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AGENDA
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Council Chambers, 305 West Third Street
September 26, 2023
Regular Meeting - 5:00 to 6:30 PM

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

1. Dial Phone Number: (888) 475-4499
2. Enter Meeting ID: 824 6338 4114
3. Passcode: 832974

If you wish to speak during public comments or a particular item on the agenda, please sign-on by following the zoom call-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. Press *6 when asked to unmute. Listen to the instructions provided virtually on the phone while on hold in the zoom waiting room. Please note that there is a slight time delay when viewing the meeting via television.

IN ACCORDANCE WITH ASSEMBLY BILL 2449, MEMBERS OF THE LEGISLATIVE BODY MAY MEET IN-PERSON OR 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/.

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 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 by 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
 - a. Follow Zoom details listed above.

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)

- 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.

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

Consideration of Teleconference Participation pursuant to Assembly Bill 2449.

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 Finance & Governance Committee approve the minutes of the July 25, 2023 regular meeting as presented.

Contact: Dee Lai, (805) 385-8200

D. REPORTS

1. Finance Department

SUBJECT: Acquire and Implement Budgeting Software (10 minutes).

RECOMMENDATION: That the Finance and Governance Committee recommend that City Council:

1. Approve and authorize the City Manager to execute a five-year agreement with OpenGov, Inc. for OpenGov Budgeting & Planning software as well as OpenGov Reporting & Transparency software for a not to exceed amount of \$771,493; and
2. Approve a budget appropriation of \$60,110 in the Fiscal Year 2023-24 Information Technology Fund, from available fund balance.

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

https://youtu.be/BdH_tNXfsh8

Contact: Javier Chagoyen-Lazaro, 805-385-5400

2. City Manager Department

SUBJECT: Resolution Updating Grant Application Procedures (10 minutes).

RECOMMENDATION: That the Finance and Governance Committee recommend City Council adopt Resolution No. _____, updating procedures to submit grant applications.

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

https://youtu.be/20xGMDeH_R8

Contact: Shiri Klima, (805) 385-7487

3. Billing and Licensing Department

SUBJECT: Business Tax & Permit Administration, Discovery & Auditing Services (20 minutes).

RECOMMENDATION: That the Finance and Governance Committee recommend the City Council to approve the proposal to:

1. Outsource the Licensing Services; and
2. Establish an agreement between the City of Oxnard and Hinderliter, de Llamas & Associates (HDL) to provide Business Tax and Permit Administration, Discovery and Auditing Services for a period of five years with the option to renew for another five years prior to the contract's expiration.

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

<https://youtu.be/lZA5Z362k6Y>

Contact: Eden Alomeri, (805) 385-7811

4. Fire Department

SUBJECT: Authorize Blanket Purchase Orders for Allstar Fire Equipment Co. and L.N. Curtis & Sons for a Not to Exceed (NTE) Amount of \$500,000 and \$1,000,000 respectively through June 30, 2024 (10 minutes).

RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council authorize the Mayor to execute Blanket Purchase Orders (BPOs) with the following vendors:

1. Allstar Fire Equipment Co. (Allstar) for a total amount NTE \$500,000 for the purchase of structural firefighting personal protective equipment (PPE) and tools.
2. L.N. Curtis & Sons (L.N Curtis) for a total amount NTE \$1,000,000 for the purchase of firefighting tools and equipment for wildland and tools mounted on response vehicles.

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

<https://youtu.be/xpLQo5Aqoj8>

Contact: Alexander Hamilton, (805) 385-7700

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT



CITY COUNCIL AGENDA REPORT

CONSENT AGENDA AGENDA ITEM NO. C.1

DATE: September 26, 2023

TO: Finance & Governance Committee

FROM: Dee Lai, Interim City Clerk, (805) 385-8200, dee.lai@oxnard.org

SUBJECT: Approval of Minutes.

RECOMMENDATION

That the Finance & Governance Committee approve the minutes of the July 25, 2023 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.

COMMITTEE OUTCOME

Prepared by: Dee Lai, Interim City Clerk

ATTACHMENTS

1. 07 25 2023 FG Minutes

MINUTES
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Regular Meeting
July 25, 2023

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 5:00 p.m., Chair John C. Zaragoza called to order the regular meeting of the Oxnard City Council Finance and Governance Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The Assistant City Clerk called the roll and announced the posting of the agenda. Chair John C. Zaragoza, Member Gabriela Basua, and Member Gabriel (Gabe) Teran were present in person.

Staff members present in person were Alexander Nguyen, City Manager; Stephen M. Fischer, City Attorney; Shiri Klima, Deputy City Manager; Lisa Baker, Assistant Human Resources Director; Javier Chagoyen-Lazaro, Interim Chief Financial Officer; and Dee Lai, Assistant City Clerk.

Consideration of Teleconference Participation pursuant to Assembly Bill 2449.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

A public comment was received from Albert Diaz (Protecting homeowners)

C. CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Finance & Governance Committee approve the minutes of the June 27, 2023 regular meeting as presented.

It was moved by Member Basua, seconded by Member Teran, to approve the Information/Consent item as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion passed 3-0.

D. REPORTS

1. Information Technology Department

SUBJECT: Second Amendment with Kore1 for IT Recruiting Services. (15 minutes)

RECOMMENDATION: That the Finance and Governance Committee recommend that City Council approve and authorize the Mayor to execute a Second Amendment to Professional Services Agreement 32300297 with Kore1 LLC to increase the value of the agreement from \$200,000 to \$500,000 through December 31, 2024, for information technology recruitment services.

Robert Ruben, Interim Information Officer, was available to answer the Committee's questions. A public comment was received from Albert Diaz. Discussion ensued among the Committee and staff.

It was moved by Member Teran, seconded by Member Basua, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion passed 3-0.

2. City Attorney Department

SUBJECT: Omnibus City Code Update. (15 minutes)

RECOMMENDATION: That the Finance & Governance Committee recommend that the City Council adopt an ordinance amending various sections of the Oxnard City Code to address changes in state law, correct errors, and update gender-neutral references.

Jason Zaragoza, Deputy City Attorney, was available to answer the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Chair Zaragoza, seconded by Member Basua, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion passed 3-0.

E. ITEMS FOR FUTURE AGENDAS

No requests were made.

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Zaragoza adjourned the meeting at 5:17 p.m.

DEE LAI
Interim City Clerk

JOHN C. ZARAGOZA
Chair



FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.1

DATE: September 26, 2023

TO: Finance & Governance Committee

FROM: Javier Chagoyen-Lazaro, Chief Financial Officer, 805-385-5400,
javier.chagoyenlazaro@oxnard.org

SUBJECT: Acquire and Implement Budgeting Software (10 minutes).

RECOMMENDATION

That the Finance and Governance Committee recommend that City Council:

1. Approve and authorize the City Manager to execute a five-year agreement with OpenGov, Inc. for OpenGov Budgeting & Planning software as well as OpenGov Reporting & Transparency software for a not to exceed amount of \$771,493; and
2. Approve a budget appropriation of \$60,110 in the Fiscal Year 2023-24 Information Technology Fund, from available fund balance.

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

https://youtu.be/BdH_tNXfsh8

BACKGROUND

In October 2019, the City Council awarded a contract to Tyler Technologies for its integrated enterprise resource planning (ERP) to replace existing software and manual processes. The Core Financials implementation phase of the ERP was completed and launched on October 1, 2022. This is the largest and most complex phase of the ERP, which included Purchasing (requisitions, purchase orders, contracts), Accounts Payable (receiving invoices and issuing payments), Accounts Receivable (billing for City fees and charges and processing payments), Project Management (accounting for capital improvements within the City's limit, and grant accounting), recording all financial transactions that result in monthly issuance of reports (balance sheet, cash flow, statement of governments activities), and financial planning with budget controls. The City is currently using these various ERP tools, and they have significantly improved our financial processes.

As discussed in the ERP system annual report to Council on March 21, 2023, it became apparent during the implementation of Core Financials that the existing budget modules within Tyler Munis do not contain the functionality required for the City to complete its budget processes effectively. More specifically, Tyler Munis' budget module proved to be incompatible with the City's needs for payroll calculations and MOU forecasting, a lack of presentation tools such as pre-formatted Government Finance Officers Association (GFOA) requirements for award-winning budget book publication, and other areas where the Munis software is lacking as compared to software specifically designed for use in municipal budgeting. Learning about software through implementation and deciding to replace it is not unforeseen or reactive; it is common in implementations as complex as with a new ERP. Thus, the City did not implement the Munis budgeting software, and staff planned to search for new budgeting software after Core Financials went live.

The preparation of the City's annual operating budget is a complex process that requires extensive coordination and collaboration among City's departments. Due to a lack of funding, the City has for many years utilized a myriad of time-consuming spreadsheets and other disparate tools and systems in order to prepare, present and publish budget information. We currently do not have any budget software in place, and so our process is manual and cumbersome. We could have implemented the Tyler Munis budgeting software, but this software was lacking.

Creating a budget requires many moving parts and phases that involve back and forth with departments, the leadership team, and management before everything is finalized. There is a high degree of complexity that derives from gathering information from multiple sources—like Human Resources for positions and payroll data and departments' proposed expenses—consolidating the information into the budget spreadsheets, coordinating the changes into various spreadsheets, updating the latest numbers, gathering the latest files for consolidation, and reviewing multiple iterations and changes. There is additional complexity derived from certain calculations to assign the appropriate budget to the different programs implemented by the City to serve the community and properly identify the funding sources that will support those services; for example, every time we change the Internal Service Fund (which is comprised of IT and Fleet needs that are distributed around the City to various funds), we must recalculate the impact on other funds.

The current process is manual and time-consuming, which increases the risk of incurring errors; reduces the time available for analysis and evaluation of alternatives that could yield more services to the community; and has limited reporting capabilities for transparency to the community and to inform decisions by the departments, management, and the City Council. It is an outdated process that was unfortunately necessary when the City could not afford better software, but it deserves overhaul to benefit the residents of Oxnard.

DISCUSSION

To minimize the probability of error inherent with a manual process of inputting, consolidating, and transmitting financial data, staff has incorporated various safeguards and control measures into the budget development process. Although this manual process has provided the City with successful budget preparation for many years, it requires an extensive level of coordination and significant amount of staff time, which is not an effective or efficient way to prepare budgets and communicate financial data to the public. This is also time that could be spent on finding efficiencies in the departments, analyzing our budget to actuals, and better forecasting our budgetary needs. Furthermore, preparing the budget book requires many hours of manual work to copy and paste tables and charts from Excel spreadsheets into a Word document. This process is inherently prone to errors.

Besides replacing manual and inefficient processes, there are several benefits the City will realize as a result of a budget software implementation. The implementation of a budget software will significantly help unify the end-to-end budgeting process from the initial stages of planning and personnel forecasting through final publication, while enabling improved collaboration throughout the process. City staff will be able to respond more quickly to changes that occur during the budget process since budget software allows for automated version control and tracks all changes made, including an automatic audit trail, detailing when and by which user a change was made. With the time saved from eliminating current manual processes, City staff will be able to provide more timely information, with the corresponding analysis and evaluation, during the budgeting process to allow for more time for department, management, Councilmember and public input and decision making. Elimination of the manual budget book production will allow City staff to dedicate more time to enhancing the budget book by providing additional financial information leading to improved transparency.

Multi-year forecasting can be performed within a budget software rather than manually with an Excel sheet, thereby increasing the time for review and analysis to be able to more proactively highlight any concerns to management and Council. Budget software solutions provide templates the City will utilize to meet the GFOA

budget presentation award requirements. This award recognizes governments for their budgeting excellence in addition to the assurance it provides residents that their tax dollars are being spent appropriately. The budget book itself will be available in a digital format rather than only as a static pdf file posted to the City's website. A digital budget book allows the public to more easily and selectively browse the budget via a linked navigable table of contents. A budget in brief can also be published to provide high level budget summaries with drill down capabilities to provide more detail. Since the budget book will not be manually created, it can be published sooner and therefore provide financial information to the public earlier compared to past budget cycles.

Procurement

Once Munis was implemented and stabilized, City staff began searching for alternative providers of budgeting software used by similar municipalities in California and elsewhere. City staff received three demonstrations in July 2023 for budget software solutions, inviting representatives from each City department to view and participate. The three software solutions viewed were OpenGov, ClearGov and Questica. Budget staff scored each demonstration against twenty qualitative criteria they had predetermined, including the overall time taken to develop a full city budget, compatibility with the City's existing ERP systems, budget book development, regular and ad-hoc management reporting, empowering departments throughout the budget process, tracking, monitoring and approval of changes and implementation steps required.

Out of a possible 300 points, OpenGov received a score of 215, Questica received 186, and ClearGov received 137. Following the demonstrations, staff reached out to these three vendors with a prioritized list of features for the City, requesting a cost proposal based on implementing the software to meet those priorities. OpenGov and ClearGov submitted cost proposals; Questica did not provide any cost proposal by the deadline and, therefore, was excluded from the selection process. OpenGov and ClearGov provided cost proposals that included one-time implementation costs and annual subscription fees across an initial five year contract term.

Cost Proposals	ClearGov	OpenGov
One Time Implementation (Incl. Training/Travel/Contingency)	17,550	62,775
Year 1 License (FY24)	83,005	87,270
Year 2 License (FY25)	85,495	146,347
Year 3 License (FY26)	88,060	152,201
Year 4 License (FY27)	93,344	158,289
Year 5 License (FY28)	98,944	164,620
Total Agreement	466,398	771,493
Average Per Year	\$ 93,280	\$ 154,298

Staff's Recommendation

Staff determined that OpenGov includes all functionality requested and can provide the best value to the City, while ClearGov cannot provide interfaces with the current ERP, requires additional manual work, and has reduced reporting and forecasting capabilities. While ClearGov does allow staff to create and maintain a budget, that budget is not automatically linked to the actual expenses incurred against it. So, for example, if

Council appropriates \$500,000 to a construction project in the budget, the project manager will not be able to see the actuals against the budget unless there is a manual upload of the actual expenses. In contrast, OpenGov merges the budget through automatic integration with the actual accounting information in real time. For example, when an invoice in the amount of \$100,000 related to a project is processed and approved, OpenGov will show the project manager that the project only has \$400,000 left in its budget. This allows our staff to better manage their budgets in real time and use every last penny. The software would also allow us to identify early those areas where there are opportunities to reallocate resources during the fiscal year. For example, if a program is awarded \$100,000 every year, and by mid-year the project manager regularly spends \$80,000, but midway through this year she has only spent \$50,000, we can consider moving the extra funding elsewhere during the year rather than waiting until the next budget cycle. For this reason, staff considers it vital that the budget system is able to provide year-round analysis, tied to the actual data as recorded in the ERP system, in order to leverage the investments made in the financial software, to the benefit of all City funds. Year-round reporting and analysis will allow for major improvements in the accuracy and timeliness of financial information available, leading to more informed decision making.

OpenGov offers full-featured, cloud-based, budgeting software designed for public agencies. As an integrated budgeting and planning solution, it will allow staff to develop their department budgets in a more streamlined, systematic, and repeatable way. With the efficiencies gained in OpenGov, staff will be able to divert more time to analysis and evaluation of programs, policies, and operations supporting all City programs and initiatives. Departments will be empowered to more proactively monitor their budgets given the enhanced budgeting tools available, which will lead to more accurate and timely analysis. Additionally, the software includes an online budget book and dashboarding capabilities to present financial data in graphic format—in line with GFOA best practices—as well as transparency tools to help tie together and organize the City’s multi-department budget according to different strategic initiatives or priorities.

As part of the public transparency portal, OpenGov has already mapped the City’s chart of accounts, so is uniquely placed to deliver a fast and accurate implementation over the coming weeks and months.

To summarize the offerings of the three budget software options:

	Tyler Munis	ClearGov	OpenGov
Efficient Operating and Personnel Budgeting, including Approval and Version Control.		✓	✓
Budget Book / Online Budget Preparation and Presentation (GFOA eligible)		✓	✓
Integration with ERP Financials	✓		✓
Regular Efficient Budget Monitoring and Reporting			✓
Multi Year Forecasting Capability		✓	✓
Speedy Implementation			✓

City staff received exceptional references from other California cities that use the combination of Tyler Munis and OpenGov, who have leveraged OpenGov’s ability to interface with Tyler Munis. Other cities using OpenGov, integrated with Tyler Munis include Hayward, Santa Barbara, Pasadena, Yorba Linda and

Victorville. Interfacing with Munis streamlines data for reporting and planning purposes, without the need for duplicative efforts that can often lead to errors or time-consuming reconciliations. ClearGov does not provide this same functionality, and their references confirmed use of the software is limited to development of the annual budget.

OpenGov has a current cooperative agreement from which the City would be eligible to “piggyback.” This provides significant cost savings, and staff was able to negotiate a further reduction on the five-year pricing. If the contract is approved, staff anticipates a project kickoff in October 2023. This will allow time to set up and configure the system per City specifications so that it may be used to prepare significant portions of the FY 2024-25 Operating Budget. (To be clear, this is not a disparate budget software system; this software will be integrated into the ERP so the two systems communicate with each other.) In future years, we plan to roll out more components of the software so it is used to its potential. Staff anticipates the full implementation of all features as part of the FY 2025-26 budget, including Capital Improvement Project budgeting. Finally, contract 32300421, for financial transparency online reporting, will be canceled and superseded with the new agreement.

STRATEGIC PRIORITIES

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

FINANCIAL IMPACT

The Fiscal Year 2023-24 Information Technology fund adopted budget includes appropriations of \$33,000 for the financial transparency portal provided by OpenGov under contract 32300421. Staff recommends appropriating the additional \$60,110 of the first year costs (\$93,110 subscription less \$33,000 financial transparency) from available Information Technology Fund Balance in Fiscal Year 2023-24. There are sufficient FY2023-24 appropriations in the General Fund Finance Department operating budget to cover the one time implementation cost of \$62,775. Future budget processes will include the appropriations necessary to pay for the subsequent years of the agreement.

For Finance Use only: Information Technology Fund (Org. 7311804 Obj. 53001)

Prepared by: Javier Chagoyen-Lazaro, Chief Financial Officer

ATTACHMENTS

1. Agreement
2. Budget Software Acquisition and Implementation Presentation

OPENGOV SOFTWARE SERVICES AGREEMENT

This Software Services Agreement (this “**Agreement**”) is entered into by OpenGov, Inc., a Delaware corporation with a principal place of business at 6525 Crown Blvd #41340, San Jose, CA 95160 (“**OpenGov**”) and the customer listed on the signature block below (“**Customer**”), as of the date of last signature below (the “**Effective Date**”). This Agreement sets forth the terms under which Customer will be permitted to use OpenGov’s hosted software services.

1. DEFINITIONS

“Customer Data” means data that is provided by Customer to OpenGov pursuant to this Agreement (for example, by email or through Customer’s software systems of record). Customer Data shall not include any confidential personally identifiable information.

“Documentation” means the documentation for the Software Services at the Customer Resource Center page found at <https://opengov.zendesk.com>.

“Feedback” means suggestions, comments, improvements, ideas, or other feedback or materials regarding the Software Services provided by Customer to OpenGov, including feedback provided through online developer community forums.

“Initial Term” means the initial license term specified in number of years on the Order Form, commencing on the Effective Date.

“Intellectual Property Rights” means all intellectual property rights including all past, present, and future rights associated with works of authorship, including exclusive exploitation rights, copyrights, and moral rights, trademark and trade name rights and similar rights, trade secret rights, patent rights, and any other proprietary rights in intellectual property of every kind and nature.

“Order Form” means OpenGov’s Software Services order form that: (a) specifies the Software Services provided by OpenGov; (b) references this Agreement; and (c) is signed by authorized representatives of both parties.

“Renewal Term” means each additional renewal period, which shall be for a period of a one (1) year or a greater period mutually agreed upon between the parties, for which this Agreement is extended pursuant to Section 7.2.

2. SOFTWARE SERVICES, SUPPORT AND PROFESSIONAL SERVICES

2.1 Software Services. Subject to the terms and conditions of this Agreement, OpenGov will use commercially reasonable efforts to perform the software services identified in the applicable Order Form entered into by OpenGov and Customer (“**Software Services**”).

2.2 Support & Service Levels. Customer support is available by email to support@opengov.com or by using the chat messaging functionality of the Software Services, both of which are available during OpenGov’s standard business hours. Customer may report issues any time. However, OpenGov will address issues during business hours. OpenGov will provide support for the Software Services in accordance with the Support and Software Service Levels found at <https://opengov.com/service-sla>, as long as Customer is entitled to receive support under the applicable Order Form and this Agreement.

2.3 Professional Services.

(a) If OpenGov or its authorized independent contractors provides professional services to Customer, such as implementation services, then these professional services will be described in a statement of work (“**SOW**”) agreed to by the parties (the “**Professional Services**”). Unless otherwise specified in the SOW, any pre-paid Professional Services Fees must be utilized within one (1) year from the Effective Date. Any unused pre-paid Professional Services Fees shall be forfeited.

OPENGOV SOFTWARE SERVICES AGREEMENT

(b) Unless the SOW provides otherwise, all reasonable travel expenses, pre-approved by Customer and incurred by OpenGov in performing the professional services will be reimbursed by Customer. Travel expenses include cost of coach airfare travel round trip from the individual's location to Customer's location, reasonable hotel accommodations, ground transportation and meals.

3. RESTRICTIONS AND RESPONSIBILITIES

3.1 Restrictions. Customer may not use the Software Services in any manner or for any purpose other than as expressly permitted by the Agreement. Customer shall not, and shall not permit or enable any third party to: (a) use or access any of the Software Services to build a competitive product or service; (b) modify, disassemble, decompile, reverse engineer or otherwise make any derivative use of the Software Services (except to the extent applicable laws specifically prohibit such restriction); (c) sell, license, rent, lease, assign, distribute, display, host, disclose, outsource, copy or otherwise commercially exploit the Software Services; (d) perform or disclose any benchmarking or performance testing of the Software Services; (e) remove any proprietary notices included with the Software Services; (f) use the Software Services in violation of applicable law; or (g) transfer any confidential personally identifiable information to OpenGov or the Software Services platform.

3.2 Responsibilities. Customer shall be responsible for obtaining and maintaining computers and third party software systems of record (such as Customer's ERP systems) needed to connect to, access or otherwise use the Software Services. Customer also shall be responsible for: (a) ensuring that such equipment is compatible with the Software Services, (b) maintaining the security of such equipment, user accounts, passwords and files, and (c) all uses of Customer user accounts by any party other than OpenGov.

4. INTELLECTUAL PROPERTY RIGHTS; LICENSE GRANTS; ACCESS TO CUSTOMER DATA

4.1 Software Services. OpenGov retains all right, title, and interest in the Software Services and all Intellectual Property Rights in the Software Services. The look and feel of the Software Services, including any custom fonts, graphics and button icons, are the property of OpenGov and Customer may not copy, imitate, or use them, in whole or in part, without OpenGov's prior written consent. Subject to Customer's obligations under this Agreement, OpenGov hereby grants to Customer a non-exclusive, royalty-free license during the Term to use the Software Services.

4.2 Customer Data. Customer retains all right, title, and interest in the Customer Data and all Intellectual Property Rights therein. Customer hereby grants to OpenGov a non-exclusive, royalty-free license to, and permit its partners (which include, without limitation the hosting providers of the Software Services) to, use, store, edit and reformat the Customer Data, and to use Customer Data for purposes of sales, marketing, business development, product enhancement, customer service, or for analyzing such data and publicly disclosing such analysis ("**Insights**"), provided that in all such uses Customer Data is rendered anonymous such that Customer is no longer identifiable.

4.3 Access to Customer Data. Customer may download the Customer Data from the Software Services at any time during the Term, other than during routine software maintenance periods. OpenGov has no obligation to return Customer Data to Customer.

4.4 Feedback. Customer hereby grants to OpenGov a non-exclusive, royalty-free, irrevocable, perpetual, worldwide license to use and incorporate into the Software Services and Documentation Customer's Feedback. OpenGov will exclusively own any improvements or modifications to the Software Services and Documentation based on or derived from any of Customer's Feedback including all Intellectual Property Rights in and to the improvements and modifications.

5. CONFIDENTIALITY

5.1 Each party (the "**Receiving Party**") agrees not to disclose any Confidential Information of the other party (the "**Disclosing Party**") without the Disclosing Party's prior written consent, except as provided below. The Receiving Party further agrees: (a) to use and disclose the Confidential Information only in connection with this Agreement; and (b) to protect such Confidential Information using the measures that Receiving Party employs with respect to its own Confidential Information of a similar nature, but in no event with less than reasonable care. Notwithstanding the above, the Receiving Party may disclose Confidential Information to the extent required by law or court order, provided that prior written notice of such required disclosure and an opportunity to oppose or limit disclosure is given to the Disclosing Party.

OPENGOV SOFTWARE SERVICES AGREEMENT

5.2 **"Confidential Information"** means all confidential business, technical, and financial information of the disclosing party that is marked as "Confidential" or an equivalent designation or that should reasonably be understood to be confidential given the nature of the information and/or the circumstances surrounding the disclosure (including the terms of the applicable Software Agreement). OpenGov's Confidential Information includes, without limitation, the software underlying the Software Services and all Documentation.

5.3 Notwithstanding the foregoing, "Confidential Information" does not include: (a) **"Public Data,"** which is data that the Customer has previously released to the public, would be required to release to the public, upon request, according to applicable federal, state, or local public records laws, or Customer requests OpenGov make available to the public in conjunction with the Software Services. Confidential Information does not include (b) information that has become publicly known through no breach by the receiving party; (c) information that was rightfully received by the Receiving Party from a third party without restriction on use or disclosure; or (d) information independently developed by the Receiving Party without access to the Disclosing Party's Confidential Information.

6. PAYMENT OF FEES

6.1 Fees; Invoicing; Payment; Expenses.

(a) Fees. The fees for the Software Services for the Initial Term and any Renewal Term ("**Software Services Fees**") and the fees for Professional Services ("**Professional Services Fees**") are set forth in the applicable Order Form. Software Services Fees and Professional Services Fees shall hereafter be referred to as "**Fees**". Except to the extent otherwise expressly stated in this Agreement or in an Order Form, (i) all obligations to pay Fees are non-cancelable and all payments are non-refundable, (ii) Customer must pay all Fees due under all Order Forms and SOW within thirty (30) days after Customer receives each invoice (invoices are deemed received when OpenGov emails them to Customer's designated billing contact); (iii) the Software Service Fee shall be due annually in advance, and (iv) Customer must make all payments without setoffs, withholdings or deductions of any kind.

(b) Annual Software Maintenance Price Adjustment. OpenGov shall increase the Fees payable for the Software Services during any Renewal Term by 5% each year of the Renewal Term.

(c) Invoicing and Payment. OpenGov will invoice the Customer according to the Billing Frequency listed on the Order Form. Customer shall pay all invoices according to the Payment Terms listed on the Order Form.

(d) Travel Expenses. Unless the SOW provides otherwise, OpenGov will invoice Customer for travel expenses, pre-approved by the Customer, incurred in connection with each SOW as they are incurred. Customer shall pay all such valid invoices within thirty (30) days of receipt of invoice. Each invoice shall include receipts for the travel expenses listed on the invoice.

(e) Customer Delays; On Hold Fee.

I. On Hold Notice. Excluding delays caused by Force Majeure as described in Section 10.5, if OpenGov determines that Customer's personnel or contractors are not completing Customer's responsibilities described in the applicable SOW timely or accurately, OpenGov shall promptly, but in no event more than thirty (30) days from the date of such determination deliver to Customer a notice (an "**On Hold Notice**") that (A) designates the Professional Services to be provided to the Customer as "**On Hold**", (B) detail Customer's obligations and responsibilities necessary for OpenGov to continue performing the Professional Services, and (C) specify the Customer shall be invoiced for lost time in production (e.g. delayed or lost revenue resulting from rescheduling work on other projects, delay in receiving milestone payments from Customer, equipment, hosting providers and human resources idle) for a fee equal to 10% of the first year Software Service Fee (the "**On Hold Fee**").

II. Effects of On Hold Notice. Upon issuing an On Hold Notice, OpenGov shall be entitled, without penalty, to (A) reallocate resources otherwise reserved for the performance of the Professional Services, and (B) stop or caused to be stopped the Professional Services to be provided to the Customer until the Customer has fulfilled its obligations as set forth in the On Hold Notice. OpenGov shall remove the "On Hold" status, only

OPENGOV SOFTWARE SERVICES AGREEMENT

upon Customer's fulfillment of its obligations set out in the On Hold Notice, including payment of the On Hold Fee. Upon Customer's fulfillment of its obligations in the On Hold Notice, OpenGov may, in its sole discretion, extend the timeline to complete certain Professional Services up to six (6) weeks, depending on the availability of qualified team resources (OpenGov cannot guarantee that these team resources will be the same as those who were working on the project prior to it being placed On Hold). OpenGov shall bear no liability or otherwise be responsible for delays in the provision of the Professional Services occasioned by Customer's failure to complete Customer's responsibilities or adhere to a Customer schedule which were brought to the attention of the Customer on a timely basis, unless such delays result, directly or indirectly from the failure of OpenGov or its authorized independent contractors to perform the Professional Services in accordance with this Agreement or applicable SOW.

6.2 Consequences of Non-Payment. If Customer fails to make any payments required under any Order Form or SOW, then in addition to any other rights OpenGov may have under this Agreement or applicable law, (a) Customer will owe late interest penalty of 1.5% of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower and (b) If Customer's account remains delinquent (with respect to payment of a valid invoice) for thirty (30) days after receipt of a delinquency notice from OpenGov, which may be provided via email to Customer's designated billing contact, OpenGov may temporarily suspend Customer's access to the Software Service for up to ninety (90) days to pursue good faith negotiations before pursuing termination in accordance with Section 7. Customer will continue to incur and owe all applicable Fees irrespective of any such Service suspension based on such Customer delinquency.

6.3 Taxes. All Fees under this Agreement are exclusive of any applicable sales, value-added, use or other taxes ("Sales Taxes"). Customer is solely responsible for any and all Sales Taxes, not including taxes based solely on OpenGov's net income. If any Sales Taxes related to the Fees under this Agreement are found at any time to be payable, the amount may be billed by OpenGov to, and shall be paid by, Customer. If Customer fails to pay any Sales Taxes, then Customer will be liable for any related penalties or interest, and will indemnify OpenGov for any liability or expense incurred in connection with such Sales Taxes. In the event Customer or the transactions contemplated by the Agreement are exempt from Sales Taxes, Customer agrees to provide OpenGov, as evidence of such tax exempt status, proper exemption certificates or other documentation acceptable to OpenGov.

7. TERM & TERMINATION

7.1 Term. Subject to compliance with all terms and conditions, the term of this Agreement shall commence on the Effective Date and shall continue until the Subscription End Date specified on the Order Form (the "Initial Term") unless sooner terminated pursuant to Section 7.3 below.

7.2 Renewal. This Agreement may renew for another period mutually agreed upon between the parties (the "Renewal Term" and together with the Initial Term, the "Term"), upon the Customer providing OpenGov of its intent to renew this Agreement in writing no less than thirty (30) days before the end of the Initial Term.

7.3 Termination. Neither party shall have the right to terminate this Agreement without a legally valid cause. If either party materially breaches any term of this Agreement and fails to cure such breach within thirty (30) days after notice by the non-breaching party (ten (10) days in the case of non-payment), the non-breaching party may terminate this Agreement.

7.4 Effect of Termination.

(a) **In General.** Upon termination pursuant to Section 7.3 or expiration of this Agreement pursuant to Section 7.1: (a) Customer shall pay in full for all Software Services and Professional Services performed up to and including the effective date of termination or expiration, (b) all Software Services provided to Customer hereunder shall immediately terminate; and (c) each party shall return to the other party or, at the other party's option, destroy all Confidential Information of the other party in its possession.

(b) **Deletion of Customer Data.** Unless otherwise requested pursuant to this Section 7.4(b), upon the expiration or termination of this Agreement the Customer Data, excluding any Insights, shall be deleted pursuant to OpenGov's standard data deletion and retention practices. Upon written request, Customer may request deletion of Customer Data, excluding any Insights, prior to the date of termination or expiration of this Agreement. Such

OPENGOV SOFTWARE SERVICES AGREEMENT

request must be addressed to "OpenGov Vice President, Customer Success" at OpenGov's address for notice described at Section 10.

7.5 Survival. The following sections of this Agreement shall survive termination: Section 5 (Confidentiality), Section 6 (Payment of Fees), Section 7.4(b) (Deletion of Customer Data), Section 8.3 (Warranty Disclaimer), Section 9 (Limitation of Liability) and Section 10 (Miscellaneous).

8. REPRESENTATIONS AND WARRANTIES; DISCLAIMER

8.1 By OpenGov.

(a) General Warranty. OpenGov represents and warrants that: (i) it has all right and authority necessary to enter into and perform this Agreement; and (ii) the Professional Services, if any, will be performed in a professional and workmanlike manner in accordance with the related statement of work and generally prevailing industry standards. For any breach of the Professional Services warranty, Customer's exclusive remedy and OpenGov's entire liability will be the re-performance of the applicable services. If OpenGov is unable to re-perform all such work as warranted, Customer will be entitled to recover all fees paid to OpenGov for the deficient work. Customer must make any claim under the foregoing warranty to OpenGov in writing within ninety (90) days of performance of such work in order to receive such warranty remedies.

(b) Software Services Warranty. OpenGov further represents and warrants that for a period of ninety (90) days, the Software Services will perform in all material respects in accordance with the Documentation. The foregoing warranty does not apply to any Software Services that have been used in a manner other than as set forth in the Documentation and authorized under this Agreement. OpenGov does not warrant that the Software Services will be uninterrupted or error-free. Any claim submitted under this Section 8.1(b) must be submitted in writing to OpenGov during the Term. OpenGov's entire liability for any breach of the foregoing warranty is to repair or replace any nonconforming Software Services so that the affected portion of the Software Services operates as warranted or, if OpenGov is unable to do so, terminate the license for such Software Services and refund the pre-paid, unused portion of the Fee for such Software Services.

8.2 By Customer. Customer represents and warrants that (i) it has all right and authority necessary to enter into and perform this Agreement; and (ii) OpenGov's use of the Customer Data pursuant to this Agreement will not infringe, violate or misappropriate the Intellectual Property Rights of any third party.

8.3 Disclaimer. OPENGOV DOES NOT WARRANT THAT THE SOFTWARE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE; NOR DOES IT MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM USE OF THE SOFTWARE SERVICES. EXCEPT AS SET FORTH IN THIS SECTION 8, THE SOFTWARE SERVICES ARE PROVIDED "AS IS" AND OPENGOV DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT.

9. LIMITATION OF LIABILITY

9.1 By Type. NEITHER PARTY, NOR ITS SUPPLIERS, OFFICERS, AFFILIATES, REPRESENTATIVES, CONTRACTORS OR EMPLOYEES, SHALL BE RESPONSIBLE OR LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR OTHER THEORY: (A) FOR ERROR OR INTERRUPTION OF USE OR FOR LOSS OR INACCURACY OF DATA OR COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES OR LOSS OF BUSINESS; (B) FOR ANY INDIRECT, EXEMPLARY, PUNITIVE, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES; OR (C) FOR ANY MATTER BEYOND SUCH PARTY'S REASONABLE CONTROL, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE.

9.2 By Amount. IN NO EVENT SHALL EITHER PARTY'S AGGREGATE, CUMULATIVE LIABILITY FOR ANY CLAIMS ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT EXCEED THE FEES PAID BY CUSTOMER TO OPENGOV (OR, IN THE CASE OF CUSTOMER, PAYABLE) FOR THE SOFTWARE SERVICES UNDER THIS AGREEMENT IN THE 12 MONTHS PRIOR TO THE ACT THAT GAVE RISE TO THE LIABILITY.

9.3 Limitation of Liability Exclusions. The limitations of liability set forth in Sections 9.1 and 9.2 above do not apply to, and each party accepts liability to the other for: (a) claims based on either party's intentional breach of its

OPENGOV SOFTWARE SERVICES AGREEMENT

obligations set forth in Section 5 (Confidentiality), (b) claims arising out of fraud or willful misconduct by either party and (c) either party's unauthorized use, distribution, or disclosure of the other party's intellectual property.

9.4 No Limitation of Liability by Law. Because some jurisdictions do not allow liability or damages to be limited to the extent set forth above, some of the above limitations may not apply to Customer.

10. MISCELLANEOUS

10.1 Logo Use. OpenGov shall have the right to use and display Customer's logos and trade names for marketing and promotional purposes in connection with OpenGov's website and marketing materials, subject to Customer's trademark usage guidelines provided to OpenGov.

10.2 Notice. Ordinary day-to-day operational communications may be conducted by email, live chat or telephone communications. However, for notices, including legal notices, required by the Agreement (in Sections where the word "notice" appears) the parties must communicate more formally in a writing given by personal delivery, by pre-paid first-class mail or by overnight courier to the address specified in the most recent Order Form (or such other address as may be specified in writing in accordance with this Section).

10.3 Anti-corruption. OpenGov has not offered or provided any bribe, kickback, illegal or improper payment, gift, or thing of value to any Customer personnel in connection with the Agreement, other than reasonable gifts and entertainment provided Customer in the ordinary course of business. If OpenGov become aware of any violation of the above restriction then OpenGov shall promptly notify Customer.

10.4 Injunctive Relief. The parties acknowledge that any breach of the confidentiality provisions or the unauthorized use of a party's intellectual property may result in serious and irreparable injury to the aggrieved party for which damages may not adequately compensate the aggrieved party. The parties agree, therefore, that, in addition to any other remedy that the aggrieved party may have, it shall be entitled to seek equitable injunctive relief without being required to post a bond or other surety or to prove either actual damages or that damages would be an inadequate remedy.

10.5 Force Majeure. Neither party shall be held responsible or liable for any losses arising out of any delay or failure in performance of any part of this Agreement, other than payment obligations, due to any act of god, act of governmental authority, or due to war, riot, labor difficulty, failure of performance by any third-party service, utilities, or equipment provider, or any other cause beyond the reasonable control of the party delayed or prevented from performing.

10.6 Severability; Waiver. If any provision of this Agreement is found to be unenforceable or invalid, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect and enforceable. Any express waiver or failure to exercise promptly any right under this Agreement will not create a continuing waiver or any expectation of non-enforcement. There are no third-party beneficiaries to this Agreement.

10.7 Assignment. Except as set forth in this Section, neither party shall assign, delegate, or otherwise transfer this Agreement or any of its rights or obligations to a third party without the other party's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Either party may assign, without such consent but upon written notice, its rights and obligations under this Agreement to: (i) its corporate affiliate; or (ii) any entity that acquires all or substantially all of its capital stock or its assets related to this Agreement, through purchase, merger, consolidation, or otherwise. Any other attempted assignment shall be void. This Agreement shall inure to the benefit of and bind each party's permitted assigns and successors.

10.8 Independent Contractors. No agency, partnership, joint venture, or employment is created as a result of this Agreement and neither party has any authority of any kind to bind the other party in any respect.

10.9 Attorneys' Fees. In any action or proceeding to enforce rights under this Agreement, the prevailing party will be entitled to recover costs and attorneys' fees.

10.10 Governing Law and Jurisdiction. This Agreement shall be governed by the laws of the State of California without regard to its conflict of laws provisions. Exclusive jurisdiction for litigation of any dispute, controversy or claim arising out of or in connection with this Agreement shall be only in the Federal or State court with competent

OPENGOV SOFTWARE SERVICES AGREEMENT

jurisdiction located in San Mateo County, California, and the parties hereby submit to the personal jurisdiction and venue therein.

10.11 Complete Agreement. This Agreement is the complete and exclusive statement of the mutual understanding of the parties and supersedes and cancels all previous written and oral agreements, communications, and other understandings relating to the subject matter of this Agreement. No modification of this Agreement will be binding, unless in writing and signed by an authorized representative of each party.



OpenGov Inc.
PO Box 41340
San Jose, CA 95160
United States

Quote Number: OG-00003583
Created On: 9/5/2023
Order Form Expiration: 10/31/2023
Subscription Start Date: 10/4/2023
Subscription End Date: 6/30/2028

Prepared By: Alex Martinez
Email: amartinez@opengov.com
Contract Term: Prorated + 48 Months

Customer Information

Customer: City of Oxnard, CA
Bill To/Ship To: 300 West Third Street
Oxnard, California 93030
United States

Contact Name: Mark Sewell
Email: marksewell@opengov.com

Order Details

Billing Frequency: Annually in Advance
Payment Terms: Net-30 (Thirty) Days

SOFTWARE SERVICES:

Product / Service	Start Date	End Date	Annual Fee
<i>Credit for Unused Software (PRORATED) (Management Reporting & Story Building)</i>	10/4/2023	3/31/2025	(\$16,650.00)
Budgeting & Planning	10/4/2023	6/30/2024	\$109,760.25
Budgeting & Planning	7/1/2024	6/30/2025	\$146,347.00
Budgeting & Planning	7/1/2025	6/30/2026	\$152,201.00
Budgeting & Planning	7/1/2026	6/30/2027	\$158,289.00
Budgeting & Planning	7/1/2027	6/30/2028	\$164,620.00

Annual Subscription Total: See Billing Table

PROFESSIONAL SERVICES:

Product / Service	Start Date	
OpenGov Deployment — Prepaid (Upfront)	10/1/2023	\$41,925.00
OpenGov Deployment — Time & Materials	Billed Upon Completion	\$5,850.00*
*Hours will be billed upon completion on a time and materials basis at a rate of \$195.00 per hour, estimated at 30 hours		
Professional Services Total:		\$47,775.00

Billing Table:

Billing Date	Amount Due	
October 4, 2023	\$135,035.25	(Prorated Annual Software Fee + Professional Services Payment 1 + Credit)
July 1, 2024	\$146,347.00	(Annual Software Fee)
July 1, 2025	\$152,201.00	
July 1, 2026	\$158,289.00	
July 1, 2027	\$164,620.00	

Order Form Legal Terms

Welcome to OpenGov! Thanks for using our Software Services. This Order Form is entered into between OpenGov, Inc., with its principal place of business at 6525 Crown Blvd #41340 San Jose, CA 95160 ("OpenGov"), and you, the entity identified above ("Customer"), as of the Effective Date. This Order Form includes and incorporates the OpenGov Software Services Agreement, signed between the parties, effective June 3, 2022 as amended ("SSA") and the applicable Statement of Work ("SOW") incorporated herein in the event Professional Services are purchased. The Order Form, SSA and SOW shall hereafter be referred to as the "Agreement". Unless otherwise specified above, fees for the Software Services and Professional Services shall be due and payable, in advance, on the Effective Date. By signing this Agreement, Customer acknowledges that it has reviewed and agrees to be legally bound by, the OpenGov Software Services Agreement. Each party's acceptance of this Agreement is conditional upon the other's acceptance of the terms in the Agreement to the exclusion of all other terms. This Order Form shall replace and supersede in its entirety the Order Form signed between the parties effective June 3, 2022.

[Signatures on next page]

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

CITY OF OXNARD

OPENGOV, INC.

John C. Zaragoza, Mayor

Date

Sam Kramer, VP of Finance

Date

Sean Wani
General Counsel

Date

ATTEST:

Rose Chaparro, City Clerk
(only if Mayor authorizes)

Date

APPROVED AS TO FORM:

Stephen M. Fischer, City
Attorney (always required)

Date



Statement of Work

City of Oxnard

Creation Date: 09/11/2023
Document Number: PS-04484
Version Number: 4
Created by: Mark Welch

Table of Contents

1. Overview and Approach	3
1.1. Agreement	3
2. Statement of Work	3
2.1. Project Scope	3
2.2. Facilities and Hours of Coverage	3
2.3. Key Assumptions	4
2.4. OpenGov Responsibilities	4
2.4.1. Activity 1 – Project Management	4
2.4.2. Activity 2 – Initialization	5
2.4.3. Activity 3 – OpenGov Use Cases	6
2.4.4. Activity 4 – Training	6
2.5. Your Responsibilities	6
2.5.1. Your Project Manager	7
2.6. Completion Criteria	7
2.7. Estimated Schedule	7
2.8. Illustrative Project Timelines	8
2.9. Charges	8
2.10. Offer Expiration Date	8
Appendix A: Engagement Charter	9
A-1: Communication and Escalation Procedure	9
A-2: Change Order Process	9
A-3: Deliverable Materials Acceptance Procedure	10
Appendix B: Implementation Activities	11
B-1: OpenGov Budgeting & Planning Suite	11
Appendix C: Technical Requirements	19
C-1: OpenGov Budgeting & Planning Suite	19

1. Overview and Approach

1.1. Agreement

This Statement of Work ("SOW") identifies services that OpenGov, Inc. ("OpenGov" or "we") will perform for City of Oxnard ("Customer" or "you") pursuant to that order for Professional Services entered into between OpenGov and the Customer ("Order Form") which references the Master Services Agreement or other applicable agreement entered into by the parties (the "Agreement").

- Customer acknowledges and agrees that this Statement of Work is subject to the confidentiality obligations set forth in the Agreement between OpenGov and Customer.
- The Deliverables listed in [Appendix B](#) are the single source of the truth of the deliverables to be provided.
- Customer's use of the Professional Services is governed by the Agreement and not this SOW.
- Upon execution of the Order Form or other documentation referencing the SOW, this SOW shall be incorporated by reference into the Agreement.
- In the event of any inconsistency or conflict between the terms and conditions of this SOW and the Agreement, the terms and conditions of this SOW shall govern with respect to the subject matter of this SOW only. Unless otherwise defined herein, capitalized terms used in this SOW shall have the meaning defined in the Agreement.
- This SOW may not be modified or amended except in a written agreement signed by a duly authorized representative of each party.
- OpenGov will be deployed as is, Customer has access to all functionality available in the current release.

2. Statement of Work

This SOW is limited to the Implementation of the OpenGov Budgeting & Planning as defined in the [OpenGov Responsibilities](#) section of this document. Any additional services or support will be considered out of scope.

2.1. Project Scope

Under this project, OpenGov will deliver cloud based Budgeting & Planning solutions to help the Customer power a more effective and accountable government. OpenGov's estimated charges and schedule are based on performance of the activities listed in the "OpenGov Responsibilities" section below. Deviations that arise during the project will be managed through the procedure described in [Appendix A-2: Change Order Process](#), and may result in adjustments to the Project Scope, Estimated Schedule, Charges and other terms. These adjustments may include charges on a time-and-materials or fixed-fee basis using OpenGov's standard rates in effect from time to time for any resulting additional work or waiting time.

2.2. Facilities and Hours of Coverage

OpenGov will:

- A. Perform the work under this SOW remotely, except for any project-related activity which OpenGov determines would be best performed at your facility in order to complete its responsibilities under this SOW.
- B. Provide the Services under this SOW during normal business hours, 8:30 am to 6:00 pm local time, Monday through Friday, except holidays.

2.3. Key Assumptions

The SOW and OpenGov estimates are based on the following key assumptions. Deviations that arise during the proposed project will be managed through the project Change Order Process (see [Appendix A-2](#)), and may result in adjustments to the Project Scope, Estimated Schedule, Charges, and other terms.

- A. The OpenGov Suites are not customized beyond current capacities based on the latest release of the software.
- B. Individual software modules are configured based on discussions between OpenGov and Customer.
- C. OpenGov or its authorized independent contractors provide Professional Services to Customer as described in this SOW as agreed to by the parties.
- D. Budgeting and Planning Suite
 - i. Customer will provide Budget and Actuals data within two (2) weeks immediately following the kick-off meeting.
 - ii. Customer's Integration is unidirectional from Tyler Munis into OpenGov. The integrated data will be linked to the Customer's OpenGov Chart Of Accounts.
 - iii. OpenGov budget proposal configuration will include: up to two hundred (200) department proposals and up to two hundred (200) project proposals.
 - iv. OpenGov Online Budget Book (OBB) configuration will include:
 - 1. Six (6) Standard OBB templates; up to two hundred (200) department stories pages and up to two hundred (200) project pages from the templates; and up to two (2) reports with report views to use in the OBB.

2.4. OpenGov Responsibilities

2.4.1. Activity 1 – Project Management

OpenGov will provide project management for the OpenGov responsibilities in this SOW. The purpose of this activity is to provide direction to the OpenGov project personnel and to provide a framework for project planning, communications, reporting, procedural and contractual activity. This activity is composed of the following tasks:

Planning

OpenGov will:

- A. review the SOW, contract and project plan with Customer's Project Manager and key stakeholders to ensure alignment and agreed upon timelines;
- B. maintain project communications through your Project Manager;

- C. establish documentation and procedural standards for deliverable Materials; and
- D. assist your Project Manager to prepare and maintain the project plan for the performance of this SOW which will include the activities, tasks, assignments, and project milestones.

Project Tracking and Reporting

OpenGov will:

- A. review project tasks, schedules, and resources and make changes or additions, as appropriate. Measure and evaluate progress against the project plan with your Project Manager;
- B. work with your Project Manager to address and resolve deviations from the project plan;
- C. conduct regularly scheduled project status meetings; and
- D. administer the Project Change Control Procedure with your Project Manager.

Completion Criteria:

This is an on-going activity which will be considered complete at the end of the Services

Deliverable Materials:

- Weekly status reports
- Project plan
- Project Charter
- Risk, Action, Issues and Decisions Register (RAID)

2.4.2. Activity 2 – Initialization

OpenGov will provide the following:

- A. Customer Entity configuration
- B. System Administrators creation
- C. Solution Blueprint creation
- D. Data Validation strategy confirmation

Completion Criteria:

This activity will be considered complete when:

- Customer Entity is created
- System Administrators have access to Customer Entity
- Solution Blueprint is presented to Customer

Deliverable Materials:

- Solution Blueprint
- Sign-off of Initial Draft Solution Blueprint

2.4.3. Activity 3 – OpenGov Use Cases

OpenGov will provide the following:

Budget & Planning Use Cases

- A. Centralized Operating Budget
- B. Multi-Year Workforce Planning
- C. Capital Improvement Planning
- D. Interactive Online Budget Books
- E. Interactive Reporting
- F. Integration with Tyler Munis for real-time (daily balances) reporting including Transaction level detail

Completion Criteria:

This activity will be considered complete when:

Budget & Planning Use Cases

- Chart of Accounts is configured
- Operating Budget proposals are configured
- Capital Budget proposals are configured
- Workforce Plan is configured
- Online Budget Book templates are configured
- Financial integration is configured
- Budget reports are configured

Deliverable Materials:

- Formal sign off document

2.4.4. Activity 4 – Training

Training will be provided in instructor-led virtual sessions unless otherwise specified in Appendix B. For any instructor-led virtual sessions, the class size is recommended to be 10 (ten), for class sizes larger than 10 (ten) it may be necessary to have more than one instructor. At least one training session will be delivered virtually and recorded for future use by City.

Completion Criteria:

- Administrator training is provided
- End User training is provided

Deliverable Materials:

- Formal sign off document

2.5. Your Responsibilities

The completion of the proposed scope of work depends on the full commitment and participation of your management and personnel. The responsibilities listed in this section

are in addition to those responsibilities specified in the Agreement and are to be provided at no charge to OpenGov. OpenGov's performance is predicated upon the following responsibilities being managed and fulfilled by you. Delays in performance of these responsibilities may result in delay of the completion of the project and will be handled in accordance with [Appendix A-1: Communication and Escalation Procedure](#).

2.5.1. Your Project Manager

Prior to the start of this project, you will designate a person called your Project Manager who will be the focal point for OpenGov communications relative to this project and will have the authority to act on behalf of you in all matters regarding this project.

Your Project Manager's responsibilities include the following:

- A. manage your personnel and responsibilities for this project (for example: ensure personnel complete any self-paced training sessions, configuration, validation or user acceptance testing);
- B. serve as the interface between OpenGov and all your departments participating in the project;
- C. administer the Project Change Control Procedure with the Project Manager;
- D. participate in project status meetings;
- E. obtain and provide information, data, and decisions within five (5) business days of OpenGov's request unless you and OpenGov agree in writing to a different response time;
- F. resolve deviations from the estimated schedule, which may be caused by you;
- G. help resolve project issues and escalate issues within your organization, as necessary; and
- H. Work with OpenGov Project Manager to ensure the project plan for the performance of this SOW which will include the activities, tasks, assignments, milestones and estimates are completed by Customer's employees.

2.6. Completion Criteria

OpenGov will have fulfilled its obligations under this SOW when any of the following first occurs:

- A. OpenGov accomplishes the activities set forth in "[OpenGov responsibilities](#)" section and delivers the Materials listed, if any; or
- B. The End date is reached

2.7. Estimated Schedule

OpenGov will schedule resources for this project upon signature of the order form. Unless specifically noted, the OpenGov assigned project manager will work with Customer Project Manager to develop the project schedule for all requested deliverables under this SOW.

OpenGov reserves the right to adjust the schedule based on the availability of OpenGov resources and/or Customer resources, and the timeliness of deliverables provided by the Customer.

The Services are currently estimated to start within two (2) weeks but no later than four (4) weeks from signatures and have an estimated end date of eleven (11) months following signatures ("End Date") or on other dates mutually agreed to between you and OpenGov.

2.8. Illustrative Project Timelines

The City and OpenGov have discussed and agreed to the following project timeline. The project plan below is illustrative and may adjust based on the needs of the City, to accommodate vacations, schedules, or required go-live dates.

Budgeting & Planning Suite Illustrative Timeline		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Financial Integration										
Budget and Planning Suite	Chart of Accounts									
	Review and Finalize Operating Budget									
	Mid Year Budget in Brief									
	Workforce Planning									
	Capital Budget									
	Online Budget Book									
	Budget End User Training									
GoLive Support	Hypercare									
Customer is responsible for attending the kick off of each phase, providing any necessary data for each phase, participating in working sessions during active phases, and signing off on deliverables at the end of each phase.										

2.9. Charges

The Services will be conducted on a Fixed Price basis. This fixed price is exclusive of any travel and living expenses and other reasonable expenses incurred in connection with the Services. All charges are exclusive of any applicable taxes.

OpenGov shall receive written approval in advance of any visit to Customer to which they intend to recover expenses.

2.10. Offer Expiration Date

This offer will expire on 10/31/2023 unless extended by OpenGov in writing.

Appendix A: Engagement Charter

A-1: Communication and Escalation Procedure

Active engagement throughout the implementation process is the foundation of a successful deployment. To help assess progress, address questions, and minimize risk during the course of deployment both parties agree to the following:

- **Regular communication** aligned to the agreed upon project plan and timing.
 - OpenGov expects our customers to raise questions or concerns as soon as they arise. OpenGov will do the same, in order to be able to address items when known.
- **Executive involvement**
 - Executives may be called upon to clarify expectations and/or resolve confusion.
 - Executives may be needed to steer strategic items to maximize the value through the deployment.
- **Escalation Process:**
 - OpenGov and Customer agree to raise concerns and follow the escalation process, resource responsibility, and documentation in the event an escalation is needed to support issues raised
 - Identification of an issue impeding deployment progress, outcome or capturing the value proposition, that is not acceptable.
 - Customer or OpenGov Project Manager summarizes the problem statement and impasse.
 - Customer and OpenGov Project Managers jointly will outline solution, acceptance or schedule Executive review.
 - Resolution will be documented and signed off following Executive review.
- **Phase Sign-Off**
 - OpenGov requests sign-offs at various stages during the implementation of the project. Once the Customer has signed-off, any additional changes requested by Customer on that stage will require a paid change order for additional hours for OpenGov to complete the requested changes.

A-2: Change Order Process

This SOW and related efforts are based on the information provided and gathered by OpenGov. Customers acknowledge that changes to the scope may require additional effort or time, resulting in additional cost. Any change to scope must be agreed to in writing or email, by both Customer and OpenGov, and documented as such via a:

- **Change Order** – Work that is added to or deleted from the original scope of this SOW. Depending on the magnitude of the change, it may or may not alter the original contract amount or completion date and be paid for by Customer. Changes might include:
 - Timeline for completion
 - Sign off process
 - Cost of change and Invoice timing
 - Amending the SOW to correct an error.

- Extension of work as the complexity identified exceeds what was expected by Customer or OpenGov.
- Change in type of OpenGov resources to support the SOW.

A-3: Deliverable Materials Acceptance Procedure

Deliverable Materials as defined herein will be reviewed and accepted in accordance with the following procedure:

- The deliverable Material will be submitted to your Project Manager.
- Your Project Manager will have decision authority to approve/reject all project Criteria, Phase Acceptance and Engagement Acceptance.
- Within five (5) business days of receipt, your Project Manager will either accept the deliverable Material or provide OpenGov's Project Manager a written list of requested revisions. If OpenGov receives no response from your Project Manager within five (5) business days, then the deliverable Material will be deemed accepted. The process will repeat for the requested revisions until acceptance.
- All acceptance milestones and associated review periods will be tracked on the project plan.
- Both OpenGov and Customer recognize that failure to complete tasks and respond to open issues may have a negative impact on the project.
- For any tasks not yet complete, OpenGov and/or Customer will provide sufficient resources to expedite completion of tasks to prevent negatively impacting the project.
- Any conflict arising from the deliverable Materials Acceptance Procedure will be addressed as specified in the Escalation Procedure set forth in [Appendix A-1](#). As set forth in the "Customer Delays" provision of the Agreement, if there are extended delays (greater than 10 business days) in Customer's response for requested information or deliverable; OpenGov may opt to put the project on an "On Hold" status. After the Customer has fulfilled its obligations, Professional Services can be resumed and the project will be taken off the "On-Hold" status.
- Putting a project "on Hold" may have several ramifications including, but not restricted, to the following:
 - Professional Services to the customer could be stopped;
 - Delay to any agreed timelines; or
 - Not having the same Professional Services team assigned.

Appendix B: Implementation Activities

B-1: OpenGov Budgeting & Planning Suite

Instance Creation

Budgeting & Planning Suite		
Description	OpenGov Responsibilities	Customer Responsibilities
Provisioning Reporting & Transparency Platform	OpenGov will: • OpenGov will provision Customer's OpenGov entity and verify Customer has access to all purchased modules.	Customer will: • Confirm access to entity and modules.

Technical Project Review

Description	OpenGov Responsibilities	Customer Responsibilities
Technical Project Review	OpenGov will: • Provide up to one (1) one-hour working sessions at the beginning of the project to: - o Review deliverables - o Review technical requirements - o Provide documentation on requirements and processes OpenGov Assumptions: • Customer will provide relevant data within two (2) weeks immediately following the kick-off meeting.	Customer will: • Identify relevant participants for attendance. • Confirm deliverables. • Gather and provide relevant data for the project.

Chart of Accounts Configuration

Description	OpenGov Responsibilities	Customer Responsibilities
Chart of Accounts (COA)	OpenGov will: - Review configured COA and uploaded data and provide training to Customer on how to: - Manage new codes - Edit COA - Create Masks	Customer will: - Provide current COA and transactional data. - Validate and provide sign off on COA. - Maintain the COA following configuration.

Integration Configuration

Description	OpenGov Responsibilities	Customer Responsibilities
Financial Integration	OpenGov will: - Installation of Agent and Database View Deployment or Set up a SFTP and Sample File Format. - Integrate the following functionalities: - Actuals and Budget (Revenue and Expenses) - Extract, transform (when required) and load the data - Build Reports for the required functionalities - Validate the historical data and current year data based on the Customer provided summary report. - Schedule the current year data load - Monitor the data load OpenGov assumptions: - Integration is unidirectional from the Customer's Tyler Munis into OpenGov. - The data will be linked to the Customer's COA.	Customer will: - Provide an IT resource to assist the project team in the initial set-up. - Provide assistance to understand source system specific customizations and configurations when building the data extract. - If OpenGov is unable to access the data per requirements, provide .csv data files via OpenGov SFTP Location. - Any charges for the data from ERP system will be the customer responsibility. - Broker OpenGov's access to Customer's source accounting data if hosted by any third vendor. - Provide a summary export data to validate against. - Validate and provide sign off on the integrated data and reports. - Changes to the underlying data after project closure will be responsibility of the customer to update. - Maintenance of the integration file on an ongoing

		basis is the responsibility of the customer.
--	--	--

Operating Budget Configuration

Description	OpenGov Responsibilities	Customer Responsibilities
Operating Budget	OpenGov will: • Configure up to two (2) Proofs of Concept (POC). • Configure one (1) Budget instance, once POC is validated. • Configure and upload Customer's base budget files into OpenGov budget instances. • Configure OpenGov Budget Proposals and Worksheets for up to two-hundred (200) Departments in the base budget file based on the agreed upon structure. • Review configured OpenGov Budget and provide training to Customer on how to: ○ Create new Proposals and Worksheets ○ Manage Budgets	Customer will: • Provide current budget. • Validate Proof of Concept prior to OpenGov building out Budget Proposals and Worksheets. • Validate and provide signoff on Budget Proposals and Worksheets.
Operating Budget Community Feedback Topic	OpenGov will: • Configure one (1) standard budget topic in Community Feedback. • Review configured OpenGov Topic and provide training to Customer on how to: ○ Create new topics ○ Manage topics ○ Set Topics to Public and Closed.	Customer will: • Provide logo and branding guidelines. • Validate and provide signoff on the standard budget topic. • Update the standard budget topic with Customer relevant information.
Operating Budget Story	OpenGov will: • Configure one (1) standard budget Story template.	Customer will: • Provide logo and branding guidelines.

	- Review configured OpenGov Story and provide training to Customer on how to: - Create new Stories - Manage Stories - Publish Stories	- Validate and provide signoff on Operating Budget Story template. - Update standard budget Story with Customer relevant information
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Capital Budget Configuration

Description	OpenGov Responsibilities	Customer Responsibilities
Capital Budget	OpenGov will: - Configure up to one (1) Proofs of Concept (POC) - Configure one (1) Budget instance, once POC is validated - Configure and upload Customer's base budget files into OpenGov budget instances. - Configure proposals and worksheets for up to two hundred (200) Capital Projects in the base budget file based on the agreed upon structure - Review configured OpenGov Budget and provide training to Customer on how to: - Create new Proposals and Worksheets - Manage Budgets	Customer will: - Provide current budget. - Validate Proof of Concept prior to OpenGov building out proposals and worksheets - Validate and provide signoff on Budget Proposals.
Capital Budget Story	OpenGov will: - Configure one (1) standard capital budget Story template. - Review configured OpenGov Story and provide training to Customer on how to: - Create new Stories - Manage Stories - Publish Stories	Customer will: - Provide logo and branding guidelines. - Validate and provide signoff on Capital Budget Story template. - Update standard budget Story with Customer relevant information

Workforce Planning Configuration

Description	OpenGov Responsibilities	Customer Responsibilities
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Workforce Planning	OpenGov will: • Provide cost elements based on Customer's existing personnel forecast to workforce document as per OpenGov's best practices. • Review configured OpenGov Workforce Plan and provide training to Customer on how to: - o Create Cost Elements - o Populate and upload the Position Template	Customer will: • Provide Position calculations and tables. • Populate the Position Template and upload the completed template into OpenGov. • Validate and provide signoff on the Workforce Plan calculations. • Maintain the Workforce Plan and data once configured.
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Budget and Planning Suite Reporting Configuration

Budget and Planning Suite Reporting	OpenGov will: • Set up one (1) export and Dataset View to enable OpenGov Budget Reports for the Operating and Capital Budget(s). • Configure up three (3) standard reports using the customer's integrated financial data: - o Annual - o Budget to Actuals - o Transactions • Configure up to four (4) Operating Budget Reports using OpenGov budget data: - o Milestones - o Development - o Details - o Categories* • Configure up to four (4) Capital Budget Reports using OpenGov budget data: - o Development - o Details - o Categories* - o Capital Plan • Review configured OpenGov Reports and provide training Customer on how to:	Customer will: • Validate and provide sign-off of Reports. • Maintain the Reports once configured. • Map OpenGov Budget export to Customer ERP import format.
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	○ Export Budget Data for use in OpenGov Reports. ○ Create new Reports ○ Manage Reports ○ Share Reports *Budget Categories report is only available to customers using a zero-based budget.	
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Online Budget Book Configuration

Description	OpenGov Responsibilities	Customer Responsibilities
Online Budget Book (OBB)	OpenGov will: ● Based on best practices, build out the look and feel of six (6) Standard OBB Templates: ○ Home Page ○ Generic (multi-use) ○ Operating ○ Department ○ Capital ○ Capital Project ● Create up to two (2) OBB Reports using OpenGov Budget data and Report Views to use in Department and Project OBB Story Shells. ● Create Department and Project OBB Story Shells from OBB Templates for up to two hundred (200) Departments and up to two hundred (200) Projects and add OpenGov Report Views to Department and Project Story Shells. ● Provide up to ten (10) one-hour working sessions to answer Customer questions on OBB Configuration.	Customer will: ● Provide logo and branding colors to OpenGov. ● Sign off on OBB Templates prior to OBB Story Shell Configuration. ● Validate and sign off on OBB Department and Project Story Shells. ● Complete Department and Project Story Shells by adding Customer content including: ○ Narrative ○ Images ○ External Data ● Create remaining OBB Stories from OBB Templates for each section of the Table of Contents and add Customer content including: ○ Narrative ○ Images ○ External Data ● Create any additional Reports and Report Views needed to add to OBB. ● Attend working sessions to get answers on OBB questions.

		• Make Stories public and Publish OBB.
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Working Sessions and Trainings

Description	OpenGov Responsibilities	Customer Responsibilities
Budgeting & Planning Working Sessions	OpenGov will: • Per the agreed upon Project Plan, schedule working sessions with Customer's System Administrators to: ◦ Review configurations; ◦ Provide training on system functionality; ◦ Gain feedback; and ◦ Answer questions regarding configured system functionality.	Customer will: • Per the agreed upon Project Plan, attend working sessions to: ◦ Understand configurations; ◦ Gain training on system functionality; ◦ Give feedback; and ◦ Ask questions regarding configured system functionality
Reporting & Transparency Administrator Training	OpenGov will: • Provide training to Customer System Administrators on how to: ◦ Maintain the Chart of Accounts ◦ Upload and manage data for reporting ◦ Create and share Reports, Dashboards, Stories, and Topics.	Customer will: • Identify relevant participants and attend scheduled trainings.

Budgeting & Workforce Administrator Training	OpenGov will: ● Provide training to Customer System Administrators on how to: ○ Create and manage Budgets ○ Prepare to set up Next Year's Budget ○ Create and manage Workforce Plans including Cost Elements and Position Upload Templates ○ Export Budget Data for use in OpenGov Reports.	Customer will: ● Identify relevant participants and attend scheduled trainings.
Online Budget Book / Budget-in-Brief Administrator Training	OpenGov will: ● Provide one (1) 60- Minute System Training designed for OBB Administrators on how to: ○ Use and copy OBB Templates ○ Add Reports Views to Stories ○ Add Customer content including: narrative, images, and external data to Stories ○ Publish Stories ○ Update and maintain Stories.	Customer will: ● Identify relevant participants and attend scheduled trainings.
Virtual Budget End-User Training	OpenGov will: ● Provide two (2), 60-Minute training session(s) to Customer's Internal Users on how to: ○ Navigate Opengov Budgets and Reports	Customer will: ● Identify relevant participants and attend scheduled trainings.

Appendix C: Technical Requirements

C-1: OpenGov Budgeting & Planning Suite

Budgeting & Planning Suite	
Description	Technical Requirements
Chart of Accounts	• Flat file • .csv, .xls, .xlsx with headers • Active Accounts and Accounts with activity in the years of data being loaded into OpenGov.
Financial Data Files (Transactional Export)	• Flat file • .csv, .xls, .xlsx with headers • 3-5 Years of Data
Financial Data Files (Summary Revenue and Expense Export)	• PDF export
Current Budget	• Flat file • .csv, .xls, .xlsx with headers • Operating Budget • Capital Budget
Personnel Calculations and Tables	• PDF, Word, csv, .xls, .xlsx with headers
Workflow Management	• PDF, Word, .csv, .xls, .xlsx with headers
Non-Financial Data Files	• Flat file • .csv, .xls, .xlsx with headers
Logo Image	• .jpg or .png format • Transparent
Branding guidelines	• Hex codes

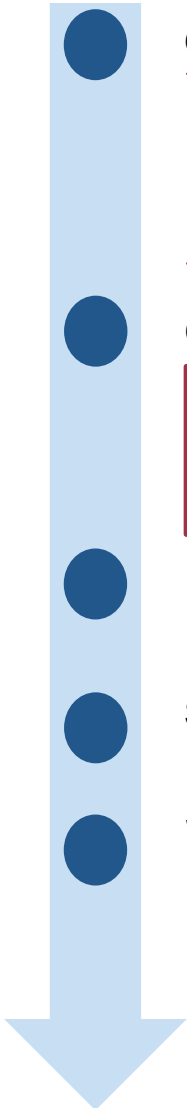
Budget Software Acquisition and Implementation

September 26, 2023

Presented by:
Javier Chagoyebazaro, City of Oxnard
Chief Financial Officer

That the Finance and Governance Committee recommend that City Council:

1. Approve and authorize the City Manager to execute a five year agreement with OpenGov, Inc. for OpenGov Budgeting & Planning software as well as OpenGov Reporting & Transparency software for a not to exceed amount of \$771,493; and
2. Approve a budget appropriation of \$60,110 in the Fiscal Year 2023-24 Information Technology Fund, from available fund balance.



October 2019: ERP Contract Award to Tyler Technologies

Implementation of Core Financials

- **Core Financials**
- Human Capital Management
- Time and Attendance
- Community Development
- Asset Maintenance
- Utility Billing

October 2022: ERP Core Financials go-live:

- | | | |
|------------------------------|------------------------------|---------------------------------|
| • Purchasing | • Project Management | • Automatic Controls |
| • Accounts Payable | • Financial Reporting | • Workflow Approval |
| • Accounts Receivable | • Cashiering | • Fixed Asset Accounting |

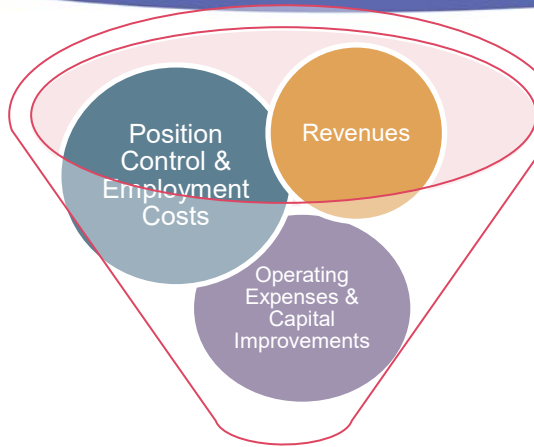
March 2023: City Council ERP annual report: Tyler Budget functionality does not meet City needs

Sep/Oct 2023: Proposed Contract Award to OpenGov for Budget and Planning Software Implementation

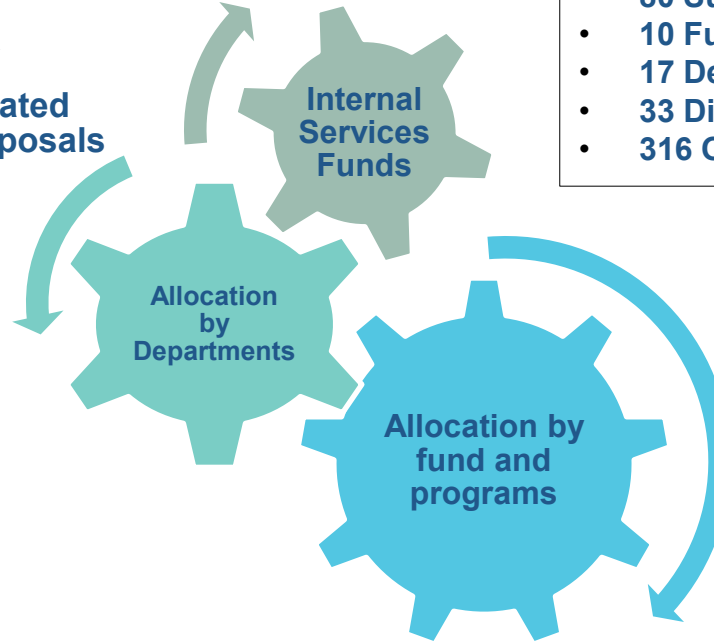
Winter 2023: Budget and Planning Software estimated go live to support FY 2024/25 Budget preparation

Why the City needs a budget software?

4



Consolidated budget proposals

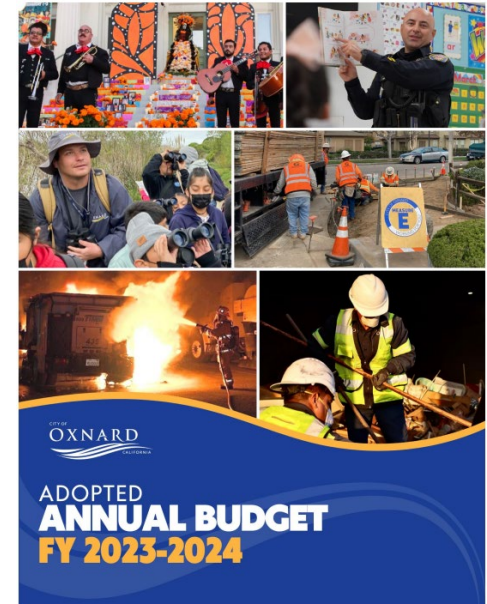


Authorized Positions		2021	2022	2022	2022	2023	2023	2024
Department/Division/Units		Actual	Adopted	Revised	Actual	Adopted	Revised	Adopted
City Attorney		8.00	11.00	11.00	11.00	11.00	11.00	11.00
City Clerk		3.00	3.00	3.00	3.00	3.00	3.00	4.00
City Council		8.30	8.30	8.30	8.30	8.30	8.30	8.30
City Manager		9.70	11.70	13.70	13.70	14.70	14.70	14.70
Community Development		62.00	63.00	63.00	63.00	66.00	66.00	66.00

Dept	Div	F Group	F name	Sub fund	SF name	Cat	C Name	22 Act	23 Adp	23 Rev	24 Adp
Building											
Code Co											
Community Development General	101	General fund				4101	Com Dev Planning	2,517,288	3,752,805	4,412,795	6,034,366
Community Development General	101	General fund				4102	Com Dev Building & E	5,232,076	6,351,795	6,701,795	6,429,285
Planning	Community Development General	101	General fund			4103	Com Dev Code Compl	1,149,138	1,687,943	1,687,943	1,569,778
Economic	Community Development General	101	General fund			4104	Com Dev Support	2,000,768	2,071,978	2,071,978	2,046,433
Cultural	Community Development General	101	General fund			4502	Economic Developme	-	-	-	-
Recreation	Community Development Special Re	201	CDBG Fund			4103	Com Dev Code Compl	274,246	-	-	-

Library	Dept	Unit	Fund	F name	Dept	Dpt name	23 Adp	23 Rev	24 Adp
Communi	Fire	101	General Fund		1001	Non-Dep Capital improvement	150,000	332,326	150,000
Communi	Housing	201	CDBG Fund		1001	Non-Dep Capital improvement	-	394,649	764,387
Communi	IT	101	General Fund		1001	Non-Dep Capital improvement	-	2,554,314	3,000,000
Police		104	Measure O		1001	Non-Dep Capital improvement	-	1,284,104	800,000
PW	Engineering	101	General Fund		1001	Non-Dep Capital improvement	7,420,512	9,643,679	1,500,000
PW	Engineering	350	Development Impact Fee		1001	Non-Dep Capital improvement	1,010,000	5,404,105	560,000
PW	Parks	101	General Fund		1001	Non-Dep Capital improvement	1,000,000	2,435,933	2,300,000
PW	Parks	104	Measure O		1001	Non-Dep Capital improvement	-	-	425,000
PW	Parks	350	Development Impact Fee		1001	Non-Dep Capital improvement	-	3,733,272	1,115,952
PW	Special Dis	120	Maint Assmt Dist		1001	Non-Dep Capital improvement	100,000	-	75,000
PW	Stormwater	101	General Fund		1001	Non-Dep Capital improvement	100,000	504,503	100,000
PW	Stormwater	104	Measure O		1001	Non-Dep Capital improvement	-	-	80,000
PW	Stormwater	350	Development Impact Fee		1001	Non-Dep Capital improvement	-	-	1,150,000

- 74 Funds
- 80 Sub-funds
- 10 Functions
- 17 Departments
- 33 Divisions
- 316 Object Codes



Budgeting Best Practices

Criteria	Description
Efficient Operating and Personnel Budgeting, including Approval and Version Control	Position related costs, consistent format for online submission, workflows to approve operating and capital project budget requests
Budget Book / Online Budget Preparation and Presentation (GFOA eligible)	Expand access to budget information online, nationally recognized budget best practices, transparency and trust from the Community
Multi Year Forecasting Capability	Ability to improve the long term financial analysis, supporting strategic plan, and evaluate and inform the impact of decisions made today, recognized future needs and prepare the City to address those needs, with visibility to the Community.
Integration with ERP Financials	Ability to automate presentation of real time data to compare with existing budget
Regular Efficient Budget Monitoring and Reporting	Ability to provide City Council and operating departments with periodic budget reports, identifying budget surpluses and budget shortfalls to reallocate resources during the fiscal year to better serve the Community.
Implementation	Faster implementation

	Tyler Munis	ClearGov	OpenGov
Efficient Operating and Personnel Budgeting, including Approval and Version Control		✓	✓
Budget Book / Online Budget Preparation and Presentation (GFOA eligible)		✓	✓
Multi Year Forecasting Capability		✓	✓
Integration with ERP Financials	✓		✓
Regular Efficient Budget Monitoring and Reporting			✓
Speedy Implementation			✓

Cost Proposals	ClearGov	OpenGov
One Time Implementation (Incl.Training/Travel/Contingency)	\$17,550	\$62,775
Year 1 License (FY24)	83,005	87,260
Year 2 License (FY25)	85,495	146,347
Year 3 License (FY26)	88,060	152,201
Year 4 License (FY27)	93,344	158,289
Year 5 License (FY28)	<u>98,944</u>	<u>164,620</u>
Total Agreement	\$ 466,398	\$ 771,493
Annual Average	\$93,280	\$154,298

- **Multiyear Forecasting Capabilities**
 - References contacted using forecasting
- **Integration with ERP financials:**
 - OpenGov was the most integrated budget solution
 - Real data that can be compare against the budget
- **Regular Efficient Budget Monitoring and Reporting**
 - Allow departments to monitor budget performance in real time
 - Faster recognition of budget surplus or budget shortages to reallocate resources to better serve the Community
 - Provide periodic repots to City Council
 - Support decision making during budget preparation and budget execution
- **Faster Implementation**
 - Leverage staff efforts used to implement the transparency website
- **Drive Transparency and trust to Increase Community Engagement**

That the Finance and Governance Committee recommend that City Council:

1. Approve and authorize the City Manager to execute a five year agreement with OpenGov, Inc. for OpenGov Budgeting & Planning software as well as OpenGov Reporting & Transparency software for a not to exceed amount of \$771,493; and
2. Approve a budget appropriation of \$60,110 in the Fiscal Year 2023-24 Information Technology Fund, from available fund balance.



Questions / Discussion



FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.2

DATE: September 26, 2023

TO: Finance & Governance Committee

FROM: Shiri Klima, Deputy City Manager, (805) 385-7487, shiri.klima@oxnard.org

SUBJECT: Resolution Updating Grant Application Procedures (10 minutes).

RECOMMENDATION

That the Finance and Governance Committee recommend City Council adopt Resolution No. _____, updating procedures to submit grant applications.

Please click the following link to view the required Measure M pre-recorded presentation video:
https://youtu.be/20xGMDeH_R8

BACKGROUND

On November 6, 2001, the City Council adopted Resolution No. 12,053, establishing procedures to submit grant applications. Currently, all grants applications for funds over \$100,000, or grants with any amount of matching funds or any ongoing or additional operating costs, are required to come to City Council before submission; the Council delegated its authority to the City Manager to submit grant applications up to \$100,000 without matching funds and without ongoing or additional operating costs requirements. There is no Council delegation of authority for a situation in which the City Manager determines a grant application is due before the next Council meeting. The resolution lists specific language that must be in the staff report recommendation and requires a resolution proposed for City Council adoption as scripted.

DISCUSSION

There is currently a process of coming to City Council which, with committee, has a lead time of six weeks, and there is no urgency option in terms of applying for grants. Staff requests authority to apply for any grant in any amount in which 1) the required matching funds or services (including operational and maintenance costs) do not exceed the City Manager's spending authority (which is currently is \$200,000), and have been previously appropriated; 2) the matching funds and grant do not obligate the City to add any full time equivalent positions; 3) the purpose of the grant implements, and is consistent with, previously adopted City policies, goals or objectives; and 4) the grant proposal has been reviewed and recommended for submission by the appropriate department director(s). With respect to the first criteria, the new cap on the City Manager's authority is not related to the total grant amount but rather to the total match amount, which aligns his authority regarding grants with his contracts authority.

Second, if the City Manager determines a grant application is due before the next Council meeting, the City Manager may authorize any grant application and must place the executed grant application for ratification at the next available City Council meeting. This will be especially relevant as grant opportunities become

available when Council is on recess.

Finally, this version of the grants resolution is silent on the need for a resolution. If a grant requires a particular resolution, that will be attached to the item. If a grant requires a resolution but does not offer particular language, staff can work with the City Attorney's office to draft something appropriate. If the grant does not require a resolution, one need not be attached. However, the staff report recommendation to the City Council will list the grant amount; the match amount, if any; any budget appropriation needed; the obligation for additional staffing, operational costs, and/or maintenance costs, if any; the granting agency or nature of the grant; and the intended use of grant funds.

STRATEGIC PRIORITIES

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

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Shiri Klima, Deputy City Manager

ATTACHMENTS

1. Resolution Updating Grants Application Process
2. Grants Resolution Presentation

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
UPDATING PROCEDURES TO SUBMIT GRANT APPLICATIONS

WHEREAS, the Oxnard City Council last adopted Resolution No. 12,053 on November 6, 2001, establishing procedures to submit grant applications; and

WHEREAS, there is a need to update and streamline this process.

NOW, THEREFORE, the City Council of the City of Oxnard repeals Resolution No. 12,053 and replaces it with the following adopted grant procedures:

A. PURPOSE STATEMENT

The City desires to expedite grant applications and establish a process for the City Manager to apply for grants without a formal Council process.

B. APPLICATIONS SUBMITTED ON APPROVAL OF CITY MANAGER

1. The City Manager is authorized to submit a grant application under the following criteria:

a. Required matching funds or services (including operational and maintenance costs) do not exceed the spending authority of the City Manager per Oxnard City Code Section 4-72(C), as may be amended from time to time (which in 2023 is \$200,000), and have been previously appropriated; and

b. The matching funds and grant do not obligate the City to add any full time equivalent positions; and

c. The purpose of the grant implements, and is consistent with, previously adopted City policies, goals or objectives; and

d. The grant proposal has been reviewed and recommended for submission by the appropriate department director(s).

2. The City Manager is authorized to execute all documents required for the City to apply for or

accept such grants. The Finance Director is authorized to submit financial reports, submit grant claims, and approve budget appropriations for the use of grant funds. The appropriate department director(s) are authorized to submit non-financial reports.

C. APPLICATIONS SUBMITTED ON APPROVAL OF CITY COUNCIL

1. Applications for grants that do not meet the criteria above may be submitted only by authorization of the City Council.
2. The staff report recommendation to the City Council shall list the grant amount; the match amount, if any; any budget appropriation needed; the obligation for additional staffing, operational costs, and/or maintenance costs, if any; the granting agency or nature of the grant; and the intended use of grant funds.
3. If the City Manager determines a grant application is due before the next Council meeting, the City Manager may authorize any grant application and must place the executed grant application for ratification at the next available City Council meeting.

PASSED AND ADOPTED this ____ day of October, 2023, by the following vote:

AYES:

NOES:

ABSENT:

John C. Zaragoza, Mayor

ATTEST:

APPROVED AS TO FORM:

Rose Chaparro, City Clerk

Stephen Fischer, City Attorney

Resolution Updating Grant Application Procedures

Shiri Klima, Deputy City Manager
City Manager's Office

Finance & Governance Committee
September 26, 2023

- The grant application procedures were established in 2001 by Resolution No. 12,053
- There is currently a process of coming to City Council which, with committee, has a lead time of six weeks, and there is no urgency option in terms of applying for grants

- Staff may only apply for grants:
 - 1) up to \$100,000; and
 - 2) without any matching funds; and
 - 3) without any ongoing or additional operating costs
- The resolution lists specific language that must be in the staff report recommendation and requires a resolution proposed for the City Council adoption as scripted



- Staff may apply for grant in any amount if:
 - 1) required matching funds or services (including O&M costs) do not exceed City Manager's spending authority (currently \$200,000), and have been appropriated; and
 - 2) matching funds and grant do not obligate the City to add any FTEs
- If City Manager determines grant application is due before next Council meeting, he may authorize that application with ratification at next available Council meeting
- Staff report recommendation will list grant amount; match amount; budget appropriation needed; obligation for additional staffing and O&M costs; granting agency or nature of grant; and intended use

That the Finance and Governance Committee recommend City Council adopt Resolution No. _____, updating procedures to submit grant applications.



End of Presentation



FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.3

DATE: September 26, 2023

TO: Finance & Governance Committee

FROM: Eden Alomeri, Billing and Licensing Director, (805) 385-7811, eden.alomeri@oxnard.org

SUBJECT: Business Tax & Permit Administration, Discovery & Auditing Services (20 minutes).

RECOMMENDATION

That the Finance and Governance Committee recommend the City Council to approve the proposal to:

1. Outsource the Licensing Services; and
2. Establish an agreement between the City of Oxnard and Hinderliter, de Llamas & Associates (HDL) to provide Business Tax and Permit Administration, Discovery and Auditing Services for a period of five years with the option to renew for another five years prior to the contract's expiration.

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

<https://youtu.be/lZA5Z362k6Y>

BACKGROUND

The City currently maintains approximately 17,000 business tax and permits files consisting of the following: 16,000 business tax certificates, 2 adult business permits, 3 recreational bingo licenses, 1 regular bingo license, 60 one-day business tax certificates, 88 cannabis employee permits, 22 dance permits, 17 Secondhand Dealers, 11 taxicab driver permits, 11 taxicab operator permits, 104 tobacco retailer permits, 32 vendor permits and 808 wastewater permits.

The Licensing Division under the Billing and Licensing Department consists of 1 Billing and Licensing Supervisor, 1 Code Compliance Inspector, 5 Customer Service Representatives and 1 Extra Help. The division's annual budget is \$944,000.

DISCUSSION

In order to ensure the City provides competitive pricing for comparable services, the City is seeking to outsource the Licensing business operations. The City of Oxnard sought proposals from qualified individuals or agencies interested in providing Business Tax and Permit Administration, Discovery and Auditing services. Proposers interested in providing these services were invited to respond to the request. The request for proposals (RFP) asked companies to submit statements of their qualifications, capabilities, and experience in administering a City Business Tax Program, proposals for performing the services described, and the fees that would be charged for those services.

The responses to the RFP were evaluated based on staff's criteria, including the proposer's ability, history and capacity to serve a large number of people and in providing the requested services or work for public agencies

of similar size, population, and needs of the City of Oxnard; responsiveness of the proposal and the clarity and completeness of the proposed scope of work; demonstrated technical competence and experience to perform the services or work requested in the RFP; a past record of performance for other entities comparable to the City of Oxnard, including references; and the best cost proposal or rates sheets.

The City received two proposals--from Avenu Insights & Analytics as well as from Hinderliter, de Llamas & Associates (HDL)--that were carefully evaluated, including follow-up questions to the proposers. A panel of four evaluators unanimously selected HDL as the best fit to provide these services. HDL's proposal showed a longer history of the services to multiple municipalities with excellent results, while simplifying the business tax process. HDL's previous licensing projects demonstrate a track record of generating increased revenues via a proactive discovery and auditing service approach of non-compliant businesses. HDL provided a very direct and clear description of their processes compared to Avenu. HDL hires their employees from municipalities; thus, we can be assured the knowledge, training and expertise of their staff will be an asset to the City of Oxnard. HDL provided a 5-year net revenue projection of \$3.7 million compared to Avenu's \$400,000 5-year revenue projection. These factors collectively made HDL the strongest candidate for the project.

By contracting with HDL, over the five-year contract term, the City will be paying approximately \$1.50 million in administration fees, \$1.47 million in collection fees, and \$1.50 million in discovery and audit fees. (In contrast, the discovery portion alone would cost \$2.58 million if we were to hire employees in house to do this work.) However, over the five years, the City is expected to gain new revenue from the discovery of unlicensed businesses amounting to \$2.96 million. The City is expected to save \$3.62 million in salaries and operating expenses over these years. The details are in the chart below:

The overall benefit to the City is equivalent to \$3.61 million over the five-year period of the agreement.

At the end of each year, HDL will provide financial, operational and analytical reports to the City to evaluate the effectiveness and added value the partnership brings to the Oxnard community. The report will include but not limited to: net financial gain to the City, quantitative data on services provided, enhancements to processes, projections, shortfalls, and other information that can be used to evaluate HDL's overall performance. Staff will provide annual reports to Council at public meetings with this information.

In looking at the further future, HDL will provide the City with pricing for years six through ten one year prior to the expiration of the initial five-year agreement. This will give the City time to evaluate and determine the possible continuance of the agreement. If HDL doesn't offer competitive pricing in the future, or if the City is otherwise not satisfied with HDL's services, we will have time to issue a new RFP for such services.

If Council awards this contract, five full-time employees from the division will be re-assigned to fill vacancies in various City departments where they will be able to continue their service to the City. They are transferring to positions in the same classification with the same pay, so no employee is being harmed and there are no layoffs. The Code Compliance Inspector and one Extra Help position will remain in the Licensing Division to provide support to the business community and continue to find new businesses.

The change in licensing operations will provide the City's business community with streamlined processes, increased customer service and online application processing. The City will also benefit from the outsourced discovery services that will seek to bring non-compliant businesses into compliance, thus, increasing the City's business tax revenues and leveling the playing field for compliant businesses.

Billing and Licensing staff is currently negotiating the terms of the agreement with HDL. The final agreement will be attached when this report goes to the City Council.

STRATEGIC PRIORITIES

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

FINANCIAL IMPACT

Approval of the recommended outsourcing of the City's Licensing operations is estimated to bring in an additional revenue of \$3,611,277.48 during the five-year contract period.

Prepared by: Daniel Chavez, Management Analyst II

ATTACHMENTS

1. F & G Committee 09_26_23 Agenda Item D.3

BUSINESS TAX & PERMIT ADMINISTRATION, DISCOVERY & AUDITING SERVICES

Finance and Governance Committee
September 26, 2023

Daniel Chavez, Management Analyst
Department of Billing and Licensing

That the Finance and Governance Committee recommend the City Council to approve the proposal to:

1. Outsource the Licensing Services; and
2. Establish an agreement between the City of Oxnard and Hinderliter, de Llamas & Associates (HDL) to provide Business Tax & Permit Administration, Discovery & Auditing Services for a period of five years with the option to renew for another five years prior to the contract's expiration.

- 17,000 business tax and permits
- Licensing Division Staff:
 - 1 Billing and Licensing Supervisor
 - 1 Code Compliance Inspector
 - 5 Customer Service Representatives
 - 1 Extra Help
- The division's annual budget is \$944,000.

2 proposals received:

- AVENU Insights & Analytics
- Hinderliter, de Llamas & Associates (HDL)

Selection Rational:

- HDL demonstrated a longer history of the services to multiple municipalities with excellent results.
- HDL's previous Licensing projects demonstrate a track record of generating increased revenues.
- HDL provided a very direct & clear description of their processes.
- HDL provided a 5-year net revenue projection of \$3,611,277.48 compared to Avenu's \$400,000 5-year revenue projection.

HDL	YR 0	YR 1	YR 2	YR 3	YR 4	YR 5	TOTAL
ADMINISTRATION: (Fee \$15 per account + CPI)							
No. of BTC and Permits	17,000	17,340	17,687	18,041	18,401	18,769	
Bus Lic Administration Fee		\$ 15.00	\$ 15.75	\$ 16.54	\$ 17.36	\$ 18.23	
Administration Fee (Paid by City)		\$ 260,100.00	\$ 278,567.10	\$ 298,345.36	\$ 319,527.88	\$ 342,214.36	\$ 1,498,754.71
Collection: (Fee 25% of Revenue)							
Annual Revenue	\$ 6,500,000.00	\$ 6,630,000.00	\$ 6,762,600.00	\$ 6,897,852.00	\$ 7,035,809.04	\$ 7,176,525.22	
Delinquency		\$ 1,127,100.00	\$ 1,149,642.00	\$ 1,172,634.84	\$ 1,196,087.54	\$ 1,220,009.29	
Collection Fee (Paid by City)		\$ 281,775.00	\$ 287,410.50	\$ 293,158.71	\$ 299,021.88	\$ 305,002.32	\$ 1,466,368.42
DISCOVERY: (Fee 30% Yr 1-2 then 35% Yr 3-5)							
AUDIT: (Fee 35% of Revenue)							
Projected by HDL	\$ 6,500,000.00	\$ 7,624,500.00	\$ 8,115,120.00	\$ 7,587,637.20	\$ 7,739,389.94	\$ 7,894,177.74	
Projected Revenue from Discovery & Audit		\$ 994,500.00	\$ 1,352,520.00	\$ 689,785.20	\$ 703,580.90	\$ 717,652.52	\$ 4,458,038.63
Discovery & Audit Fee		\$ 323,212.50	\$ 439,569.00	\$ 241,424.82	\$ 246,253.32	\$ 251,178.38	\$ 1,501,638.02
New Revenue for the City		\$ 671,287.50	\$ 912,951.00	\$ 448,360.38	\$ 457,327.59	\$ 466,474.14	\$ 2,956,400.61
Savings in Salaries & Operating Exp		\$ 724,000.00	\$ 724,000.00	\$ 724,000.00	\$ 724,000.00	\$ 724,000.00	\$ 3,620,000.00
Net		\$ 853,412.50	\$ 1,070,973.40	\$ 580,856.31	\$ 562,777.82	\$ 543,257.45	\$ 3,611,277.48

HDL agreed to provide the City with pricing for years 6 – 10 one year prior to the expiration of the initial five-year agreement. This will give the City time to evaluate and determine the continuance of the agreement.

- Staff Re-assignment
 - 5 customer service representatives
- Staff retainment
 - 1 Code Compliance Inspector
 - 1 Extra Help

- Benefit to the City
 - Streamline process
 - Increased customer service
 - Online application
 - Leveling the playing field
 - Additional revenue to the City
- End of year financial, operational and analytical reports to the City
- Negotiating the terms of the agreement

Approval of the recommended outsourcing of the City's Licensing operations is estimated to bring in an additional revenue of \$3,611,27.48 during the five-year contract period.

That the Finance and Governance Committee recommend the City Council to approve the proposal to:

1. Outsource the Licensing Services; and
2. Establish an agreement between the City of Oxnard and Hinderliter, de Llamas & Associates (HDL) to provide Business Tax & Permit Administration, Discovery & Auditing Services for a period of five years with the option to renew for another five years prior to the contract's expiration.



QUESTIONS?



FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.4

DATE: September 26, 2023

TO: Finance & Governance Committee

FROM: Alexander Hamilton, Fire Chief, (805) 385-7700, alexander.hamilton@oxnard.org

SUBJECT: Authorize Blanket Purchase Orders for Allstar Fire Equipment Co. and L.N. Curtis & Sons for a Not to Exceed (NTE) Amount of \$500,000 and \$1,000,000 respectively through June 30, 2024 (10 minutes).

RECOMMENDATION

That the Finance and Governance Committee recommend that the City Council authorize the Mayor to execute Blanket Purchase Orders (BPOs) with the following vendors:

1. Allstar Fire Equipment Co. (Allstar) for a total amount NTE \$500,000 for the purchase of structural firefighting personal protective equipment (PPE) and tools.
2. L.N. Curtis & Sons (L.N Curtis) for a total amount NTE \$1,000,000 for the purchase of firefighting tools and equipment for wildland and tools mounted on response vehicles.

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

<https://youtu.be/xpLQo5Aqoj8>

BACKGROUND

A blanket purchase order (BPO) is an agreement established with a vendor to fill repetitive needs for goods. BPOs make it easier for the vendor and departments to fill recurring needs, while using the City's full buying power by taking advantage of quantity discounts, saving administrative time, and reducing paperwork. BPOs are established as purchase orders with a maximum order amount or not to exceed (NTE) amount, rather than for a specific amount. BPOs with an annual NTE amount greater than \$200,000 require the Mayor or most senior Council Member's approval and signature.

DISCUSSION

The Fire Department has conducted an analysis of all potential procurement needs for Fiscal Year 2023-2024 and determined that BPOs for Allstar and L.N Curtis with a NTE amount of \$500,000 and \$1,000,000, respectively, will be necessary for all the personal protective equipment (PPE) and tool purchases for the year. The department currently has a BPO with Allstar (Contract No. 32400150) for an amount NTE \$180,000. However, the department needs to increase the value of the BPO for anticipated purchases this fiscal year. Allstar is the sole-source regional distributor of LION turnouts, hoods, Phenix helmets, and other miscellaneous equipment and supplies. The turnouts manufactured by LION contain verified particulate-blocking technology designed to help limit firefighter exposure to carcinogenic materials found in products of combustion. Roughly \$150,000 of the BPO is a carryover from orders placed in the previous Fiscal Year (2022-2023) but not

received prior to the fiscal year close. \$100,000 is for the procurement of thermal imaging equipment funded with a FEMA grant award, and the balance of \$250,000 will be for routine purchases of PPE equipment and replacement turnouts. Purchase orders will be issued to Allstar as the sole-source provider in California for LION and Phenix gear and through competitively bid awards for other items. All purchase orders will be limited to funded items. The department also has a BPO with L.N Curtis (Contract No. 32400162) for an amount NTE \$200,000. However, the potential purchases for the year will exceed this amount and therefore, the department requests a BPO for an amount NTE \$1,000,000. L.N Curtis provides firefighting, rescue, safety, and emergency products and tools. Roughly \$200,000 of the BPO is for funded routine purchases of loose tools and equipment for response vehicles. \$68,000 is for wildland equipment funded with a FEMA grant, and \$495,000 for up-fitting three fire engines approved by City Council on February 1, 2022 (Project No. C2202). The remaining balance will be for other equipment and tools that will be purchased if additional funding is identified. Purchase orders with L.N Curtis will be issued through two Sourcewell Government Cooperative Purchasing Agreements (No. 032620 and 040220) or through competitively bid awards.

STRATEGIC PRIORITIES

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

FINANCIAL IMPACT

The Department will establish the blanket purchase orders as non-encumbered contracts and submit purchase requisitions against the contracts as needed for funded items in the Department's Fiscal Year 2023-24 operating, grant, and special project budgets. Appropriations in the amount of \$460,000 (General Fund 101), \$180,000 (Grant Fund 200), and \$495,000 (Lease Purchase Equipment Fund 313) are currently budgeted. Additional purchase orders will be awarded only if additional funding is identified through budgetary savings, approved increases in appropriations, or new grant funding. The Department will return to Council to request additional appropriations should that be necessary.

Prepared by: Alexander Hamilton, Fire Chief

ATTACHMENTS

1. Increase All Star & LN Curtis PO PPT.pptx (1)

FIRE DEPARTMENT

Increasing Blanket PO for All Star Fire Equipment Co. and L.N. Curtis & Sons

Alexander Hamilton, Fire Chief

RECOMMENDATION

That the City Council Authorize Blanket Purchase Orders for Allstar Fire Equipment Co. and L.N. Curtis & Sons for a Not to Exceed (NTE) Amount of \$500,000 and \$1,000,000 respectively through June 30, 2024.



- A Blanket Purchase Order (BPO) is an agreement established to fill repetitive needs for goods.
- BPO's make it easier for the vendor and the department to fill recurring needs, while using the City's full buying power
- BPO's are established as purchases orders with a maximum order amount or not to exceed (NTE) amount
- The Fire Department has a number of anticipated purchases from All Star Equipment and L.N. Curtis & Sons that will exceed the \$200,000
- BPO's with an annual NTE greater than \$200,000 require council approval.

DISCUSSION

- The department currently has a BPO with All Star (Contract #32400150) in an NTE exceed amount of \$180,000.
- All Star Fire Equipment is the sole vendor for Lion turnouts, hoods, boots and other miscellaneous equipment and supplies.
- We need to increase the value of of the BPO to \$500,000 due to anticipated purchases
- \$150,000 is already encumbered and there is \$100,000 in grant funded thermal imaging cameras and other routine purchases



- The department also has a BPO with L.N. Curtis & Sons (Contract #32400162) in a NTE amount of \$200,000
- L.N.Curtis & Sons provides firefighting, rescue, safety and emergency products and tools
- Generally the department spends close to \$200,000 on funded routine purchases of equipment and loose tools.
- This fiscal year we have an additional \$68,000 in grant funded wildland equipment and \$495,000 in up-fitting costs for 3 new fire engines that was approved by City Council on February 1st, 2022.

- The department will establish the blanket purchase orders as non-encumbered contracts and submit purchase requisitions against the contracts for funded items in the Fire Department's Fiscal Year 2023-24 operating and grant budgets.



QUESTIONS?