

City of Port Hueneme

PORT HUENEME CITY COUNCIL SPECIAL MEETING

SEPTEMBER 5, 2017

6:00 PM

**PORT HUENEME CITY HALL: 250 NORTH VENTURA ROAD
PORT HUENEME, CA 93041**

A G E N D A

Public Communications: Each member of the public may speak on any item appearing on the Agenda or that is within the subject matter jurisdiction of the City Council. Speakers will be allowed three minutes per Agenda item to address the Council. Members of the public who want to address the Council should fill out a speaker card located on the back table in the City Council Chamber and provide the speaker card to the City Clerk. If a speaker wishes to address an item on the Agenda please note the Agenda item number or topic on the speaker card to ensure that you are called to speak before the Council takes action on the Agenda item. All speakers wishing to address the Council on items not on the Agenda will be called on to speak during the Open Forum portion of the Agenda.

- 1. CALL TO ORDER, ROLL CALL**
- 2. AGENDA:** *(Amend / Approve)*
- 3. OPEN FORUM (10 Minutes)**

The Council will hear public comments for a maximum of 10 minutes. A person may address the Council only on matters within the Council's subject matter jurisdiction. The Council cannot enter into a detailed discussion or take any action on comments, but may refer them to the City Manager for follow up or scheduling on a subsequent agenda for discussion. Each speaker shall limit comments to three minutes.

4. CLOSED SESSION:

With respect to every item of business to be discussed in Closed Session, pursuant to the California Government Code:

- A. CONFERENCE WITH LABOR NEGOTIATORS
(Pursuant to Government Code Section 54957.6)**

AGENCY DESIGNATED REPRESENTATIVES: Rod Butler, City Manager; Finance Director Alvin Burrell, Steven M. Berliner, Special Counsel.

EMPLOYEE ORGANIZATIONS: Port Hueneme Police Officers Association (PHPOA)

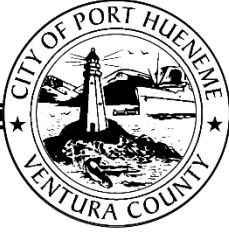
ADJOURNMENT: Adjourn to the Regular Meeting to be held September 5, 2017 at 6:30 p.m. in the City Council Chamber.

STATE OF CALIFORNIA)
)ss.
COUNTY OF VENTURA)

I declare, under penalty of perjury, that I am employed by the City of Port Hueneme and that I caused this agenda to be posted in the City Hall notice case on September 1, 2017

Michele Kostenuik, City Clerk

Copies of staff reports or other written documentation relating to each item of business referred to in this Agenda are available for public inspection in the Office of the City Clerk and on the City's website at www.cityofporthueneme.org. Materials received after agenda packet distributions are made available to the public on the City's website and in the City Clerk's office at the same time they are provided to the Council. IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, CONTACT THE OFFICE OF THE CITY CLERK AT 986-6503 OR THE CALIFORNIA RELAY SERVICE. NOTICE 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ALLOW PARTICIPATION IN THIS MEETING.



City of Port Hueneme

PORT HUENEME CITY COUNCIL REGULAR MEETING

SEPTEMBER 5, 2017
6:30 PM

PORT HUENEME CITY HALL: 250 NORTH VENTURA ROAD
PORT HUENEME, CA 93041

AGENDA

Public Communications: Each member of the public may speak on any item appearing on the Agenda or that is within the subject matter jurisdiction of the City Council. Speakers will be allowed three minutes per Agenda item to address the Council. Members of the public who want to address the Council should fill out a speaker card located on the back table in the City Council Chamber and provide the speaker card to the City Clerk. If a speaker wishes to address an item on the Agenda please note the Agenda item number or topic on the speaker card to ensure that you are called to speak before the Council takes action on the Agenda item. All speakers wishing to address the Council on items not on the Agenda will be called on to speak during the Open Forum portion of the Agenda.

1. **CALL TO ORDER, FLAG SALUTE**
2. **INSPIRATION:** Council Member Will Berg
3. **ROLL CALL:**
4. **AGENDA:** (*Amend / Approve*)
5. **OPEN FORUM: (30 Minutes)**

The Council will hear public comments for a maximum of 30 minutes. A person may address the Council only on matters NOT appearing on the agenda and within the Council's subject matter jurisdiction. Anyone not able to address the Council before the 30 minutes expires may do so during the "Continuation of Open Forum" period just prior to adjournment of the meeting. The Council cannot enter into a detailed discussion or take any action on comments, but may refer them to the City Manager for follow up or scheduling on a subsequent agenda for discussion. Each speaker shall limit comments to three minutes.

6. **PRESENTATIONS:**
 - A. PUBLIC AGENCY RETIREMENT SERVICES (PARS)
PENSION/OPEB BENEFIT TRUST

Action: Presentation by Mitch Barker, Executive Vice President.

B. THE 20/20 NETWORK – PORT HUENEME WATER STORY

Action: Presentation by Tim Gallagher, Partner

C. CALIFORNIA CONSULTING – GRANT WRITING FIRM

Action: Presentation by Steve Samuelian, Chief Executive Officer.

7. CONSENT AGENDA:

A. APPROVAL OF MINUTES

Action: It is recommended the City Council approve the Minutes of the August 7, 2017 Special and Regular Meetings.

8. CITY MANAGER REPORTS/COMMENTS:

A. EXECUTION OF A TEMPORARY EMPLOYMENT AGREEMENT FOR INTERIM DEPUTY CITY MANAGER SERVICES IN CONFORMANCE WITH CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND STATE LAW REQUIREMENTS

Action: It is recommended the Council/Boards:

- Adopt a resolution authorizing the City Manager to execute a temporary employment agreement for Interim Deputy City Manager services in conformance with California Public Employees' Retirement System and state law requirements;
- Approve the terms of the temporary employment agreement with Interim Deputy City Manager Stephanie Mendenhall.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORT HUENEME, CALIFORNIA, THE BOARDS OF THE SURPLUS PROPERTY AUTHORITY AND THE PORT HUENEME HOUSING AUTHORITY (COLLECTIVELY REFERRED TO BELOW AS "CITY COUNCIL") AUTHORIZING THE CITY MANAGER TO EXECUTE A TEMPORARY EMPLOYMENT AGREEMENT FOR INTERIM DEPUTY CITY MANAGER SERVICES IN CONFORMANCE WITH CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND STATE LAW REQUIREMENTS

B. RECREATION, EDUCATION, ARTS & CULTURE IN HUENEME (R.E.A.C.H.) – STATUS UPDATE ON STRATEGIC PLAN AND RECOMMENDATIONS FOR NEXT STEPS TO EXPAND THE REACH BOARD AND FUNDRAISING OPPORTUNITIES; RECOMMENDATION TO APPOINT STEVE KINNEY TO THE

R.E.A.C.H. BOARD PER CITY COUNCIL'S RIGHT UNDER THE CURRENT BYLAWS

Action: This report is provided as an update to the City Council regarding R.E.A.C.H., a non-profit that serves the Port Hueneme community by fundraising and offering opportunities to enhance the community's resources in Recreation, Education, Arts, Culture, in Hueneme. It is recommended that City Council appoint Port Hueneme resident Steve Kinney to the R.E.A.C.H. Board as authorized under the current Bylaws.

C. UPDATE ON STRATEGIC ACTION PLAN PROGRESS

Action: It is recommended that the City Council receive and file this update on the progress toward completion of the items contained in the City Council's Strategic Action Plan.

9. COUNCIL MEMBERS' REPORTS, COMMENTS, AND REQUESTS FOR FUTURE AGENDA ITEMS

10. CONTINUATION OF OPEN FORUM

The Council will allow a continuation of public comments, if necessary, due to exceeding the total time allotted in the earlier Open Forum section.

11. CLOSED SESSION: (None)

ADJOURNMENT: Adjourn to the next Regular Meeting to be held September 18, 2017 at 6:30 p.m. at the City Hall Council Chambers.

STATE OF CALIFORNIA)
)ss.
COUNTY OF VENTURA)

I declare, under penalty of perjury, that I am employed by the City of Port Hueneme and that I caused this agenda to be posted in the City Hall notice case on September 1, 2017.

Michele Kostenuik, City Clerk

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**CITY OF PORT HUENEME
SPECIAL MEETING OF THE CITY COUNCIL**

AUGUST 7, 2017

MINUTES

The Special Meeting of the Port Hueneme City Council was called to order by Mayor Figg at 6:02 p.m. in the City Council Chamber at City Hall, 250 North Ventura Road, Port Hueneme, California. The City Clerk called the roll:

PRESENT: Council Members, Will Berg, Jim Hensley, Sylvia Muñoz Schnopp, Jonathan Sharkey; Mayor Tom Figg.
ABSENT: None.

Staff members present were: Rod Butler, City Manager; Charles R. Green, City Attorney; Deputy City Manager, Carmen Nichols; Tony Stewart, Deputy Community Development Director; Michele Kostenuik, City Clerk.

OPEN FORUM:

Mayor Figg asked if anyone present wished to speak on any matter not on the Agenda. None.

AGENDA:

The Council Members had previously received copies of the Agenda.

Council Member Schnopp, seconded by Council Member Berg, moved to approve the Agenda. Motion carried 5-0

CLOSED SESSION:

Mayor Figg made the following announcement:

With respect to every item of business to be discussed in Closed Session, pursuant to the California Government Code:

A. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS
(Pursuant to Government Code § 54956.8)

PROPERTIES (Port Hueneme, CA): Parcel at west end of Surfside Drive, APN 206-0-100-340.

AGENCY DESIGNATED REPRESENTATIVES: Rod Butler, City Manager; Carmen Nichols, Deputy City Manager; Tony Stewart,

Deputy Community Development Director; Steve Kinney, Consultant
Kharis Navigating.

NEGOTIATING PARTIES: Harvey Champlin of Champlin &
Associates

UNDER NEGOTIATION: Negotiate price and terms of payment.

B. PUBLIC EMPLOYEE PERFORMANCE REVIEW/EVALUATION
(PURSUANT TO GOVERNMENT CODE SECTION 54957)

TITLE: CITY MANAGER

Recessed to Closed Session at 6:04 p.m.; reconvened at 6:33 p.m. Charlie Green, City Attorney announced from Closed Session that item 4.B. was not addressed and will be rescheduled at a future agenda. Announced for item 4.A. Council authorized entering a 90 day exclusive right to negotiate with Harvey Champlin of Champlin & Associates

Motion carried 4-0 (Schnopp recused herself due to conflict of interest).

ADJOURNMENT:

Mayor Figg, without objection, adjourned at 6:37 p.m. to the Regular Meeting to be held August 7, 2017 at 6:30 p.m. in the City Council Chamber.

Respectfully submitted,

Michele Kostenuik
City Clerk

APPROVED:

**CITY OF PORT HUENEME
REGULAR MEETING OF THE CITY COUNCIL**

AUGUST 7, 2017

MINUTES

The Regular Meeting of the Port Hueneme City Council was called to order by Mayor Figg at 6:37 p.m. in the City Council Chamber at City Hall, 250 North Ventura Road, Port Hueneme, California. Council Member Sylvia Munoz Schnopp gave the Inspiration. The Deputy City Clerk called the roll:

PRESENT: Council Members, Will Berg, Sylvia Muñoz Schnopp,
Jonathan Sharkey; Mayor Pro Tem Jim Hensley,
Mayor Tom Figg.
ABSENT: None.

Staff members present were: Rod Butler, City Manager; Charles R. Green, City Attorney; Deputy City Manager, Carmen Nichols; Andrew Salinas, Chief of Police; Tony Stewart, Deputy Community Development Director; Cammeo Jupp, Human Resource Analyst (Deputy City Clerk).

Recessed at 6:39 p.m. to the Housing Authority Special Meeting, and Successor Agency Board. Reconvened at 6:58 p.m. to Regular Council Meeting.

After the flag salute, Council Member Sylvia Schnopp gave the Inspiration.

AGENDA:

The Council Members had previously received copies of the Agenda.

Mayor Figg requested to move item 14.A to the beginning of the meeting after Open Forum.

Council Member Berg, seconded by Council Member Schnopp, moved to approve the amended Agenda. Motion carried 5-0.

OPEN FORUM:

Mayor Figg asked if anyone present wished to speak on any matter not on the Agenda. The following persons requested to speak:

1. Robert Downing, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager.
2. Larry Downing, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager.
3. John Adamson, Port Hueneme

- Announced upcoming Historical Society Museum.
- 4. Beverly Kelley, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager.
- 5. Purna Pai, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager.
- 6. Baltazar Tapia, Port Hueneme Police Officer's Association President
Complaints of POA contract negotiations.
- 7. Dawn Hamilton, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager.
- 8. Donna Breeze, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager.
- 9. Beverly Kelley, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager.
- 10. Donna Breeze, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager.
- 11. Tony Volante, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager.
- 12. Tracy Sisson Phillips, Port Hueneme Chamber of Commerce
Announced upcoming events.
- 13. Tracy Sisson Phillips, Port Hueneme
Made positive comments about Carmen Nichols, Deputy City Manager
and complaints against Mayor Pro Tem Hensley prior comments.
- 14. Peter Godmez
Made positive comments about the City and Carmen Nichols, Deputy
City Manager.

COUNCIL MEMBERS' REPORTS/COMMENTS:

- A. RESOLUTION TO REPRIMAND MAYOR PRO TEM JIM HENSLEY
– MAYOR TOM FIGG

Action: Request for approval of a Resolution of the City Council of the City of Port Hueneme reprimanding Mayor Pro Tem Jim Hensley for inappropriate conduct and removing him from all committees assignments, agency appointments and official duties.

RESOLUTION NO. 4183

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORT HUENEME REPRIMANDING MAYOR PRO TEM JIM HENSLEY FOR INAPPROPRIATE CONDUCT AND REMOVING HIM FROM ALL COMMITTEES ASSIGNMENTS, AGENCY APPOINTMENTS AND OFFICIAL DUTIES

Mayor Figg read a statement.

City Attorney suggested Mayor Pro Tem Hensley remove himself from the Chamber due to a conflict of interest. Mayor Pro Tem Hensley left the room. Council made comments. Mayor Figg recommended at the next meeting to reorganize the committees.

Council Member Schnopp, seconded by, Council Member Berg, moved to approve the item as presented with the recommendation. Motion carried 4-0 (Hensley recused himself) by the following roll call:

AYES: Council Member, Berg, Schnopp, Sharkey, Mayor Figg.
NOES: None.
ABSTAINING: None.
ABSENT: Council Member Hensley.

Mayor Figg asked if anyone wanted to speak. The following person spoke:

16. Daniel Chavez, Oxnard
Made comments concerned about previous conduct of Council.

PRESENTATIONS:

- A. PUBLIC AGENCY RETIREMENT SERVICES (PARS)
PENSION/OPEB BENEFIT TRUST
Action: Presentation by Mitch Barker, Executive Vice President.

Rod Butler, City Manager stated they will not be presenting, rescheduled to September 5 Regular Meeting.

CONSENT AGENDA:

None.

PUBLIC HEARINGS:

*Mayor verifies posting of notice by Clerk- yes
Councilmembers declare any conflict- none
Councilmembers declare any ex parte contacts- none
Mayor opens public hearing
Staff presentation
Public testimony- none
Mayor closes public testimony
City Council discussion and possible action*

- A. ESTABLISHMENT OF FEE FOR MEDICINAL CANNABIS-

RELATED BUSINESS CERTIFICATE OF APPROVAL
APPLICATIONS

Action: It is recommended the City Council:

- 1.) Open the public hearing to take testimonial and documentary evidence.
- 2.) Close the public hearing and consider the evidence.
- 3.) After considering the evidence, adopt the attached resolution that establishes the fees for processing applications for Certificates of Approval and related background checks and inspections for medicinal cannabis-related businesses.
- 4.) Take such additional, related, action that may be desirable.

RESOLUTION NO. 4181

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORT HUENEME ESTABLISHING FEES FOR THE PROCESSING OF CERTIFICATE OF APPROVAL APPLICATIONS AND RELATED ACTIVITIES FOR MEDICINAL CANNABIS-RELATED BUSINESSES

Tony Stewart, Deputy Community Development Director gave a report. Discussion ensued among Council and staff.

Council Member Berg, seconded by, Council Member Sharkey, moved to approve the item as presented. Motion carried 5-0.

*Mayor verifies posting of notice by Clerk- yes
Councilmembers declare any conflict- none
Councilmembers declare any ex parte contacts- none
Mayor opens public hearing
Staff presentation
Public testimony- none
Mayor closes public testimony
City Council discussion and possible action*

B. FIRST READING AND INTRODUCTION OF ORDINANCE TO PERMIT SHARING OF TRANSIENT OCCUPANCY TAX REVENUES -

Action: It is recommended that the City Council:

- 1.) Move to read by title only and waive further reading of the Ordinance presented to it which establishes a new section in the Municipal Code (Section 2729, Chapter 7, Part B) establishing a procedure for sharing incremental transient occupancy tax ("TOT") with new hotels or existing hotels which are to be renovated, remodeled or rehabilitated in such a way that occupancy, and hence TOT revenues, will be increased.
- 2.) Move to introduce the Ordinance and set for second reading and approval.
- 3.) Take such further action as is desirable.

ORDINANCE TITLE FOR INTRODUCTION:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORT HUENEME, ADDING SECTION 2729 TO CHAPTER 7, PART B OF THE CITY OF PORT HUENEME MUNICIPAL CODE RELATING TO THE ESTABLISHMENT OF A TRANSIENT OCCUPANCY TAX SHARING PROGRAM

Charlie Green, City Attorney gave a report. Discussion ensued among Council and staff.

Mayor Figg requested to open public hearing for both ordinances. Discussion ensued among Council and staff.

Council Member Sharkey, seconded by, Council Member Schnopp, moved to read by title only and waive further reading of the Ordinance as presented. Motion carried 5-0.

City Attorney read the title of the Ordinance.

Council Member Sharkey, seconded by, Council Member Berg, moved to introduce the Ordinance and set for second reading as presented. Motion carried 5-0.

*Mayor verifies posting of notice by Clerk
Councilmembers declare any conflict
Councilmembers declare any ex parte contacts*

Mayor opens public hearing
Staff presentation
Public testimony- none
Mayor closes public testimony
City Council discussion and possible action

C. FIRST READING AND INTRODUCTON OF SALES TAX SHARING ORDINANCE

Action: It is recommended the City Council:

- 1.) Move to read by title only and waive further reading of the Ordinance of the City Council of the City of Port Hueneme, Adding Section 2714 to Chapter 7 of the City Of Port Hueneme Municipal Code Relating to the Establishment of a Sales Tax Sharing Program.
- 2.) Move to introduce the Ordinance and set for second reading and approval.
- 3.) Take such further action as is desirable.

ORDINANCE TITLE FOR INTRODUCTION:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORT HUENEME, ADDING SECTION 2714 TO CHAPTER 7 OF CITY OF PORT HUENEME MUNICIPAL CODE RELATING TO THE ESTABLISHMENT OF A SALES TAX SHARING PROGRAM

Council Member Sharkey, seconded by, Council Member Berg, moved to read by title only and waive further reading of the Ordinance as presented. Motion carried 5-0.

City Attorney read the title of the Ordinance.

Council Member Berg, seconded by, Council Member Schnopp, moved to introduce the Ordinance and set for second reading as presented. Motion carried 5-0.

POLICE CHIEF COMMENTS/REPORTS:

A. GRAND JURY RESPONSE- ANNUAL DETENTION FACILITIES AND LAW ENFORCEMENT REPORTS -

Action: It is recommended the City Council authorize the Mayor to execute the response to the Final Grand Jury Report on Annual Detention Facilities and Law Enforcement Reports.

Chief Andrew Salinas, gave a brief report and requested to approve the response.

Council Member Schnopp, seconded by, Council Member Berg, moved to approve the item as presented. Motion carried 5-0.

Mayor Figg requested to have item 11.A be moved before 10.A, Council agreed.

DEPUTY CITY MANAGER COMMENTS/REPORTS:

A. REQUEST FOR APPROVAL OF THE HISTORICAL COMMISSION (DEMONSTRATION) COMMUNITY GARDEN AND DROUGHT TOLERANT LANDSCAPING AT THE MUSEUM-

Action: It is recommended the City Council approve:

- 1.) Historical and Museum Commission Demonstration Garden to be located at the rear of the museum.
- 2.) Expand the project description under Strategic Plan IV.5 to include the demonstration garden and use previously approved funding.
- 3.) Approve the plans for drought tolerant landscaping around the museum (Phase I and II).

Carmen Nichols, Deputy City Manager thanked the public, Council Members, and colleagues for their support. She introduced Steven Almcrantz, Intern gave a verbal report on status of the live streaming upgrades. Discussion ensued among Council and staff. Suggested to dedicate and named it in honor of Carmen Nichols.

Council Member Schnopp, seconded by, Council Member Sharkey, moved to approve the item as presented. Motion carried 5-0.

Council Member Schnopp, seconded by, Council Member Sharkey, moved to approve and name it the Carmen Nichols Community Garden. Motion carried 4-1-0 (Hensley abstained).

Recessed for ten minutes.

FINANCE DIRECTOR REPORTS/COMMENTS:

A. ADOPTION OF PROPOSED CITY OF PORT HUENEME TWO-YEAR BUDGET FOR THE FISCAL YEARS 2017-2018 AND 2018-2019

Action: Review and approve the City of Port Hueneme Two-Year Budget for the Fiscal Years 2017-2018 and 2018-2019 as

presented, Resolutions, Classification and Salary Schedules and direct staff to return to the City Council with a comprehensive mid-year budget review during the first quarter of 2018.

RESOLUTION NO. 4182

A RESOLUTION OF THE CITY COUNCIL AND SURPLUS PROPERTY AUTHORITY OF THE CITY OF PORT HUENEME, CALIFORNIA APPROVING THE FISCAL YEAR 2017-19 BIENNIAL BUDGET, ADOPTING AN AMENDED CITY APPROPRIATIONS LIMIT FOR FISCAL YEAR 2017-18 IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 9 OF TITLE 1 OF THE CALIFORNIA GOVERNMENT CODE.

Alvin Burrell, Finance Director gave a PowerPoint presentation. Discussion ensued among Council and staff.

Council Member Sharkey, seconded by, Council Member Schnopp, moved to approve the item as presented. Motion carried 4-1 by the following roll call:

AYES: Council Member, Berg, Hensley, Schnopp, Sharkey.
NOES: Mayor Figg.
ABSTAINING: None.
ABSENT: None.

CITY MANAGER COMMENTS/REPORTS:

None.

CITY ATTORNEY COMMENTS/REPORTS:

- A. UPDATE ON REFUNDING OF REDEVELOPMENT BONDS (VERBAL)
Action: Verbal update on the RDA Bonds.

No report. Charlie Green, City Attorney gave a report during the Successor Agency Board meeting.

COUNCIL MEMBERS' REPORTS, COMMENTS, AND REQUESTS FOR FUTURE AGENDA ITEMS

Council Member Schnopp stated she attended the California Joint Powers Insurance Authority (CJPIA) annual meeting; will be attending the upcoming the Sister City International Southern California meeting.

CONTINUATION OF OPEN FORUM:

Mayor Figg asked if anyone present wished to speak. None.

CLOSED SESSION:

None.

ADJOURNMENT:

Mayor Figg, without objection, adjourned at 10:16 p.m. to the Regular Meeting to be held August 21, 2017 at 6:30 p.m. in the City Council Chamber.

Respectfully submitted,

Michele Kostenuik
City Clerk

APPROVED:

MAYOR FIGG



City of Port Hueneme

COUNCIL, HOUSING AUTHORITY AND SURPLUS PROPERTY AGENDA STAFF REPORT

TO: City Council and Boards of the Surplus Property Authority and the Port Hueneme Housing Authority

FROM: Rod Butler, City Manager and Executive Director
Charles Green, City Attorney and General Counsel

SUBJECT: EXECUTION OF A TEMPORARY EMPLOYMENT AGREEMENT FOR INTERIM DEPUTY CITY MANAGER SERVICES IN CONFORMANCE WITH CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND STATE LAW REQUIREMENTS

DATE: September 5, 2017

RECOMMENDATION:

It is recommended the Council/Boards:

- Adopt a resolution authorizing the City Manager to execute a temporary employment agreement for Interim Deputy City Manager services in conformance with California Public Employees' Retirement System and state law requirements;
- Approve the terms of the temporary employment agreement with Interim Deputy City Manager Stephanie Mendenhall.

BACKGROUND/ANALYSIS:

Interim Deputy City Manager Appointment

The previous Deputy City Manager, Carmen Nichols, separated from employment as of midnight on August 18, 2017. The City Manager has given preliminary approval to Bill Avery of Avery Associates to proceed with the recruitment for the permanent Deputy City Manager appointment.

TEMPORARY EMPLOYMENT AGREEMENT FOR INTERIM DEPUTY CITY MANAGER

September 5, 2017

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The process for recruitment of an Interim Deputy City Manager has resulted in the City Manager wishing to appoint Stephanie Mendenhall to the position. Ms. Mendenhall has over 30 years of experience in working for local government, including but not limited to holding the position of Administrative Services Director for the City of Upland. She has extensive experience in managing the activities and operations of the city clerk, human resources, and finance and information technology functions.

Given that Ms. Mendenhall previously retired from the California Public Employees' Retirement System, there are a number of requirements that must be met to enable the City to employ Ms. Mendenhall on a temporary basis: the City must be actively recruiting to fill the permanent position; the position being filled must require specialized skills and experience that if not met and filled would result in work stoppage; the person being retained must possess those skills and experience; and the rate of pay may not be less than nor more than the monthly salary paid to other previous employees performing comparable duties as listed on a publicly available pay schedule for the Deputy City Manager position (\$73.18 per hour); and, the employee cannot work more than 960 hours in a CalPERS fiscal year. The attached resolution and employment agreement include these findings and requirements.

The agreement provides that Ms. Mendenhall shall assume the role of Interim Deputy City Manager on September 11, 2017 with an ending date of June 11, 2018, or when a permanent Deputy City Manager assumes office, whichever is sooner. From September 11, 2017 through and including June 11, 2018, Ms. Mendenhall shall work such times as are professionally reasonable and practicable for purposes of attempting to ensure a smooth transition of duties from proposed Interim Deputy City Manager to the newly appointed permanent position. This will give the City Manager approximately nine months to select a permanent Deputy City Manager which should be more than sufficient as the process generally takes four to six months.

FISCAL IMPACT:

Stephanie Mendenhall will be paid an hourly rate of \$73.18, and it is estimated that she will work approximately 960 hours through June 11, 2018 (the date by which it is likely a permanent Deputy City Manager could be in place) for an estimated total expense of \$70,282.80. There are funds available in the Administration Department budget for the Deputy City Manager recruitment. Therefore, no additional funds are being requested for recruitment services at this time.

Alternatives:

The following alternatives are presented for Council consideration:

- Approve the recommendation,
- Modify the recommendation and approve,

**TEMPORARY EMPLOYMENT AGREEMENT FOR INTERIM DEPUTY CITY
MANAGER**

September 5, 2017

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- Reject the recommendation and/or provide alternative direction to staff.

ATTACHMENTS:

- 1.) Resolution
- 2.) Employment Agreement

CITY OF PORT HUENEME

EMPLOYMENT AGREEMENT FOR INTERIM DEPUTY CITY MANAGER SERVICES

THIS EMPLOYMENT AGREEMENT FOR INTERIM DEPUTY CITY MANAGER SERVICES (“Agreement”) is made and entered into as of this 11th day of September, 2017 by and between the City of Port Hueneme, a California charter city, the Surplus Property Authority, and the Port Hueneme Housing Authority (collectively referred to herein as “City”) and Stephanie Mendenhall (“Mendenhall”).

RECITALS

- A. Pursuant to Government Code sections 7522.56(c) and 21221(h), City desires to employ Stephanie Mendenhall, a California Public Employees’ Retirement System (CalPERS) retiree, on an interim basis in the position of Interim Deputy City Manager for the City while the City actively recruits a permanent Deputy City Manager.
- B. Pursuant to Government Code sections 7522.56(c) and 21221(h), the City Council and the Boards of the Surplus Property Authority and the Port Hueneme Housing Authority (collectively referred to herein as the “City Council”) find that the position of Interim Deputy City Manager requires specialized skills and experience associated with city management and that Mendenhall possesses the skills needed to perform the functions and duties of Interim Deputy City Manager.
- C. Mendenhall desires to accept appointment to the position of Interim Deputy City Manager under the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants contained herein, the parties agree as follows:

1. Duties. City hereby employs Mendenhall as Interim Deputy City Manager for the City to perform the functions and duties of the Deputy City Manager, as specified by position job description, and to perform such other legally permissible and proper duties and functions as the City Council or City Manager may from time to time assign or as may be necessary and desirable in the opinion of Mendenhall, as authorized by the City Manager, for the efficient management of the City. As part of her duties, Mendenhall shall assist with the recruitment of a permanent Deputy City Manager.

2. Work Schedule. Mendenhall is expected to engage in the hours of work that are necessary to fulfill the duties and obligations of the position. Mendenhall shall be available during normal City business hours and shall be available for attendance at City Council and other meetings during non-business hours as may be necessary. Mendenhall acknowledges that her duties will often require performance of services outside of normal business hours.

3. Work Restrictions. It is the understanding of the parties that Mendenhall is a retiree in the California Public Employees' Retirement System ("CalPERS") and, consequently, she may not work more than 960 hours for all public agency members of CalPERS within the fiscal year occurring during the term of this Agreement without impacting her retirement benefits and having to be enrolled in CalPERS as an active employee. Accordingly, under no circumstances may Mendenhall work more than 960 hours during any fiscal year, defined as the period beginning July 1st and ending June 30th of each year, including any service to other CalPERS employers. Mendenhall shall keep accurate time records of her hours worked to ensure that she does not exceed 960 hours within any fiscal year that occurs during the term of this Agreement and for payroll purposes. Mendenhall further represents that she will not perform work for any other public agency member of CalPERS during the term of this Agreement. If a controversy arises between Mendenhall and CalPERS regarding the impact of this Agreement and the services provided for herein on the nature of CalPERS retirement terms or benefits, the City shall have no obligation to intervene in or to defend or prosecute such dispute.

4. Term. Subject to earlier termination as provided for in this Agreement, Mendenhall shall be employed for a term beginning September 11, 2017 and ending on June 11, 2018, or when a permanent Deputy City Manager assumes office, whichever is sooner. From September 11, 2017 through and including June 11, 2018, Mendenhall shall work such time as is professionally reasonable and practicable for purposes of attempting to ensure a smooth transition of duties from Interim Deputy City Manager to the permanent Deputy City Manager. Effective September 11, 2017, Mendenhall shall assume the position of Interim Deputy City Manager.

5. Compensation. For services rendered pursuant to this Agreement, City agrees to pay Mendenhall compensation of \$73.18 per hour, which amount is in conformance with the requirements of Government Code section 7522.56(d). This hourly rate is not more than the maximum, nor less than the minimum, monthly base salary paid to other previous employees performing comparable duties as listed on a publicly available pay schedule for the deputy city manager position, divided by 173.333. Mendenhall shall not receive from the City any benefits, incentives, compensation in lieu of benefits, or any other forms of compensation in addition to the hourly rate set forth herein. The hourly wages paid pursuant to this Agreement are subject to all applicable tax and income withholdings and deductions in accordance with applicable law.

6. Benefits. Mendenhall hereby waives all benefits provided to City employees, including retirement contribution, health/medical insurance, dental insurance, life and disability insurance, sick leave, vacation, unemployment insurance and similar benefits. Mendenhall recognizes that Government Code section 21221(h) provides that a retired person appointed to a vacant position pursuant to that subdivision may not receive any benefits, incentives, compensation in lieu of benefits, or any other forms of compensation in addition to the hourly rate.

7. Termination. The City may terminate this Agreement at any time with or without cause. Mendenhall may terminate this Agreement at any time with or without

cause provided, however, she shall endeavor to provide the City Council with at least thirty days advance written notice prior to the effective date of termination. Mendenhall agrees that she shall not be entitled to any severance pay as the result of the termination of this Agreement for any reason whatsoever.

8. At-will Employment/FLSA Exempt. Mendenhall shall serve at the will and pleasure of the City Council and City Manager and understands she is an “at-will” employee subject to summary dismissal without any right of notice or hearing, including any so-called “Skelly” hearing. Mendenhall will not acquire any property interest in the position of Interim Deputy City Manager and is employed solely on a temporary basis to perform specialized services in accordance with Government Code sections 7522.56(c) and 21221(h). Mendenhall further understands and agrees that her position is that of an exempt employee for purposes of the Fair Labor Standards Act.

9. Certification Regarding Prior Unemployment Benefits. In accordance with Government Code section 7522.56(e)(1), Mendenhall certifies and warrants to City that she has not received any unemployment insurance payments for retired annuitant work for any public employer within the twelve months prior to her appointment date under this Agreement.

10. Adequate Retirement Period. In accordance with Government Code section 7552.56(f), Mendenhall warrants to City that a period of 180 days or more has passed since the date of her most recent retirement with CalPERS.

11. Reimbursable Expenses. Mendenhall shall be entitled to reimbursement for reasonable costs or expenses incurred in the performance of her duties (including but not limited to, expenses related to attending meetings on behalf of the City and attendance at professional and other governmental organizations relating to cities) that are supported by written documentation in accordance with established policies and customary practices of the City.

12. Conflicts Prohibited. During the term of this Agreement, Mendenhall shall not engage in any business or transaction or maintain any financial interest which conflicts, or reasonably might be expected to conflict, with the proper discharge of Mendenhall’s duties under this Agreement. Mendenhall shall comply with all requirements of law, including but not limited to the Political Reform Act (Gov’t Code § 87100, et seq.), Government Code sections 1090 and 1126, and all other similar statutory or administrative rules. Mendenhall represents and warrants that she has no financial, contractual or other interest or obligation that conflicts with or is harmful to the performance of her obligations under this Agreement.

13. Indemnification. Except as provided in paragraph 20 below, for the purposes of indemnification and defense of legal actions that may be brought against Mendenhall in the future arising from Mendenhall’s employment with the City, Mendenhall shall be considered an employee of the City and shall be entitled to the same rights as other employees of the City as set forth in the Government Code.

14. Notices. Any notice required or permitted by this Agreement shall be in writing and shall be personally served or sent by U.S. Mail, first class postage prepaid, to the following address:

To City: City of Port Hueneme
250 North Ventura
Road Port Hueneme,
CA 93041 Attn: City
Attorney

To Mendenhall: Stephanie Mendenhall
[INSERT ADDRESS]

Notices shall be deemed given as of the date of personal service or upon the date of deposit in the United States Mail.

15. Entire Agreement. This Agreement supersedes any and all prior understandings or agreements, written or oral, between the parties, and contains all of the covenants and agreements between the parties regarding the subject matter herein. Each party acknowledges that no promises, representations, inducements or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, that are not set forth herein. No modification to this Agreement shall be effective unless reduced to writing and signed by both parties.

16. Severability. In the event any provision of this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this Agreement or portion thereof shall be deemed severable and shall not be affected and shall remain in full force an effect.

17. Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. No waiver of any right or remedy in respect of any occurrence or event shall be deemed a waiver of any right or remedy in respect of any other occurrence or event.

18. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The exclusive venue for all disputes arising from or related to this Agreement shall be the Superior Court for the County of Ventura.

19. Interpretation. Each party and its counsel (if sought) have participated fully in the review and revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Agreement. The language in this Agreement shall be interpreted as to its fair meaning and not strictly for or against any party.

20. Effect of Agreement on CalPERS Retirement Benefits. City makes no representation on the impact, if any, this Agreement shall or may have upon Mendenhall's CalPERS retirement benefits, status, duties and/or obligations. Mendenhall acknowledges that in entering into this Agreement, she has not relied upon any such representations in assessing the CalPERS-related impact of her employment. Therefore, Mendenhall releases City from any and all CalPERS-related claims or liabilities that may arise in connection with her employment pursuant to this Agreement.

21. Independent Legal Advice. City and Mendenhall represent and warrant to each other that each has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, and has executed this Agreement based upon such party's own judgment and advice of independent legal counsel (if sought).

[SIGNATURES ON FOLLOWING PAGE]

CITY OF PORT HUENEME

STEPHANIE MENDENHALL

Rod Butler, City Manager

ATTEST:

Michele Kostenuik, City Clerk

APPROVED AS TO FORM:

Charles Green, City Attorney

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORT HUENEME, CALIFORNIA, THE BOARDS OF THE SURPLUS PROPERTY AUTHORITY AND THE PORT HUENEME HOUSING AUTHORITY (COLLECTIVELY REFERRED TO BELOW AS "CITY COUNCIL") AUTHORIZING THE CITY MANAGER TO EXECUTE A TEMPORARY EMPLOYMENT AGREEMENT FOR INTERIM DEPUTY CITY MANAGER SERVICES IN CONFORMANCE WITH CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND STATE LAW REQUIREMENTS

THE CITY COUNCIL OF THE CITY OF PORT HUENEME DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council finds and declares as follows:

- A. The Deputy City Manager terminated her employment with the City effective at midnight on August 18, 2017.
- B. The City has commenced the recruitment process to fill the Deputy City Manager position.
- C. Until the permanent Deputy City Manager position is filled, the City requires the services of a qualified deputy city manager on an interim basis to assist the City Manager in managing and executing the day-to-day affairs of the City, and to assist in the recruitment process for a new Deputy City Manager.
- D. The position of Interim Deputy City Manager requires specialized skills and experience associated with city management.
- E. State law provides that, under specified circumstances, a retired annuitant in the California Public Employees' Retirement System ("CalPERS") may accept temporary employment with a public employer in the CalPERS system without affecting his or her retirement benefits.
- F. The City sought candidates for the role of Interim Deputy City Manager and the City Council believes the most qualified candidate willing to accept the interim position is CalPERS retiree Stephanie Mendenhall.

- G. The City Council, in recognition of the fact that Ms. Mendenhall has the specialized skills required for the Interim Deputy City Manager position, desires that the City enter into a temporary employment agreement with Ms. Mendenhall for Interim Deputy City Manager services.
- H. Pursuant to Government Code sections 7522.56(d) and 21221(h), the rate of pay for the Interim Deputy City Manager position may not be less than the minimum, nor exceed the maximum, monthly salary paid by the City to other employees performing comparable duties, divided by 173.333 to equal an hourly rate.
- I. A temporary employment agreement has been negotiated by the City Manager and Ms. Mendenhall and presented for the Council's consideration.

SECTION 2. The City Manager is authorized to execute the attached Employment Agreement for Interim Deputy City Manager Services with Ms. Stephanie Mendenhall.

PASSED, APPROVED, AND ADOPTED this 5th day of September, 2017.

MAYOR

ATTEST:

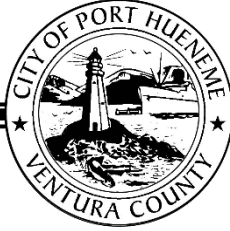
MICHELE KOSTENUIK
CITY CLERK

APPROVED AS TO FORM:

CHARLES GREEN
CITY ATTORNEY

APPROVED AS TO CONTENT:

ROD BUTLER
CITY MANAGER



City of Port Hueneme

COUNCIL AGENDA STAFF REPORT

TO: City Council

FROM: Rod Butler, City Manager

SUBJECT: RECREATION, EDUCATION, ARTS & CULTURE IN HUENEME (R.E.A.C.H.) – STATUS UPDATE ON STRATEGIC PLAN AND RECOMMENDATIONS FOR NEXT STEPS TO EXPAND THE REACH BOARD AND FUNDRAISING OPPORTUNITIES; RECOMMENDATION TO APPOINT STEVE KINNEY TO THE R.E.A.C.H. BOARD PER CITY COUNCIL'S RIGHT UNDER THE CURRENT BYLAWS

DATE: September 5, 2017

RECOMMENDATION:

This report is provided as an update to the City Council regarding R.E.A.C.H., a non-profit that serves the Port Hueneme community by fundraising and offering opportunities to enhance the community's resources in Recreation, Education, Arts, Culture, in Hueneme. It is recommended that City Council appoint Port Hueneme resident Steve Kinney to the R.E.A.C.H. Board as authorized under the current Bylaws.

BACKGROUND/ANALYSIS:

By 2015, City staff had been researching funding opportunities to initiate or expand public community events, activities, and programs. Staff was hopeful that in addition to seeking grants and community sponsors available to public agencies, programming costs could be offset by attaining funding opportunities and/or grants that are available only to non-profit corporations.

At that time, the City Council had authorized funds for Community Activity Grants, intended to provide seed money to assist groups in coordinating an event or program that provides a benefit to the community.

On March 2, 2015 the City Council authorized funds from the Community Activity Grants and authorized the City Manager to prepare forms (as approved by the City

R.E.A.C.H. – STATUS UPDATE TO STRATEGIC PLAN

September 5, 2017

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Attorney) for creating a non-profit corporation, “Recreation, Education, Arts & Culture in Hueneme” (“R.E.A.C.H.”); and file all required forms.

R.E.A.C.H. received its exemption status from the IRS in January 2017, retroactively effective to July 20, 2015, the date the application was filed. The purpose of the non-profit corporation is to solicit, raise, and distribute monies for the enhancement, support, and promotion of community recreation programs, activities and events, education in arts, and historical culture.

Formal action to adopt the by-laws and form the Board was completed February 22, 2016 at the first annual meeting. Once the board was formed, the non-profit corporation received full controlling authority and responsibility to establish policies and procedures for managing and funding community grants and city sponsored community projects, activities, and events.

The current board is made up of five members:

Section 5.3 — Composition of the Board

The five members of the Board shall consist of the following:

- (a) Two City of Port Hueneme executive classification employees, including:
 - (i) One executive classification employee designated by the City Manager; and
 - (ii) The Finance Director of the City of Port Hueneme.
- (b) Two City of Port Hueneme Advisory Commissioners—one each from the Recreation and Fine Arts Commission and the Historical Museum Commission—to be appointed by the City Council of the City of Port Hueneme.
- (c) One public member appointed at large by the City Council of the City of Port Hueneme. The public member shall be a resident of the City of Port Hueneme.

Since its inception, R.E.A.C.H. has raised \$17,788 largely from the 2015 Hueneme Beach festival alcohol sales revenue. Included in those funds are the community donations in support of the Senior Holiday Luncheon. The community donated \$4,340 to R.E.A.C.H., with an additional \$4,106 to the City.

Board discussions include expanding the existing board by including stakeholders that share the same interest in providing a variety of education, programs and

R.E.A.C.H. – STATUS UPDATE TO STRATEGIC PLAN

September 5, 2017

Page 3

activities to the Port Hueneme community. R.E.A.C.H.'s objective cannot be fulfilled without the fundraising and outreach efforts. With the participation of individuals from various sources that impact the Port Hueneme community, it is expected that the non-profit corporation will be much more successful.

The attachment provided is the example of the recommended changes provided by the current board, however these have not yet been fully and approved by the Board.

As written in the current Bylaws, the City Council shall make one appointment for a community member at large which will bring the current board to a quorum, since the recent departure of the Deputy City Manager. Mr. Steve Kinney is interested in the appointment and is quite capable given his experience on a variety of non-profit boards, including the Boys and Girls Clubs of Greater Oxnard and Port Hueneme. Steve is a longtime Port Hueneme resident who served for many years as the President of the Oxnard Economic Development Corporation.

Having these appointments in place, the Board can then take action on the proposed revisions to the Bylaws, and consider City Council's priorities as listed in the Strategic Action Plan adopted March 20, 2017. The action items specifically include:

I.1 - Promote Coastal Amenities: Establish and activate a citizen based Beach Advisory Commission (in addition to or as part of a redefined mission for R.E.A.CH.) to promote volunteerism, event programming, capital improvement planning and asset development.

IV.4 – Enhance Community Involvement: Broaden/refine the mission of R.E.A.C.H. to encourage more volunteerism, grantsmanship, and recreational programming; serve as a mechanism to fund ongoing activities at the Hueneme Historical Museum and Ray Prueter Library.

FISCAL IMPACT:

No direct fiscal impacts will result from the recommended action.

ATTACHMENTS:

- 1) R.E.A.C.H. Bylaws in draft form.

BYLAWS

OF

| **R.E.A.C.H. (Recreation, Education, ~~Activities~~ Arts and
Culture in Hueneme), Inc.**

A California Nonprofit Public Benefit Corporation

BYLAWS

ARTICLE 1 CORPORATE NAME

Section 1.1 — Name

The name of the Corporation is “R.E.A.C.H. (Recreation, Education, ~~Activities-Arts~~ and Culture in Hueneme), Inc.” (hereinafter referred to as the “Corporation” or “R.E.A.C.H.”).

ARTICLE 2 OFFICES OF THE CORPORATION

Section 2.1 — Principal Office

The principal office for the transaction of the activities and affairs of the Corporation will be located within the City of Port Hueneme, California.

Section 2.2 — Registered Office and Registered Agent

The Corporation will have and continuously maintain in the State of California a registered office, and a registered agent whose office is identical with such registered office, as required by California non-profit corporation law. The registered office may be, but need not be, the same as its principal office in the State of California. The Board of Directors may change the registered office or the registered agent at such office, or both, from time to time by compliance with applicable provisions of the California Non-profit Corporation Law and these Bylaws.

ARTICLE 3 PURPOSES

Section 3.1 — Purposes

This Corporation is formed for scientific, educational, and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law). Its specific purposes are: the enhancement, support, and promotion of community recreation programs, activities and events, education in arts, and historical ~~culture~~ culture to supplement city activities.

ARTICLE 4
MEMBERSHIP, SHARES, LIMITATIONS

Section 4.1 — Members

The Corporation shall have no members within the meaning of section 5056 of the California Nonprofit Corporation Law and shall be governed solely by the Board of Directors in accordance with these Bylaws. The Board may adopt policies and procedures for the admission of associate members or other designated members who shall have no voting rights in the Corporation. Such associate or other members are not “members” of the Corporation as defined in section 5056 of the California Nonprofit Corporation Law.

Section 4.2 — No Shares

The Corporation shall not have or issue shares of stock and shall declare no dividends.

Section 4.3 — Limitations

- 4.3.1 The Corporation has been formed under California Nonprofit Corporation Law for the charitable purposes described in Article 3 and it shall be nonprofit and nonpartisan. No substantial part of the activities of this Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this Corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.
- 4.3.2 The property of the Corporation is irrevocably dedicated to charitable purposes and to educational purposes meeting the requirements of Section 214 of the California Revenue and Taxation Code. No part of the net income or assets of this Corporation shall ever inure to the benefit of any of its directors or officers, or to the benefit of any private person, except that this Corporation is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of purposes set forth in Article 3 hereof.

ARTICLE 5
THE BOARD OF DIRECTORS

Section 5.1 — Number and Qualifications

- 5.1.1 The authorized number of directors of the Corporation (“Directors”) shall be ~~five~~nine.
- 5.1.2 ~~No elected official of the City of Port Hueneme may serve on the Corporation's Board of Directors.~~All Directors must be adult residents of the City of Port Hueneme, except for the representatives of any district, agency or organization

that operates in Port Hueneme.

Section 5.2 — Corporate Powers Exercised by Board

Subject to the provisions of the Articles of Incorporation of the Corporation, California Nonprofit Corporation Law, and any other applicable laws, the businesses and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors. The Board may delegate the management of the activities of the Corporation to any person or persons, management company or committee however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 5.3 — Composition of the Board

The five members of the Board shall consist of the following:

- (a) ~~Two-Three~~ City of Port Hueneme ~~executive classification employees, including:~~
 - ~~(i) One executive classification employee designated by the City Manager; and~~
 - ~~(ii) The Finance Director of the City of Port Hueneme. representatives who will be one member of the City Council, selected by the City Council, and the City Manager or his/her designee, and one employee in a non-executive and non-management position.~~
- (b) ~~Two City of Port Hueneme Advisory Commissioners—one each from the Recreation and Fine Arts Commission and the Historical Museum Commission—to be appointed by the City Council of the City of Port Hueneme. One member of the Port Hueneme Recreation and Fine Arts Commission to be appointed by the City Council.~~
- (c) ~~One public member appointed at large by the City Council of the City of Port Hueneme. The public member shall be a resident of the City of Port Hueneme. One member of the Oxnard Harbor District Board of Commissioners, to be appointed by the Oxnard Harbor District.~~
- (d) ~~One member of the Chamber of Commerce appointed by the Chamber of Commerce Board.~~
- (e) ~~The remaining Directors shall be residents of Port Hueneme, not employed by or Board members of the aforementioned boards. They shall be initially appointed by the City Council, and thereafter according to the Board's own election process.~~

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Commented [NC1]: Involve employees. Brian Fomenko is highly interested.

Section 5.4 — Terms of Board Members

- 5.4.1 The City of Port Hueneme ~~executive employee members representatives~~ shall serve as permanent members during their terms of election or employment with the City of Port Hueneme, except that the City Council may change its appointed Council representative at any time according to its own wishes.
- 5.4.2 ~~The two Advisory Commissioner members shall serve three year terms. The Recreation and Fine Arts Commission representative, and the city employee shall serve a three year term.~~
- 5.4.3 ~~The public member shall serve a three year term. Representatives of the Oxnard Harbor District, and the Chamber of Commerce shall serve until replaced by the~~ appointing Board according to its own wishes.
- 5.4.4 The remaining members' terms shall be three years and are renewable at the discretion of the Board.

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Section 5.5 — Resignation

- 5.5.1 Except for the permanent members, any Director may resign effective upon giving written notice to the Chairperson or the Secretary, unless the notice specifies a later time for the resignation to become effective. Except on notice to the Attorney General, no Director may resign if the Corporation would be left without a duly elected Director in charge of its affairs.
- 5.5.2 Failure of a Director to participate in three consecutive Board meetings will be deemed a voluntary resignation from office, effective seven days following the third meeting. Exceptions may be granted by resolution of the Board.

Section 5.6 — Events Causing Vacancies

A vacancy or vacancies on the Board will exist on the occurrence of the death, ~~or~~ resignation, or a change of residence to outside of Port Hueneme, of any Director.

Section 5.7 — Filling Vacancies

The Board may fill any vacancies-vacancy due to the death or resignation of a director over which it has appointment authority. The Directors so appointed will serve the remaining term of the vacated seat.

Section 5.8 — Meetings

- 5.8.1 Annual and Regular Meetings. Each year, the Board shall hold at least one meeting, at a time and place fixed by the Board, for the purpose of electing officers,

reviewing and approving the corporate budget, and the transaction of other business. This meeting is sometimes referred to in these Bylaws as the "Annual Meeting." In addition, the Board of Directors shall have a minimum of four regular meetings each calendar year, one per quarter, at times and places fixed by the Board.

5.8.2 Special Meetings. The Chairperson, Vice-chairperson, or any two Directors of the Board may call special meetings of the Board at any time. Special meetings of the Board may be held at times and places designated by the Board. ~~Notice of each special meeting shall be given in accordance with the California Nonprofit Corporation Law and the Brown Act.~~

5.8.3 Notices. All meetings held by the Board of Directors must comply, in all respects, with the provisions of ~~the Ralph M. Brown Act~~ (California Government Code §§ 54950-54962), as amended ~~(the Ralph M. Brown Act or "Brown Act")~~. For purposes of interpretation, the Board of Directors will be deemed a "legislative body" as defined in the ~~Ralph M. Brown Act~~.

Section 5.9 — Quorum

A quorum will be ~~at least half (50%) majority~~ of the current members of the Board of Directors.

Section 5.10 — Majority Vote

No action of the Board will be valid unless approved by a majority of the Board members in attendance at a duly held meeting at which a quorum is present. No proxy voting is permitted.

Section 5.11 — Compensation

Directors will receive no compensation for services as Directors, but may be reimbursed for any reasonable expenses, approved by the Board.

Section 5.12 — Conflicts of Interest

5.12.1 Each member of the Board of Directors shall comply with all provisions of the Political Reform Act of 1974 (Government Code §§ 81000, *et seq.*).

5.12.2 The Board of Directors will establish, adopt, and comply with a conflict of interest code that will prohibit financial conflicts of on the part of Board members.

ARTICLE 6 OFFICERS

Section 6.1 — Officers

The officers of the Corporation shall be a Chairperson, a Vice-chairperson, a Secretary, ~~and a Treasurer, and optionally and Executive Director.~~ The Board will choose the officers from among the members of the Board, provided that neither of the City of Port Hueneme representatives nor representatives of the ~~the~~ Oxnard Harbor District, and Chamber of Commerce shall serve as a Chairperson, Vice-Chairperson, or Executive Director.

Section 6.2 — Election of Officers

The officers of the Corporation will be chosen by a majority vote of the Board and will serve at the pleasure of the Board.

Section 6.3 — Resignation of Officers

Any officer may resign at any time by giving written notice to the Corporation. The resignation will take effect as of the date the notice is received or at any later time specified in the notice and unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation will be without prejudice to the rights, if any, of the Corporation under any contract that the officer has signed as an agent of the Corporation.

Section 6.4 — Removal of Officers

Any officer may be removed from office by ordinary resolution of the Board when, in its judgment, the purposes and/or best interests of the Corporation will be served thereby. Removal of an officer will be without any prejudice to the rights, if any, of the Corporation under any contract that the officer has signed as an agent of the Corporation.

Section 6.5 — Vacancies

Any vacancy in any office shall be filled in the manner prescribed in these Bylaws for the regular appointments to that office, at the earliest meeting opportunity available to the Board.

Section 6.6 — Terms of Office

The terms of office for the officers of the Corporation will commence with the ~~the regular meeting of the Board following adjournment of~~ the Annual Meeting and will conclude at the ~~regular meeting of the Board following adjournment of~~ the next Annual Meeting.

Section 6.7 — Chairperson

The Chairperson of the Board will preside at meetings of the Board and will exercise and perform such other duties and powers as the Board may assign from time to time. If there is no Executive Director, the Chairperson of the Board will also be the Chief Executive

Officer and will have the powers and duties of the Executive Director of the Corporation prescribed by these Bylaws.

Section 6.8 — Executive Director

Subject to such supervisory powers as the Board may give to the Chairperson of the Board, if any, and subject to the control of the Board, the Executive Director will be the general manager of the Corporation and will supervise, direct, and control the Corporation's activities and affairs. The Executive Director will have such other powers and duties as the Board or these Bylaws may prescribe. The Executive Director need not be a Board member, at the discretion of the Board, and if not a Board member, may be granted such compensation for carrying out the duties of the office as the Board may deem appropriate in its sole discretion.

Section 6.9 — Vice-Chairperson

If the Chairperson is absent or disabled, the Vice-chairperson will perform all duties of the Chairperson. When so acting, the Vice-chairperson will have all powers of and be subject to all restrictions on the Chairperson. The Vice-chairperson will have such other powers and perform such other duties as the Board or their Bylaws may prescribe.

Section 6.10 — Secretary

- 6.10.1 The Secretary will keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of Committees. The minutes will include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and if special, how authorized, the notice given, and the names of those present at the Board and committee meetings. The Secretary will keep or cause to be kept, at the principal office, a copy of the Articles of Incorporation and Bylaws, as amended to date.
- 6.10.2 The Secretary will keep, or cause to be kept, at the Corporation's principal office or at a place determined by resolution of the Board, a record of the Directors of the Corporation showing each Director's name and address.
- 6.10.3 The Secretary will give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The Secretary will keep the corporate seal in safe custody and will have other powers and perform such other duties as the Board or these Bylaws may prescribe.

Section 6.11 — Treasurer

The Treasurer will keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Treasurer will give or cause to be given to the Directors such financial statements and

reports as are required to be given by law, by these Bylaws, or by the Board. The books of account will be open to inspection by any Director at all reasonable times.

ARTICLE 7 INDEMNIFICATION AND INSURANCE

Section 7.1 — Indemnification of Officers

Any member of the Board of Directors and any officer of the Corporation, as a condition of accepting said office, will be indemnified by the Corporation against expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit, or proceedings in which he or she is made a party by reason of having been or being a member of the Board of Directors or an officer of the Corporation, except for breach of the duty of loyalty to the Corporation, for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or for a transaction from which the person derives an improper personal benefit. Such right of indemnification is not to be deemed exclusive of any right to which he or she may be entitled under the laws of the State of California, these Bylaws, agreements, vote of members, or otherwise.

Section 7.2 — Insurance

The Corporation shall have the right to purchase and maintain insurance on behalf of its officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising out of the officer's, Director's employee's, or agent's status as such.

ARTICLE 8 COMMITTEES OF THE BOARD

Section 8.1 — Standing Committees

The Board ~~shall~~ may appoint two standing committees: an Executive Committee and a Finance Committee. Each standing committee will consist of at least three Board members and will be appointed from among the members of the Board. ~~No Board member will serve on more than two standing committees.~~ Notice of all standing committee meetings will be given in accordance with the Brown Act.

Section 8.2 — Executive Committee

The Executive Committee, ~~if any,~~ if any, shall consist of the Chairperson, Vice Chairperson, and Treasurer. It shall meet as necessary to carry out its duties. All meetings shall be noticed in accordance with the Brown Act. The Executive Committee may act in place of the Board in between regular meetings and shall report any action taken at the next Board

meeting. When a decision can be deferred until the next regular Board meeting, the Executive Committee will not act on the matter. No Executive Committee meeting shall be held in lieu of a regular Board meeting, unless agreed to by a majority of the Directors. The Executive Committee may also initiate new issues for recommendation to the Board on its own volition.

Section 8.3 — Finance Committee

The Finance Committee will review the annual financial statements, approve annual audit reports, and recommend to the Board the selection of and fees to be paid to an independent Certified Public Accountant for the Corporation. It will be the responsibility of the Finance Committee to (i) report to the Board on whether the Corporation is meeting its projected budget, (ii) report to the Board on the scope and adequacy of the annual audits and related fees, and (iii) to continually monitor and report to the Board on the effectiveness and adequacy of the Corporation's internal accounting controls and to include in that report its findings as to whether or not any errors, omissions, criticisms, or recommendations contained in the management letter of the independent Certified Public Accountant, if one accompanies the annual audits, has been properly dealt with. The Finance Committee will have such other duties as may be delegated to it by the Board from time to time.

Section 8.4 — Limitations on Committee Authority

No committee may:

- (a) take a final action on any matter that, under California non-profit corporation law, also requires approval of a majority of all Board members;
- (b) fill vacancies on the Board or on any committee;
- (c) amend or repeal Bylaws or adopt new Bylaws;
- (d) amend or repeal any resolution of the Board that, by its express terms, may not be amended or repealed without consideration by the Board;
- (e) create any other committee of the Board or appoint the members of committees of the Board;
- (f) expend corporate funds to support a nominee for Director; or
- (g) approve any contract or transaction to which the Corporation is a party and in which one or more of its Directors has a material financial interest.

Section 8.5 — Minutes of Standing Committees

The minutes or a report of each standing committee will be submitted to the Board no

later than the Board's next regular meeting.

Section 8.6 — Other Committees

The Board may establish other committees from time to time and those committees will have such duties as may be conferred on them by the Board. Such committees may contain member who are not Directors, at the discretion of the Board.

**ARTICLE 9
PERFORMANCE AND REPORTING**

Section 9.1 — Annual Report

An annual report of the Corporation's fiscal and operational activities shall be prepared and distributed to each Director within 120 days after the close of the Corporation's fiscal year. The annual report shall contain the information described in Corporations Code section 6321.

Section 9.2 — Auditing and Inspection Requirements

The Corporation may contract for an audit of its records with a certified public accountant on an annual or bi-annual basis schedule, as the Board may determine.

**ARTICLE 10
EXECUTION OF INSTRUMENTS, CHECKS AND NOTES**

Section 10.1 — Execution of Instruments

Unless otherwise authorized by resolution of the Board, both the Chairperson and one additional Board member must execute all contracts and written instruments that bind the Corporation. Unless specifically authorized by the Board, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 10.2 — Checks and Notes

Except as otherwise specifically authorized by resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation shall be signed by the Treasurer and countersigned by the Chairperson.

**ARTICLE 11
MISCELLANEOUS**

Section 11.1 — Non-Discrimination Policy

The officers, directors, committee members, employees, and persons served by this Corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of this Corporation not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

Section 11.2 — Parliamentary Procedure

All meetings of the Board of Directors and any committee will be conducted in accordance with Robert's Rules of Order or such other rules of procedure as may be prescribed by the Board of Directors, provided that the failure to observe Robert's Rules of Order or such other rules of procedure as may be prescribed by the Board of Directors will not invalidate any action taken.

**ARTICLE 12
DISSOLUTION**

Section 12.1 — Corporate Dissolution

Upon the dissolution of this Corporation, the governing body will, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purpose of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as will at the time qualify as an exempt organization or organizations under Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law), as the governing board will determine. Any such assets not so disposed of will be disposed of by the District Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court will determine, which are organized and operated exclusively for such purposes.

**ARTICLE 13
AMENDMENT OF BYLAWS**

Section 13.1 — Amendment

These Bylaws may be amended by a vote of the majority of the Board of Directors then in office at a meeting of the Board provided, however,

- (a) that no amendment shall be made to these Bylaws which would cause the

corporation to cease to qualify as an exempt corporation under Section 501(c)(3) of the Internal Revenue Code; and

- (b) that an amendment does not affect the voting rights of directors.
- (c) that all amendments be consistent with the Articles of Incorporation.

CERTIFICATE OF ADOPTION OF BYLAWS

I certify that I am the duly elected and acting Secretary of R.E.A.C.H., a California nonprofit public benefit corporation, and that these Bylaws were approved by the R.E.A.C.H. Board of Directors on _____, 2016 and constitute a complete copy of the Bylaws of the Corporation.

Secretary

Date

Item 8.C.

VERBAL REPORT