assess progress. Above all the facilitator's role is to ensure decisions are made when necessary to keep the workgroup moving forward and ensure meeting process and outcomes. As facilitators, consultants shall provide a workshop agenda, PowerPoint presentation, and a summary report for consideration in the final rates and fees recommendations. As proposed, the City shall coordinate logistics for a workshop location and provide materials such as a projector, screen, flipcharts, markers, etc.

Public Outreach Meetings

Consultant shall present at public outreach meetings to inform the public about the need to adjust rates. Presentation(s) shall be reviewed by award-winning communications staff who are experts at developing clear, compelling, and consistent messages that build awareness and support with stakeholders. Feedback received from key stakeholders in these meetings will help guide the overall direction of the studies and inform the methodologies and options ultimately selected for the final rate proposals.

City Council & Committee Meetings and Public Hearings

Consultant shall present at public hearings to summarize the rate studies to the public and City Council including identifying the need for increased revenue and the cost/rate nexus and answer questions as directed by City Staff.

Deliverables – Presentations in PowerPoint, Agendas for each meeting and meeting minutes. Workshop Facilitation, PowerPoint, Agenda, Summary Report.

Planned Meetings: Based on a staggered solid waste and wastewater rate study consultant assumed a total of 24 meetings:

- a. 1 influencer/key stakeholder engagement workshop for solid waste
- b. 1 influencer/key stakeholder engagement workshop for wastewater
- c. 5 public outreach meetings for solid waste
- d. 5 public outreach meetings for wastewater
- e. 6 Council/Committee meetings for solid waste
- f. 6 Council/Committee meetings for wastewater

Two public hearings are incorporated into the council meetings for a total of 24 meetings.

Task 10 - Proposition 218 Public Hearing Notice Preparations

Consultant shall prepare the public hearing notice as required Proposition 218. Consultant shall prepare a draft notice for review and incorporate comments into the final notice. The City shall mail the notice to all customers of record.

Consultant shall provide the following:

1. Prepare the public notice for the wastewater and solid waste enterprise. Assumed two separate public hearing notices to accommodate staggered schedules.
2. Consultants Proposition 218 notifications go beyond the minimum dictated by statute to deliver visually appealing pieces that customers want to read. Consultants in-house Strategic Communications Services is a team of accredited communications experts who have spent decades in utility and public sector communications as consultants and leaders of public affairs programs for large and small agencies across the country.
3. Consultant's team specializes in providing strategic communications counsel, public engagement, and community involvement, and shall provide the City with guidance, structure, strategies, tools, and tactics to communicate clearly and broadly to customers and key stakeholders.
4. Consultant shall match the City's established brand guidelines and design custom graphics to support clear, positive messaging that will be woven into the piece.

5. Consultant shall deliver final press-ready PDFs for the City to print and mail notices to all parcel owners and customers of record.

Deliverables – Draft Proposition 218 Public Notice PDF file; final Proposition 218 Public Notice. Draft notification language for City legal counsel’s review/approval, designed notice with two rounds of revisions per notice, and final bilingual (translated by the City) press-ready PDFs.

Task 11 - Draft and Final Report

The consultant shall develop a draft staff report and final comprehensive report that includes an executive summary and summarizes the study with detailed analysis in attachments or appendices for each individual utility. City staff shall provide review comments on the draft report that will be incorporated into the final report.

In addition, any spreadsheets or computer programs developed as part of this project shall be provided to the City of Oxnard for future use. The consultant shall provide training or provide a training manual to City Staff members on the logic used to develop the spreadsheets or program and its use.

Consultant shall:

1. Seek City Council direction, through a PowerPoint presentation, prior to completing a draft report. This is to avoid major report rewrites as City Council can often provide input that redirects the studies changing the rates report text.
2. Prepare a stand-alone draft report for each utility including an executive summary and walk the reader through the complete rate derivation. The report will discuss the basis and assumptions concerning the development of the financial plan and describe all rate design assumptions and methodologies for the proposed rates. Upon providing City staff sufficient time to review and provide comment, the consultant shall incorporate applicable revisions. The report will include supporting data from the model to address the requirements of Proposition 218.

Deliverables – Report outline, draft report and final rate study report in Microsoft Word. The financial model and report shall become property of the City. Budgeted for a half day webinar to instruct staff on model use.

Task 12 As-Needed Support

Additional as-needed support related to the development and implementation of updated rate structures. All work under this task must be pre-authorized by designated City Representative

Optional Tasks

Strategic Communication Plan

1. Conduct research, situation analysis, and environmental scan of current issues and communications landscape that may impact customer rate change acceptance.
2. In conjunction with City staff perform stakeholder identification and interest/influence mapping exercise to ensure key influencers are connected to the communication process while identifying the communication needs of any special populations.
3. Develop a messaging platform for internal and external audiences and provide information and context for why rates may be changing, information about how the increases will benefit customers and how the results will be implemented, and examples of typical customer impacts.
4. Provide a strategy for using the City's website, social media, printed and electronic materials, bills, direct mail, newsletters, and staffing resources if/where available.

Communication Collateral – Development and Design

Key messages developed as part of the strategic communications framework come to life when woven together into powerful communications pieces by strategic communicators and professional graphic designers. Visual representation of proposed changes in an easy-to-understand and accessible format significantly improves customer understanding of rate structure changes that may impact customer bills.

1. Consultant shall develop a suite of communications pieces to assist with communicating rate and rate structure changes in print, online, or in person. This task can include the development of a mix of info graphics, fact sheets, bill stuffers, presentation slide decks, FAQs, talking points, website copy, social media content, explainer videos, news releases, etc. Materials can be translated as needed in Spanish and Tagalog.

Deliverables - To be determined in collaboration with staff

RATES AND COSTS EXHIBIT

Task	Lab Effort (Hours)	Fee Estimates (\$)
Project Management, Kick Off Meeting, Status Meetings and QA/QC	76	\$22,300
Information Review and Data Collection	24	\$5,720
Financial Plan	80	\$19,270
Cost of Service Analysis	86	\$21,850
Five Year Rate Design and Calculation	82	\$20,320
Miscellaneous Fees, Pretreatment Program Charges and Penalties	74	\$17,290
Benchmarking (Rate Survey)	24	\$5,450
Ordinance Update	28	\$6,520
Public Outreach, City Council & Committee Meetings and Public Hearings (assumes staggered studies)		
Key Influencer / Stakeholder Workshop	31	\$9,030
Public Outreach Meetings	117	\$38,171
City Council & Committee Meetings Including Public Hearing	122	\$39,312
Proposition 218 Public Notice Preparation (assumes one per utility)	36	\$7,940
Reports and Model Training	115	\$26,875
As Needed Support	0	\$0
Total Fees	895	\$221,375
Total Expenses	-	\$18,673
Total Fees & Expenses	-	\$240,048

Optional Tasks		
Strategic Communication Plan	-	\$10,000
Communication Collateral -Development and Design	-	\$1,500-\$10,000

SCHEDULE OF SERVICES EXHIBIT

<u>Task</u>	<u>Schedule</u>
Task 1	December 2022 - November 2023
Task 2	January 2023 - February 2023
Task 3	January 2023 - March 2023
Task 4	February 2023 - April 2023
Task 5	March 2023 - April 2023
Task 6	March 2023 - April 2023
Task 7	April 2023
Task 8	August 2023 - September 2023
Task 9	April 2023 - November 2023
Task 10	April 2023 - November 2023
Task 11	June 2023 - July 2023
Task 12	To be Determined

INSURANCE EXHIBIT

Exhibit INS-B

INSURANCE REQUIREMENTS FOR CONSULTANTS (WITHOUT 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. 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 affecting coverage required by this Exhibit INS-B. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before work commences. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be sent via email (or fax if necessary) to the Risk Manager, addressed as follows (do not send hard copies):

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

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 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. Consultant 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 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 and volunteers. **The General liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-B or substitute forms containing the same information and acceptable to the Risk Manager shall be used to provide the endorsements (ISO form CG 2010 11/85 or if not available, CG 2010 with an edition date prior to 01/04 and CG 2037).**

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

6. Any deductibles or self-insured retentions must be declared to and approved by the Risk Manager. At the option of the Risk Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its City Council, officers, employees and volunteers, or the contractor 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.

Professional Services Agreement No. 32300020 for a Wastewater and Environmental Resources Rate study

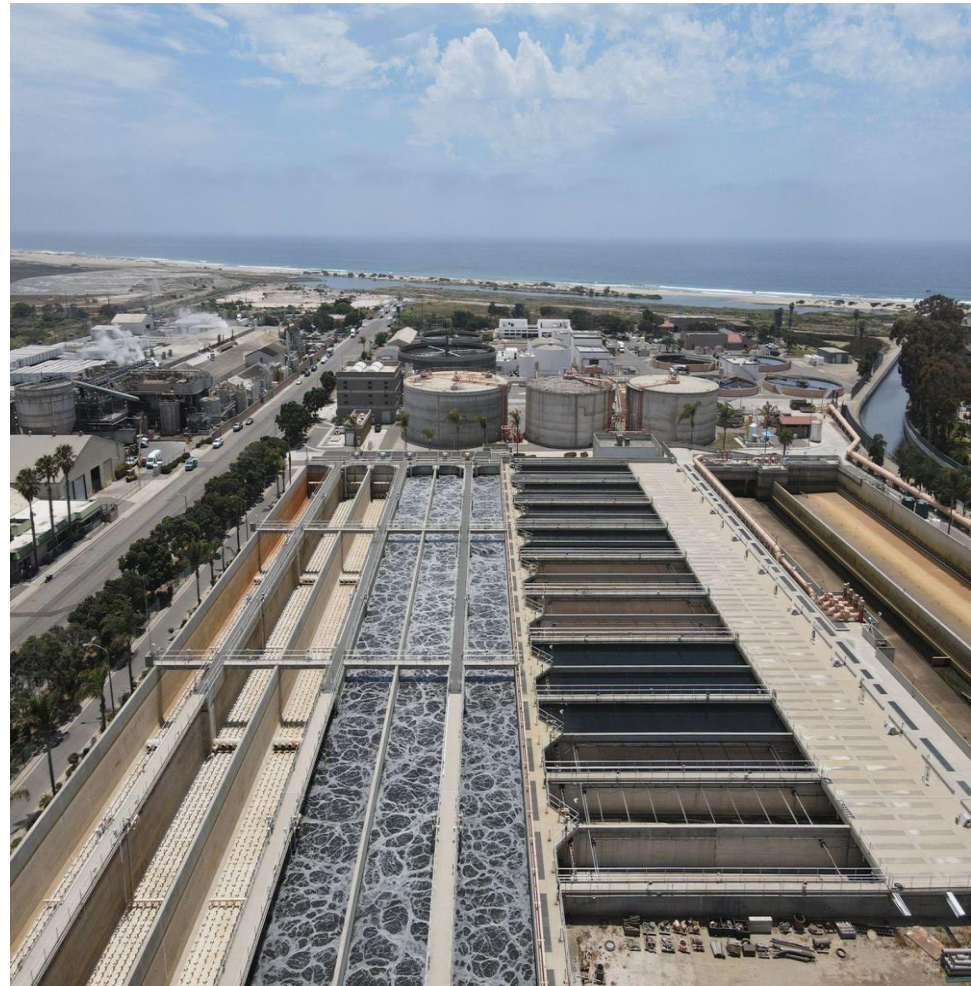
Public Works and Transportation Committee
November 22, 2022

Brian Yanez, Assistant Public Works Director
Joseph Marcinko, Assistant Public Works Director

That the Public Works and Transportation Committee recommend that the City Council approve and authorize the Mayor to execute a Professional Services Agreement with Raftelis Financial Consultants, Inc. (Raftelis), in the amount not to exceed \$275,000 for a term ending June 30, 2024, for a cost of service analysis and rate study for the Wastewater and Environmental Resources Divisions.

- Cost of service studies are an analysis in which the total cost to provide a utility service is spread to various customer classes. These studies include:
 - Historical and anticipated future costs
 - Consumption patterns
 - Detailed cost information necessary for
 - Designing rates
 - Showing cost differences among rate classes
 - Unbundling rates into separate functional components
 - Pricing special services
 - Developing economic development incentives
- Utilities use these studies as a guide for designing rates, to ensure that each rate class pays its fair share of the utility's costs
- These studies are conducted periodically to assess whether the existing rates are sufficient to recover utility costs

- The Oxnard Wastewater Treatment Plant (OWTP) is a regional plant with a permitted treatment capacity of 31.7 million gallons per day
- The OWTP provides wastewater treatment services to:
 - City of Oxnard
 - City of Port Hueneme
 - Channel Islands Beach Community Services District
 - Unincorporated areas of Ventura County
 - Two Naval Bases



In 2017, a rate study was completed by Carollo Engineers to establish wastewater rates capable of supporting the OWTP operational, capital, and debt service requirements.

- The goals of the study included:
 - Having targeted reserve levels
 - Meeting bond requirements
 - Increasing the resilience of utility finances to address unexpected demands of the wastewater operation
 - Funding for Phase I and Phase 2 of the wastewater capital improvement plan.

- The Environmental Resources Division (ER) provides uninterrupted weekly collection service of solid waste, recyclables and organic waste to approximately 37,000 single-family residences and 15,000 multi-family living units and commercial establishments throughout Oxnard
- In addition to standard collection service, ER provides:
 - Neighborhood Clean-Up Events
 - Bulky Waste Drop-Off Events at the Del Norte Recycling Center
 - Response to 311 Calls for Clean-Up of Illegally Dumped Debris
 - Curbside Special Collections and Temporary Dumpster Rentals
- In FY 2021-22 the Del Norte Regional Recycling & Transfer Station processed 293,987 tons of waste, recyclables and organic waste

- In 2012, a rate study was completed by Black and Veatch to establish solid waste rates capable of supporting ER's operational, capital and debt service requirements.
- The goal of the study was to ensure that revenues from rates were adequate to fund:
 - Daily Operations
 - Required Maintenance
 - Replacement of Aging Facilities and Infrastructure
 - Fleet Replacement
 - Capital Improvement Projects
 - Debt Service Coverage
 - Rate Smoothing Over the Long-Term
 - Maintaining Appropriate Level of Operating Reserves

- On July 15, 2022, the Purchasing Department released Request for Proposal PW 23-03 for a Rate Study for the Wastewater and Environmental Resources Divisions
- RFP PW 23-03 closed on August 5, 2022, with two (2) proposals were received from:
 - Raftelis Financial Consultants, Inc. (Raftelis)
 - NewGen Strategies and Solutions LLC.
- Public Works evaluation team determined Raftelis to be most qualified proposer based on:
 - Qualifications of project team
 - Past performance with similar projects
 - Rate methodology
 - Level of effort
 - Cost

- As a result of the 2017-2021 rate increases, wastewater financial health has greatly improved
- The primary focus of the proposed 2023 rate study is to evaluate the wastewater rate structure which was adopted many decades ago
- The rate study will:
 - Assess current rate structure for fairness, simplicity, and clarity
 - Evaluate fees, charges, and penalties
 - Benchmark wastewater rates, charges and fees with other Cities in Ventura County and three similar systems in the state

- The last rate increase for standard collection service was one percent (1%) effective on January 1, 2013.
- Since 2013, operating costs have increased for labor, fuel, supplies, equipment maintenance and replacement, processing and disposal and internal service charges.
- New operational costs have emerged due to California State Mandates to develop, implement and maintain organic waste and recycling programs



- The rate study will:
 - Independently assess and evaluate rates
 - Recommend future rates and rate structures to support:
 - Daily Operations and Maintenance
 - Fleet and Equipment Replacement
 - Capital Improvement Projects
 - Debt Service Coverage
 - Reserve Fund Balance



The cost for this agreement with Raftelis will be funded using existing appropriations in the approved Fiscal Year 2022-23 and future appropriations from Fiscal Year 2023-24

Rate Study Spending Plan				
Division	Account	FY 22-23	FY 23-24	TOTAL
Wastewater	6113614-53200	\$49,127	\$73,691	\$122,818
Environmental Resources	6313630-53200	\$46,892	\$70,338	\$117,230
As-Needed Support	Various	\$13,981	\$20,971	\$34,952
TOTAL		\$110,000	\$165,000	\$275,000



QUESTIONS