



A California Joint Powers Agency

Member Agencies

Al Clark
City of Carpinteria

Kyle Richards
City of Goleta

Vianey Lopez
City of Oxnard

Steven Gama
City of Port Hueneme

Joe Schroeder
City of San Buenaventura

Eric Friedman
City of Santa Barbara

Gregg Hart, Chair
Das Williams
County of Santa Barbara

Carmen Ramirez, Vice Chair
Matt LaVere
County of Ventura

Executive Director
Marc Beyeler

Santa Barbara Address:
105 East Anapamu, Suite 201
Santa Barbara, CA 93101

Ventura Address:
501 Poli St.
P.O. Box 99
Ventura, CA 93001

Email:
Office@Beacon.ca.gov

Website:
<http://www.beacon.ca.gov>

NOTICE MEETING

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND
NOURISHMENT (BEACON)**

July 16, 2021

NOTICE IS HEREBY GIVEN of a **MEETING** of the Beach Erosion Authority for Clean Oceans and Nourishment (BEACON). The date, time, and place of the meeting shall be as follows:

DATE: Friday, July 16, 2021

TIME: 9:00 AM

PLACE: TELECONFERENCE (see details below)

The agenda of business to be conducted is below.

Gregg Hart, Chairperson

BEACON

Date: July 16, 2021

On June 11, 2021, and effective immediately, Governor Newsom issued Executive Orders N-07-21 and N-08-21, which rescinds some prior Executive Orders related to COVID-19, but Executive Order N-08-21 states that some other prior Executive Orders related to COVID-19 still remain necessary to help California respond to, recover from, and mitigate the impacts of the COVID-19 pandemic. Consistent with Executive Order N-08-21, BEACON will meet via teleconferencing, and members of the public may observe and address the meeting as shown below, but may not participate in-person.

The following alternative methods of participation are available to the public:

1. **You may observe the live meeting of the Executive Committee of the Board of Directors via Zoom Meeting:**
<https://us02web.zoom.us/j/81669003568?pwd=YW5UVVg1ZGIrOWFpdjRlMnh0OEftUT09>

Meeting ID: 816 6900 3568

Passcode: 105392



July 2021 Board Meeting Agenda

2. You may call in to listen live to the Board of Directors meeting by dialing: 1 312-626-6799 and then entering the following when prompted: Meeting ID: 816 6900 3568 and Passcode: 105392.
3. If you wish to make a general public comment or to comment on a specific agenda, the following methods are available:
 - a. Distribution to the Board. Submit comments via email to Staff@Beacon.ca.gov prior to 5:00 p.m. on July 15, 2021, or through mail to BEACON at 501 Poli Street, Ventura, Ca 93001 to be received no later than 5:00 p.m. on Thursday, July 15, 2021. Your comment will be placed into the record and distributed appropriately.
 - b. By Zoom. Log onto Zoom as described above. The meeting will be controlled by the BEACON Chair, Mr. Gregg Hart. If you wish to make a comment during the meeting, please raise your hand using the Zoom instructions on your computer. By using the typed messaging capability of Zoom you should also indicate to the Chair which Agenda Item you wish to speak on or if you wish to make a general comment that is not specific to an Agenda Item. BEACON Staff will make every effort to call you during the indicated item so that you may comment.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations to participate in the meeting should contact BEACON at least three working days prior to the meeting.

MEETING AGENDA

1. Administrative Items

- A. Call to Order, Roll Call and Introductions – Gregg Hart
- B. Approval of Agenda and Filing of Certificate of Agenda Posting
- C. Consideration and Approval of Minutes of the BEACON Meeting held on May 21, 2021.

2. Public Comment and Other Matters not on the agenda.

3. Presentations- Receive a presentation by the City of Oxnard on The City's Climate and Sea Level Rise Vulnerability and Adaptation Planning.

4. Projects – Receive a report on the status of planning for Mondo's Cove Beach Access Stairway Project.



5. BEACON Organization and Program

A. Board Member Reports

Directors are invited to provide reports and updates on items of interest in their County or City.

B. BEACON Organization

B1. Receive a report on BEACON Ex-Officio Membership

Recommended Action:

- i. Discuss BEACON Ex-Officio Membership and direct Staff to return to Board with options for implementing Ex-Officio Members.

B2. Appointment of BEACON Special Projects Staff

Recommended Actions:

- i. Receive a Staff Report on Special Projects Staff; and
- ii. Adopt Resolution 2021-3 appointing Brian Brennan as Special Projects Volunteer Staff for a period up to June 30, 2022 (Exhibit 1).

C. BEACON Budget Actions and Financial Reports

Recommended Actions:

- i. Receive and file the Fiscal Year 2020-2021 Budget-to-Actual report for the year-to-date period ending June 30, 2021(Exhibit I).
- ii. Receive and file the audited financial statement for the fiscal years ended June 30, 2020, and 2019 (Exhibit II).
- iii. Receive and file the Management Letter for the Audit of the Financial Statements for the Fiscal Years ended June 30, 2020, and 2019. (Exhibit III).
- iv. Approve and authorize the Auditor-Controller's Office to make the budgetary adjustment as follows (requires 6/10 vote)

INCREASE Other Professional & Specialized Services	\$15,000
DECREASE Contingency	\$10,000
DECREASE Misc. Expense	\$5,000



D. Review and Approve BEACON Contracts

Recommended Action:

- i. Approve, ratify, and authorize the Chair to execute an Agreement with MBA Consultants to provide Executive Director services in an amount not to exceed \$139,621.50 with a period of performance from July 1, 2021, through June 30, 2022 (Attachment 1).
- ii. After approval of Item 5.C.iv, approve and authorize the Chair to execute an Agreement, substantially similar to that attached, with Stacy Miller Public Affairs to provide communications planning and support services to BEACON with a period of performance from July 16, 2021, to December 31, 2021, in an amount not to exceed \$15,000. (Attachment 2).

6. Executive Director's Report and Communications

The Executive Director will report on activities and achievements of BEACON, upcoming events of interest to the Board of Directors and the public, and general status of BEACON major projects including:

Upcoming Board Meetings:

September 16, 2021, Meeting Agenda:

- A. BEACON Regional SLR Adaptation Policies Report-Member Agency Presentation
- B. Project Updates
- C. Discussion of Ex-Officio Membership
- D. Discussion of Board Meeting Venue and Logistics

November 20, 2021. Meeting Agenda:

- A. BEACON Regional SLR Adaptation Policies Report
- B. Project Updates
- C. Report from Science Advisory Committee (SAC) on first year activities and accomplishments, including Managers Workshop and completion/adoption of initial BEACON research agenda.

Next regular meeting is scheduled on September 16, 2021, at 9:00 AM.

Late Distribution of Materials

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the City Clerk to all or a majority of the members of the BEACON Board less than 72 hours prior to that meeting are available for inspection in the City Clerk Office, at 5775 Carpinteria Ave, Carpinteria, CA. 93013 and on the Internet at: BEACON.CA.GOV.

Any written ex-parte communication subject to disclosure by members of the BEACON Board may be published online as an attachment to the corresponding item.



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STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 1B

To: BEACON Board of Directors
From: Executive Director
Date: July 8, 2021

Subject: Approval of Agenda and Filing of Certificate of Agenda Posting

RECOMMENDED ACTIONS:

Approve and File.



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STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 1C

To: BEACON Board of Directors
From: Executive Director
Date: July 8, 2021

Subject: Consideration and Approval of Minutes of the BEACON Meeting held on May 21, 2021

RECOMMENDED ACTIONS:

Approve and File.

BEACON BOARD OF DIRECTORS' MEETING MINUTES

DATE: Friday, May 21, 2021
TIME: 9:00 AM
PLACE: TELECONFERENCE

Item	1	Call to Order, Roll Call, and Introductions – Chair, Gregg Hart.
Minutes/ Actions:		<p>Directors Present:</p> <ul style="list-style-type: none"> • Gregg Hart (County of Santa Barbara) • Das Williams (County of Santa Barbara) • Matt LaVere (County of Ventura) • Carmen Ramirez (County of Ventura) • Kyle Richards (City of Goleta) • Eric Friedman (City of Santa Barbara) • Al Clark (City of Carpinteria) • Joe Schroeder (City of Ventura) • Vianey Lopez (City of Oxnard) • Steven Gama, (City of Port Hueneme)
Item	1B	Approval of Agenda and Filing of Certificate of Agenda Posting Action: Approve and file.
Minutes/ Actions:		<p>The Executive Director Marc Beyeler requested that due to time constraints of the presenter of Item 3, the presentation by the City of Carpinteria on The City’s Climate and Sea Level Rise Vulnerability and Adaptation, this item be heard first on the agenda.</p> <p>The agenda was unanimously approved by the Board with the sequence change requested by the Executive Director. Moved by Ramirez / Second by LaVere.</p>
Item	1C	Consideration and Approval of Minutes of the BEACON Meeting held on March 19, 2021. Action: Approve and file.
Minutes/ Actions:		<p>The Board approved unanimously the Recommended Action. Moved by Richards / Second by Friedman.</p>

BEACON BOARD OF DIRECTORS' MEETING MINUTES

DATE: Friday, May 21, 2021
TIME: 9:00 AM
PLACE: TELECONFERENCE

Item	2	Public Comment and Other Matters not on the Agenda Receive public comments.
Minutes/ Actions:		<p>Mr. Bob Kiel provided a summary of recent activities on the Kelp Anchor Demonstration Project. Bob explained that he dived the site in the previous week, and he observed the amazing progression of the kelp growth. He believes that a dense kelp forest influences the ocean currents and can help reduce beach erosion. Bob indicated that his team were involved in renewing the project permits to cover the expanded project scope and hoped to secure the new permits by the end of 2021. The project now has potential funding from the Refugio Oil Spill mitigation fund and the project team includes Tenera Consulting, a firm with extensive experience in kelp projects.</p> <ul style="list-style-type: none"> • Director Clark asked what is the geographic extent of the project? Bob Kiel responded that he has graphics that show the exact footprint of the project, but it is effectively in the middle of Goleta Bay. • Director Clark indicated that the City of Carpinteria has the Seal Watch Program, and it has noticed a lot of kelp + kelp hold-downs washed up on the beach. Bob Kiel indicated that observing hold-downs on the beach is not unusual especially since the hold-downs are sand based as opposed to rock. • Director Gama indicated that historically we had extensive dense kelp beds but then El-Nino came along and wiped most of them out. Do you see a chance of natural recovery? Bob Kiel responded that he is not aware if the El-Nino wipe out occurrence had occurred prior to the 1980's and subsequently recovered. Certainly, there is an imbalance of sand grazers which effectives the survival of kelp. • Director Ramirez asked how you would explain to the public why the Kelp Anchor Project was so important? Bob Kiel explained that a thriving marine life is strongly connected to robust kelp forests. But before we can re-establish the kelp forests, we need to understand how to establish kelp spores and once the kelp is growing, ensure the survival of the juvenile kelp. This project is developing solution to these issues. • Director Richards asked what is the outcome that you are seeking and is there a relationship between an established kelp forest and beach erosion protection? Bob Kiel indicated that the outcome is a robust and effective system in the seabed to allow the establishment of kelp. The relationship between the presence of a kelp forest and beach protection is not implicitly being studied as part of the project but there is some historic evidence to suggest that this may be the case. If another El-Nino comes through and wipes out existing kelp again, we would sill retain the infrastructure in the seabed to allow re-establishment of the kelp.

BEACON BOARD OF DIRECTORS' MEETING MINUTES

DATE: Friday, May 21, 2021
TIME: 9:00 AM
PLACE: TELECONFERENCE

Item	3	Presentations – Receive a presentation by the City of Carpinteria on The City’s Climate and Sea Level Rise Vulnerability and Adaptation Planning.
Minutes/ Actions:		<p>Executive Director Marc Beyeler introduced this item. He stated that this was the 4th presentation by a member agency regarding SLR adaptation planning.</p> <p>The City of Carpinteria’s Environmental Manager, Erin Maker presented the City’s “Shoreline SLR Adaptation Plan and Dune and Shoreline Restoration Management Plan.”</p> <p>The presentation will be added to the BEACON website.</p> <ul style="list-style-type: none"> • Chair Gregg Hart thanked Erin for the presentation. • Director Ramirez requested clarification of the “private beaches” references in the presentation. Erin Maker explained that Carpinteria does in fact have some private beaches or at least a portion of beaches. In the 1970’s there was a legal judgement called the Robert’s Judgement, which defined beach ownership in the context of the construction of a proposed new coastal road, known as Ocean Avenue. The ruling stated that property on the ocean side of the new road would be owned by the City and everything upland of Ocean Avenue would be maintained in private hands. • Director Gama was interested in the 1929 photo shown in the presentation. It shows that all development between the coast and the foothills is responsible for the reduced beach widths. Has the City determined the loss of beach width since 1929? Erin Maker responded that the loss in beach width has not been calculated but that most of this area was in the salt marsh. • Director Friedman asked if the city is looking into a “fines” assessment? Erin Maker responded that the city was not.

Item	5A	BEACON Organization and Program - Board Members Reports.
Minutes/ Actions:		None.

BEACON BOARD OF DIRECTORS' MEETING MINUTES

DATE: Friday, May 21, 2021
TIME: 9:00 AM
PLACE: TELECONFERENCE

Item	5B2	<p>BEACON Organization and Program - Review and Approve BEACON Bylaws. Review and approve the amended BEACON Bylaws (requires a 2/3 majority vote of the Board of Directors). Note: As required under the BEACON Bylaws Article IX, these proposed amended Bylaws were also distributed 15 days prior to the scheduled Board meeting and posted online for public viewing.</p>						
Minutes/ Actions:		<p>The Executive Director reported that at the March 2021 Board meeting the Board adopted changes to the Bylaws and also requested another bylaw change as recommended by Director Richards. The recommended Bylaw change would address ocean health.</p> <ul style="list-style-type: none"> • Chair Hart thanked Director Richards for the suggestion. • Director Richards thanked the Board for consideration of this recommended additional change to the Bylaws. Director Richards indicated that he believed this was an important addition to allow BEACON to address not just coastal erosion and protection issues but also ecological and biological elements. <p>BOARD ACTION: The Board unanimously approved the amended bylaws as recommended. Moved by Richards / Second by Schroeder.</p>						
Item	5C	<p>BEACON Organization and Program - Auditor-Controller Budget Actions and Financial Reports Recommended Actions:</p> <ol style="list-style-type: none"> i. Receive and file the Fiscal Year 2020-2021 Budget-to-Actual report for the year-to-date period ending April 30, 2021(Exhibit I). ii. Adopt an increase to voting member assessments (membership dues) by 1.4% for fiscal year 2021-2022 to provide an additional \$4,199 in revenue. (Exhibit II) (Requires unanimous approval (10/10 vote). iii. Upon approval of member assessments, review and approve the Proposed Final Fiscal Year 2021-2022 Budget (Exhibit III). iv. Authorize the Auditor-Controller’s Office to adjust contingency for the fiscal year 2021-2022 budget where the fiscal year 2020-2021 actual year-end closing fund balance differs from the budget estimate. v. Authorize the Auditor-Controller’s Office to make the budgetary adjustment as follows (requires 6/10 vote) <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">INCREASE</td> <td style="padding-left: 20px;">Other Professional & Specialized Services</td> <td style="text-align: right;">\$2,500</td> </tr> <tr> <td style="padding-left: 20px;">DECREASE</td> <td style="padding-left: 20px;">Contingency</td> <td style="text-align: right;">\$2,500</td> </tr> </table>	INCREASE	Other Professional & Specialized Services	\$2,500	DECREASE	Contingency	\$2,500
INCREASE	Other Professional & Specialized Services	\$2,500						
DECREASE	Contingency	\$2,500						
Minutes/ Actions:		<p>Ms. Jill Ward of the Ventura County Auditor Controller’s Office presented each of the Financial Reports and recommended actions.</p> <p>There was no discussion from the Board.</p> <p>BOARD ACTION: The Board unanimously approved the Auditor-Controller Budget Actions and Financial Reports Recommended Actions. Moved by Gama / Second by Schroeder.</p>						

BEACON BOARD OF DIRECTORS' MEETING MINUTES

DATE: Friday, May 21, 2021
TIME: 9:00 AM
PLACE: TELECONFERENCE

Item	5D	<p>BEACON Organization and Programs – Review and Approve BEACON Contracts and Agreements.</p> <p>Recommended Actions:</p> <ul style="list-style-type: none"> i. Approve and authorize the Chair to execute and Agreement with Ventura County Auditor-Controller’s office to provide accounting services in an amount not to exceed \$15,000 with a period of performance from July 1, 2021, through June 30, 2022; ii. Approve and authorize the Chair to execute and Agreement with Santa Barbara County to provide legal services in an amount not to exceed \$12,000 with a period of performance from July 1, 2021, through June 30, 2022; iii. Approve and authorize the Chair to execute and Agreement with COM3 Consulting Inc. to provide program manager services in an amount not to exceed \$53,500 with a period of performance from July 1, 2021, through June 30, 2022; iv. Approve and authorize the Chair to execute and Agreement with Pamela Baumgardner to provide webmaster and social media services in an amount not to exceed \$2,000 with a period of performance from July 1, 2021, through June 30, 2022; v. Approve and authorize the Executive Director to execute an Agreement, substantially similar to that attached, with UCSD-California Sea Grant to provide support services to the BEACON Science Advisory Committee (SAC) with a period of performance from July 1, 2021, to June 30, 2022 in an amount not to exceed \$20,000.00 upon review and approval of legal counsel; and vi. Approve and authorize the Executive Director to execute an Agreement, substantially similar to that attached, with California State University, Channel Islands (CSUCI) to provide research and technical support regarding regional sediment management and regional climate adaptation with a period of performance from May 21, 2021, to June 30, 2022 in an amount not to exceed \$25,000.00 upon review and approval of legal counsel.
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BEACON BOARD OF DIRECTORS' MEETING MINUTES

DATE: Friday, May 21, 2021

TIME: 9:00 AM

PLACE: TELECONFERENCE

Minutes/ Actions:	<p>Executive Director Marc Beyeler explained that BEACON has no employees, all functions are carried out by either member agencies' staff or contract consultants. The agency provided services are from Ventura County Auditor-Controller's Office for accounting services and from the County of Santa Barbara for legal services. The consultant positions include BEACON's Program Manager, and Webmaster. The Board will separately be discussing the performance and contract with the Executive Director and action on this contract will be presented to the Board in July 2021. In addition, additional agreements include support for the BEACON Science Advisory Committee (SAC) and research and technical support to assist BEACON in its program planning. The proposed contracts and agreements provide BEACON with individuals and agency resources uniquely qualified to provide necessary support services and their knowledge and understanding of BEACON is extensive. For these reasons, their continued use during FY 21-22 is recommended.</p> <p>Legal Counsel, Susan McKenzie, reported that she did not review the Legal Services Agreement for FY21-22 on behalf of BEACON. Ventura County's Office of County Counsel had previously reviewed the Agreement in 2018. For FY21-22, only the dates of the Legal Services Agreement were changed.</p> <p>BOARD ACTION: The Board approved unanimously the Recommended Actions. Moved by Ramirez /Second by Friedman.</p>
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BEACON BOARD OF DIRECTORS' MEETING MINUTES

DATE: Friday, May 21, 2021
TIME: 9:00 AM
PLACE: TELECONFERENCE

Item	5E	<p>BEACON Organization and Program - Approve OPC Grant Agreement, Resolutions, and Sub-award.</p> <p>Recommended Actions:</p> <ul style="list-style-type: none"> i. Approve and authorize the Executive Director to execute an Agreement, substantially similar to that attached, with the California Ocean Protection Council (CA OPC) to provide grant funds supporting BEACON’s Regional Coastal Resilience Sediment Pilot Program with a period of performance from July 1, 2021, to June 30, 2023, in an amount not to exceed \$440,800.00 upon review and approval of legal counsel. ii. Adopt Resolution 2021-1, as required by the Ocean Protection Council, to receive funds under Proposition 68 by allowing the Executive Director to conduct all negotiations, execute, and submit all documents. iii. Upon adoption of Resolution 2021-1, adopt Resolution 2021-2 setting forth adequate safeguards limiting the Executive Director’s authority under Resolution 2021-1 to secure funds under Proposition 68 from the Ocean Protection Council for the period of 21, 2021 through December 21, 2023, and by requiring the review and approval of legal counsel prior to execution of the grant agreement or other documents. iv. Upon approval of the above OPC Grant Recommended Actions i-iii, approve and authorize the Executive Director to execute an Agreement, substantially similar to that attached, with University of California, San Diego, to provide project support to BEACON for community engagement and technical workshops with a period of performance from July 1, 2021, to June 30, 2023, in an amount not to exceed \$40,398 upon review and approval of legal counsel. v. Upon approval of the above OPC Grant Recommended Actions i-iii, approve and authorize the Executive Director to execute an Agreement, substantially similar to that attached, with University of California Santa Barbara to provide ecological assessment analysis with a period of performance from July 1, 2021, to June 30, 2023, in an amount not to exceed \$75,000 upon review and approval of legal counsel. vi. Upon approval of the above OPC Grant Recommended Actions i-iii, approve and authorize the Executive Director to execute an Agreement, substantially similar to that attached, with United States Geological Survey (USGS) to provide sediment transport and fate analysis and modeling with a period of performance from July 1, 2021, to June 30, 2023, in an amount not to exceed \$100,000 upon review and approval of legal counsel.
Minutes/ Actions:	<p>The Executive Director Marc Beyeler reported that BEACON is striving to identify resources to evaluate the approval of sediment for restoration and nourishment and determine how regional sediment effects adaptation, coastal protection, and ecology. Staff has submitted an application to OPC along with science partners, UCSD Seagrant, USCB and USGS. The objective is to link science to a future BEACON South Central Coast Beach Enhancement Program (SCCBEP). The OPC grant includes funding for BEACON oversight and management.</p> <p>BOARD ACTION: The Board approved unanimously the Recommended Actions. Moved by Ramirez /Second by LaVere.</p>	

BEACON BOARD OF DIRECTORS' MEETING MINUTES

DATE: Friday, May 21, 2021
TIME: 9:00 AM
PLACE: TELECONFERENCE

Item	5F	BEACON Organization and Program – Closes Session. Recommended Actions: <ul style="list-style-type: none"> i. Public Employee Performance Evaluation. (Gov. Code § 54957(b)(1).) Executive Director. ii. Conference With Labor Negotiators (Gov. Code § 54957.6(a).) Employee: Executive Director. Agency-designated representative: BEACON Board Chair Gregg Hart.
Minutes/ Actions:	No reportable action taken.	

Item	6	Executive Director's Report and Communications
Minutes/ Actions:	Executive Director Marc Beyeler indicated that at the July Board Meeting the Executive Director Contract will be considered for FY21-22 along with consideration of potential Ex-Officio member involvement. Option for Ex-Officio members include State Lands, State Parks, The Harbor District, Caltrans, and the Navy.	

Adjourn to next regular meeting July 16, 2021, at 9:00 AM by Teleconference or Video Conference.

Meeting Minutes by Gerald Comati, Program Manager, BEACON.



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STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 2

To: BEACON Board of Directors
From: Executive Director
Date: July 8, 2021

Subject: Public Comment and Other Matters not on the Agenda

RECOMMENDED ACTIONS:

Receive Public Comments.



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STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 3

To: BEACON Board of Directors
From: Executive Director
Date: July 8, 2021

Subject: City of Oxnard Presentation on Climate and Sea-Level Rise Vulnerability and Adaptation Planning

RECOMMENDED ACTIONS:

- i. Receive a presentation by the City of Oxnard on the City's Climate and Sea Level Rise Vulnerability and Adaptation Planning.

DISCUSSION:

Staff from City of Oxnard will make a presentation to the Board on City's Climate and Sea-Level Rise Vulnerability and Adaptation Planning activities.



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STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 4

To: BEACON Board of Directors
From: Executive Director
Date: July 8, 2021

Subject: Staff Report on Status of Mondo's Cove Beach Access Stairway Project

RECOMMENDED ACTION:

- i. Receive a report on the status of planning for Mondo's Cove Beach Access Stairway Project.

DISCUSSION:

In 2014, BEACON and the California Coastal Commission signed a Memorandum of Agreement (MOA), establishing a Shoreline Sand Supply and Public Access Fund. In September 2019 BEACON staff presented a staff report proposing the use of BEACON's Shoreline Sand Supply and Public Access Fund to develop a design for the Mondo's Cove Public Access Improvements Project located in northern Ventura County.

BEACON Staff have brought the Mondo's Cove Beach Access Stairway project to the BEACON Board on four separate occasions (September and November 2019 and January and May 2020) to secure approval for project agreements, contract tasks and project planning.

From September 2019 to January 2020, BEACON staff worked on developing an RFP, selecting a contractor, and negotiating a professional services contract with Jensen Design and Surveying, Inc. out of Ventura.

On January 24, 2020, the Board authorized a design and engineering contract with Jensen Design and Surveying to develop a final design and engineering plan for the Mondo's Cove Beach Access Stairway Project located in northern Ventura County.

Since January 2020, BEACON staff have been coordinating the development and evaluation of project options, as well as soliciting community input to the project design.



BEACON and the design consultant met with representatives of the Faria Homeowners Association (HOA) to understand their concerns with public access at Mondo's Cove and solicited their input on stairway design and engineering.

BEACON's design consultant has completed an initial design plan for the stairway in Fall of 2020, circulating the preliminary plan to interested parties and posting the design to the BEACON website.

BEACON held a Zoom public meeting in November 2020 with 47 individuals in attendance to review the initial design and solicit comments and suggestions for changes and improvements. Several suggestions for design and engineering changes were made, and BEACON and its contractor evaluated several options and incorporated important changes into a final proposed design.

Between November 2020 and March 2021 BEACON's design consultant developed a revised stairway design plan which was circulated to interested neighbors and stakeholders and posted to the BEACON website.

BEACON staff working with its design consultant have developed an approach to permit processing for the stairway project and in June 2021 presented the stairway design and proposed planning approach to representatives of the County of Ventura and the California Coastal Commission. Also, in June 2021, BEACON staff made a pre-application to the Wildlife Conservation Board for funds to complete final design and construct the project.

There are several next steps to be taken by BEACON staff to accomplish project approvals, funding, and installation, including:

1. Sending a letter request to Ventura County to consider a Consolidated Coastal Development Permit to be administered by the California Coastal Commission (CCC).
2. Prepare and submit a permit application to the CCC for project approval. BEACON is the applicant and lead agency.
3. Conduct environmental review as required by the California Environmental Quality Act and file a Notice of Determination for the project.
4. Property Owner Permissions
 - A. Obtain letters of approval from Caltrans for an easement in its right of way, Faria HOA, and the State Lands Commission for construction installation of the Stairway.
 - B. Successfully negotiate encroachment and easement agreements with Property Owners.
5. Secure grant funding to construct the project.
6. Prepare the final construction bid package (plans + specification + contract documents), advertising for bids, approve and award contract to qualified low bidder.
7. Negotiate an agreement with a long-term operator of the stairway.

Importantly, BEACON staff considers the development and installation of a beach access stairway at Mondo's Cove as part of a program of access improvements at Mondo's Cove, with the new beach access



stairway being a catalyst for other improvements including pedestrian access, parking, and road safety that are currently being developed by Caltrans.

The BEACON Board approved the inclusion of the Mondo's Cove Beach Access Stairway Project in the recently adopted BEACON Strategic Planning Goals and Objectives document and its inclusion in the two-year implementation action plan as a priority project for completion.



A California Joint Powers Agency

Member Agencies

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Kyle Richards
City of Goleta

Vianey Lopez
City of Oxnard

Steven Gama
City of Port Hueneme

Joe Schroeder
City of San Buenaventura

Eric Friedman
City of Santa Barbara

Gregg Hart, Chair
Das Williams
County of Santa Barbara

Carmen Ramirez, Vice Chair
Matt LaVere
County of Ventura

Executive Director
Marc Beyeler

Santa Barbara Address:
105 East Anapamu, Suite 201
Santa Barbara, CA 93101

Ventura Address:
501 Poli St.
P.O. Box 99
Ventura, CA 93001

Email:
Office@Beacon.ca.gov

Website:
<http://www.beacon.ca.gov>

STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 5A

To: BEACON Board of Directors
From: Executive Director
Date: July 8, 2021

Subject: Board Member Reports

Directors are invited to provide reports and updates on items of interest in their County or City.



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STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 5B1

To: BEACON Board of Directors
From: Executive Director
Date: July 8, 2021

Subject: Ex-Officio Membership

RECOMMENDED ACTIONS:

- i. Discuss BEACON Ex-Officio Membership and direct Staff to return to the Board with an Options Analysis and Recommendations for Board Consideration.

DISCUSSION:

The BEACON Bylaws allow the BEACON Board of Directors to appoint non-voting ex-officio members to the BEACON Board at its discretion. (Art. III, § 2.) Article III, Section 2 states: Ex-officio members shall be as determined by the Board of Directors and shall participate in BEACON but will not have voting rights and shall be designated by a majority vote of a quorum present of the Board of Directors (Bylaws attached).

BEACON Executive Staff is recommending the BEACON Board consider whether they desire to appoint any ex-officio members to the BEACON Board and what criteria they may apply (if any), in considering the selection of possible ex-officio members.

BEACON Executive Staff believe there are several potential advantages to adding ex-officio members to the BEACON Board representing public agencies that are or may coordinate with BEACON to accomplish its goals and objectives. There are several potential candidate public agencies that the Board could consider for ex-officio membership, including local independent harbor and port districts (Ventura Harbor District and the Oxnard Port District), the California Department of Parks and Recreation, the California Department of Transportation (Caltrans). The Board may wish to add our local state legislative representatives as e-officio members, and there may be other public agencies that the Board may wish to consider.

Executive Staff is prepared to develop options for ex-officio membership to the BEACON Board for the Board to consider at a subsequent Board meeting. Staff is seeking Board direction.

ITEM 5B1 - Review a report on BEACON Ex-Officio Membership

ATTACHMENT 1

BEACON Bylaws

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
BYLAWS
As Amended May 21, 2021**

**ARTICLE I
NAME, PURPOSE, AND POLICY**

Section 1: Name

The name of this organization shall be the Beach Erosion Authority for Clean Oceans and Nourishment (hereinafter referred to as BEACON).

Section 2: Purpose of BEACON

The various Member Agencies have a strong common interest in the preservation and restoration of beaches and protection of coastal structures. The maintenance of wide, sandy beaches helps to protect against costly property damage, and further benefits the entire region economically by promoting recreation and tourism. Furthermore, because sand moves throughout the entire littoral sand cell which extends between the Santa Ynez River and Point Mugu, the beach restoration activities undertaken in one area may affect the character of the shoreline in adjoining jurisdictions. Therefore, the purpose of BEACON is to foster greater cooperation toward the maintenance and enhancement of the beaches within in the jurisdiction of BEACON Member Agencies.

The preservation and restoration of beaches, coastal beach access, and protection of coastal structures will be significantly affected by projected changes to climate, weather, and sea-level rise in the short- and long-term along the BEACON coast. Therefore, it is the further purpose of BEACON to coordinate on a regional level coastal beach access, climate, and sea-level rise adaptation and resilience planning within the jurisdictions of BEACON member agencies.

Furthermore, the protection of coastal water quality, as well as other coastal restoration and environmental enhancement actions will contribute to the ecological and biological health of our local ocean and beaches.

Section 3: Policy

It is the policy of BEACON to:

- A. Encourage communication regularly with Member Agencies on beach protection and restoration matters in order to ensure maximum cooperation;
- B. Promote the restoration of the beaches within the littoral sand cell which are an important economic and recreational resource to the region;

- C. Support maximum replenishment of beach sand through projects such as onshore and offshore sand mining, continuous sand by passing around littoral sand traps, dredging or other methods to obtain sand for beaches; and
- D. Coordinate all beach restoration and shoreline protection projects to maximize benefits to the region, and avoid detrimental effects on adjoining beach areas.

ARTICLE II OBJECTIVES AND AUTHORITY

Section 1: Objectives

The primary objectives for which BEACON is created are:

- A. Identify solutions to coastal erosion and environmental problems;
- B. Coordinate the use of local, state, federal and private resources;
- C. Facilitate design, financing, construction and maintenance of beach restoration, shoreline protection, and environmental protection and enhancement projects;
- D. Collect and analyze data needed to facilitate the design projects and to monitor their performance;
- E. Coordinate local government involvement and keep elected officials and citizens informed;
- F. Support the preparation of contingency plans by Member Agencies to be ready in emergencies to direct public and private efforts to combat erosion and to take steps necessary to coordinate the protection of public and private property;
- G. Spearhead local government lobbying efforts at the State and Federal levels;
- H. Collect and analyze data addressing regional-level climate and sea-level rise impacts to coastal beaches, coastal beach access, and coastal structures;
- I. Identify regional-level solutions to impacts resulting from changes in climate, weather, and sea-level rise that may affect BEACON member agencies beaches through coordinated regional planning; and
- J. Coordinate regional-level responses among BEACON member agencies to climate, weather, and sea-level rise changes impacting beaches, coastal beach access, and coastal structures.
- K. Provide for the ecological and biological health of our local ocean and beaches.

Section 2: Authority

BEACON is authorized to:

- A. Review all member agencies significant proposals for beach restoration, shoreline erosion control, ~~and~~ environmental protection and enhancement, regional coastal beach access, regional-level climate, sea-level rise adaptation, and coastal resilience projects for consistency with the regional goals, policies, and programs;
- B. Comment on such proposals to member agencies and appropriate State and Federal agencies;
- C. Propose and participate in joint or area wide projects for beach restoration, shoreline erosion control, ~~and~~ environmental protection, regional coastal beach access, regional-level climate, sea-level rise adaptation, and coastal resilience projects;
- D. Act as agent for regional project applications for beach restoration, shoreline erosion control, ~~and~~ environmental protection and enhancement, regional coastal beach access, regional-level climate, sea-level rise adaptation, and coastal resilience projects;
- E. Coordinate funding for beach restoration, shoreline erosion control, ~~and~~ environmental protection and enhancement, regional coastal beach access, regional-level climate, sea-level rise adaptation, and coastal resilience projects from private and public sources at the local, State, and Federal levels;
- F. Coordinate efforts addressing coastal water quality and other actions that provide for the ecological and biological health of our local ocean and beaches; and
- G. Adopt and amend Bylaws, rules, and regulations as may be required for the conduct of meetings and the orderly operation of the organization.

Section 3: Limitation of Authority

Neither the Beach Erosion Authority for Clean Oceans and Nourishment nor a majority of the Member Agencies shall have the authority to impose any plan, duty, obligation or other responsibility upon any Member Agency without the consent of such Agency. Further, no Member Agency shall be required to do anything it does not specifically agree to do. Any recommendation, plan, or program promulgated by BEACON shall be advisory only as to Member Agencies.

ARTICLE III MEMBERSHIP AND ORGANIZATION

Section 1: Voting Membership

Shall be as provided in the Joint Powers Agreement, as amended.

Section 2: Ex-Officio Membership

Ex-officio members shall be as determined by the Board of Directors and shall participate in BEACON, but will not have voting rights and shall be designated by a majority vote of a quorum present of the Board of Directors.

Section 3: Officers

- A. Election of Officers shall be held every other calendar year, or upon resignation of an officer.
- B. There shall be a Chair and Vice Chair.
- C. All Officers shall be elected for a term of two years and shall serve until their successors are elected. Officers shall begin their term of office immediately following election.
- D. Officers shall be nominated from the floor of the Board of Directors and elected by a majority vote of a quorum present at the first meeting of a calendar year.

ARTICLE IV STANDING COMMITTEES, AND AD HOC COMMITTEES

- A. The Chair shall have the authority to appoint committees or subcommittees, with confirmation of the appointments made by the Board of Directors.
- B. Standing committees may be appointed to carry out general and continuing functions and may be abolished only upon specific action of the Board of the Directors.
- C. Ad hoc committees may be appointed as the need arises to carry out specific tasks. Upon completion of its assignment, each ad hoc committee shall be disbanded.
- D. Standing or ad hoc committee voting members must be designated representatives. Each member shall be entitled to one vote. Ex-officio members may serve on standing or ad hoc committees but may not vote.
- E. Standing or ad hoc committee members may elect officers by a majority vote.

ARTICLE V MEETINGS

Section 1: Quorum

- A. A quorum for a meeting of the Board of Directors shall be a majority of voting members.
- B. A quorum shall be required for the conduct of any business of a committee. No business shall be conducted by a committee without a quorum. All decisions by a committee shall be by simple majority of the quorum. A quorum shall be two-thirds of the committee members.
- C. Voting shall be as provided in the Joint Powers Agreement, as amended.

Section 2: Parliamentary Procedure

Parliamentary procedure at all meetings shall be governed by Rosenberg's Rules of Order except as otherwise modified by the Joint Powers Agreement or these Bylaws.

Section 3: Meeting Notice

Meetings shall be noticed as provided for in the Ralph M. Brown Act, as amended, commencing with Section 54950 of the California Government Code. Regular meetings shall be held not less than twice per year. Special meetings may be called for by the Chair or Vice Chair or a majority of the Board of Directors.

Section 4: Proxies

No proxies will be permitted.

ARTICLE VI INFORMATION, PUBLIC DISCLOSURE, AND EVALUATION

Section 1: Information and Evaluation

- A. BEACON shall disseminate information concerning its work program and activities. The required information system should be so organized and categorized that it would continue to allow full and efficient use of information by the public and private sectors.
- B. Adequate provision for citizen participation shall be provided as required by law and as directed by the Board of Directors.
- C. The Board of Directors may appoint a standing committee of its members to perform an annual evaluation of BEACON'S goals, structure, and performance, directed toward continually improving the planning, coordination, and implementation process.

Section 2: Ralph M. Brown Act

Notwithstanding any of the provisions of these Bylaws to the contrary, all meetings and actions of the Board of Directors shall be subject to the Ralph M. Brown Act, as amended, commencing at Section 54950 of the Government Code of the State of California.

ARTICLE VII STAFFING AND FUNDING

Section 1: Staffing

The Board of Directors shall have the authority to hire an Executive Director, consultants, or other staff as it deems necessary to carry out the objectives of the organization.

Section 2: Funding

The Board of Directors shall have authority to raise funds as it deems necessary to carry out the objectives of the organization through voting member assessments, public or private grants and entitlements and legislative appropriations. Notwithstanding any of the provisions of these Bylaws to the contrary, voting member assessments may be made only upon the unanimous consent of the voting Member Agencies of the organization.

ARTICLE VIII HOLD HARMLESS

BEACON shall defend, indemnify and otherwise hold harmless its directors, staff, committees, and agents from any liability, including legal representation, because of any act or omission incurred during the course and scope of performance of his or her duties except acts of gross neglect.

ARTICLE IX BYLAWS AMENDMENT

- A. Amendments to these Bylaws may be proposed by a designated representative or staff. Amendment proposals shall be submitted to each member of the organization and its staff at least fifteen (15) days before its next regular meeting.
- B. A two-thirds majority of the Board of Directors shall be required to adopt an amendment to these Bylaws.



A California Joint Powers Agency

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STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 5B2

To: BEACON Board of Directors
From: Executive Director
Date: July 8, 2021

Subject: Appointment of BEACON Special Projects Staff

RECOMMENDED ACTIONS:

- i. Receive a Staff Report on Special Projects Staff; and
- ii. Adopt Resolution 2021-3 appointing Brian Brennan as Special Projects Volunteer Staff for a period up to June 30, 2022 (Exhibit 1).

DISCUSSION:

Until May 2020, Brian Brennan served as BEACON's Executive Director and was involved in several important ongoing BEACON projects. Upon his retirement, he continued to assist BEACON executive staff on a select number of important BEACON projects. In September 2020, the Board appointed a Special Projects Staff with a term ending June 30, 2021. The BEACON Executive Director is recommending the Board re-appoint Mr. Brennan as a Special Projects Staff with a term ending June 30, 2022.

Mr. Brennan possesses unique knowledge and understanding of the projects and has extensive experience working with project partners that is invaluable in successfully completing the projects. In order to continue BEACON implementation actions, BEACON staff require the assistance of Mr. Brennan.

Without a formal appointment, however, Mr. Brennan does not have full access to BEACON project documents and internal communications. In order to be effective in providing assistance, Mr. Brennan requires access to the full range of project communications. It is the desire of BEACON Executive Director to continue Mr. Brennan's involvement in certain BEACON projects to assist BEACON staff on essential project tasks for a period until June 30, 2022. BEACON executive staff is recommending the BEACON Board appoint Mr. Brennan as a Special Projects Volunteer.

ITEM 5B2 - Appointment of BEACON Special Projects Staff

EXHIBIT 1

RESOLUTION 2021-3

RESOLUTION OF THE BEACH EROSION AUTHORITY
FOR CLEAN OCEANS AND NOURISHMENT
(BEACON)

APPOINTING BRIAN BRENNAN AS SPECIAL
PROJECTS VOLUNTEER STAFF

RESOLUTION NO. 2021-3

WHEREAS the Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) desires to define the relationship of Brian Brennan to the agency for assisting in project development and implementation of select projects;

WHEREAS BEACON is established under a joint powers agreement (JPA) executed by each of the incorporated cities and the counties;

WHEREAS BEACON is charged with developing and implementing regional sediment management, beach and coastal restoration projects (JPA § 3, 5.d., 5.e.; Bylaws, Art. 1, § 3.B.);

WHEREAS BEACON established the Beach Shoreline San Supply and Public Access Fund in 2014;

WHEREAS pursuant to Section 6502 of the Government Code, BEACON may jointly exercise any power common to its member agencies;

WHEREAS BEACON is authorized to engage knowledgeable staff to assist in the implementation of BEACON projects (Bylaws, Art. VII, § 1);

WHEREAS Brian Brennan has demonstrated specialized knowledge of BEACON projects and has extensive relationships with BEACON project partners which are invaluable in successfully implementing BEACON projects.

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT BEACON appoints Brian Brennan as a Special Projects Volunteer Staff.

PASSED AND ADOPTED this 16th day of July 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Gregg Hart, Chair
Beach Erosion Authority for Clean Oceans and Nourishment
BEACON

Date: _____

ATTEST:

Marc Beyeler, Executive Director

APPROVED AS TO FORM:
Rachel Van Mullem
Santa Barbara County Counsel



Deputy County Counsel



A California Joint Powers Agency

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STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 5C

To: BEACON Board of Directors
From: Executive Director and
Ventura County Auditor-Controller's Office
Date: July 8, 2021

Subject: BEACON Budget Actions and Financial Reports

RECOMMENDATION ACTIONS:

- i. Receive and file the Fiscal Year 2020-2021 Budget-to-Actual report for the year-to-date period ending April 30, 2021 (Exhibit I).
- ii. Receive and file the audited financial statement for the fiscal years ended June 30, 2020 and 2019 (Exhibit II)
- iii. Receive and file the Management Letter for the Audit of the Financial Statements for the Fiscal Years ended June 30, 2020 and 2019. (Exhibit III);
- iv. Approve and authorize the Auditor-Controller's Office to make the budgetary adjustment as follows (requires 6/10 vote)

INCREASE Other Professional & Specialized Services	\$15,000
DECREASE Contingency	\$10,000
DECREASE Misc. Expense	\$5,000

DISCUSSION:

Recommendation i:

Receive and file report from Ventura County Auditor-Controller's Office on Budget-to-Actual for Fiscal Year 2020-21 for the period ending June 30, 2021. (Exhibit I)

Analysis

BEACON maintained several budget operating principles in the FY 2020-21 budget, including preserving reserve fund assets, keeping a small contingency in the budget during the fiscal year and using it as needed, and keeping operational expenses less than operational overhead funds budgeted.

Recommendation ii:

Receive and file the Audited Financial Statements for the fiscal years ended June 30, 2020 and 2019.

Analysis

BEACON is required to have an independent financial audit conducted every other year. No substantial financial or accounting issues were identified in the audit. Staff is recommending BEACON Board receive and file the attached audit.



Recommendation iii:

Receive and file the Management Letter for the Audit of the Financial Statements.

Analysis

BEACON is required to have an independent financial audit conducted every other year. No substantial financial or accounting issues were identified in the audit. Staff is recommending BEACON Board receive and file the attached Management Letter.

Recommendation iv:

Approve and authorize the Auditor-Controller's Office to make the proposed budget adjustment.

Analysis

BEACON Executive Staff is recommending the Board authorize certain budget adjustments to provide increased funding for Professional & Specialized Services to fund a professional services agreement with an independent communications consultant to assist BEACON staff in developing materials for reporting achievements and accomplishments to BEACON's member agencies, assist BEACON staff in developing materials for the BEACON website, and developing outreach initiatives for public education regarding coastal issues.

ITEM 5C - Budget Actions and Financial Reports

EXHIBIT I

FY 2020-2021 Budget-to-Actual

**BEACON FUND 0025
YEAR TO DATE UNADJUSTED BUDGET TO ACTUAL FY 2020-21
FOR THE MONTH ENDING JUNE 30, 2021**

Unit	Account Number	Title	BUDGET			ACTUAL YTD			
			Adopted Budget	Budget Mod	Revised Budget	Actual	Encumbered	Total Revenue/Obligation	Variance
UNASSIGNED FUND BALANCE									
		Appropriation of Fund Balance	5,643	-	5,643	206,624.11		206,624.11	200,981.11
	5950	Unassigned Fund Balance	5,643	-	5,643	206,624.11		206,624.11	200,981.11
REVENUE									
5665	8911	Investment Income - (Interest Earnings)	4,000	-	4,000	1,215.81		1,215.81	(2,784.19)
5665	9371	Other Governmental Agencies - (Member Dues)	299,960	-	299,960	299,960.00		299,960.00	-
5665	9252	State Other - OPC Grant (Debris Basis Modification)	14,000	-	14,000	-		-	(14,000.00)
5665	9252	State Other - OPC Grant (Surfer's Point Project)	218,320	-	218,320	46,772.76		46,772.76	(171,547.24)
5665	9252	Coastal Commission Mitigation Fees (Mondo's Cove Stairway Project)	37,075	-	37,075	25,222.50		25,222.50	(11,852.50)
		Total Revenue	573,355	-	573,355	373,171.07		373,171.07	(200,183.93)
		TOTAL SOURCES	578,998	-	578,998	579,795.18		579,795.18	797.18
EXPENDITURES									
5665	2072	Insurance	3,500	-	3,500	3,741.79	-	3,741.79	(241.79)
5665	2131	Memberships and Dues (American Shore & Beach Preservation Assoc.)	2,000	-	2,000	875.00		875.00	1,125.00
5665	2159	Miscellaneous Expenses (Communication and Outreach)	5,000	-	5,000	1,989.04		1,989.04	3,010.96
5665	2159	Miscellaneous Expenses (CRSMP Update/SCCBEP)	20,000	-	20,000	-		-	20,000.00
5665	2183	Technical Services (UCSD)	15,000	-	15,000	2,149.90	13,600.10	15,750.00	(750.00)
5665	2183	Technical Services (Dr.Douglas George)	15,000	-	6,800	6,734.63		6,734.63	65.37
5665	2183	Technical Services (Program Management - COM3)	43,500	-	43,500	43,400.00	100.00	43,500.00	-
5665	2183	Technical Services (Environmental Science Associates-ESA)		-	4,000	3,460.00	540.00	4,000.00	-
5665	2183	Technical Services (Coastal Restoration David Hubbard)		-	4,200		4,200.00	4,200.00	-
5665	2185	Attorney Services (County of Santa Barbara)	12,000	-	12,000	11,312.00	688.00	12,000.00	-
5665	2199	Technical Services (Marc Shores Geographic Information Systems)	3,000	-	3,000	990.00	2,010.00	3,000.00	-
5665	2199	Other Professional & Specialized Services (Executive Director)	134,900	-	134,900	134,550.00	350.00	134,900.00	-
5665	2199	Other Professional & Specialized Services (Jensen Design & Survey)	36,898	-	36,898	36,897.50		36,897.50	-
5665	2199	Other Professional & Specialized Services (Accounting Svcs-VC ACO)	15,000	-	15,000	10,525.68		10,525.68	4,474.32
5665	2199	Other Professional & Specialized Services (Grant writing GKA)		5,000	5,000	2,565.00	2,435.00	5,000.00	-
5665	2199	Other Professional & Specialized Services (Biennial Audit Services)	10,380	-	10,380	-	10,380.00	10,380.00	-
5665	2199	Other Professional & Specialized Services (Pam Baumgardner)	2,000	2,500	4,500	4,500.00		4,500.00	-
5665	2273	Education, Conferences, and Seminars (Registration Fees)	1,000	-	1,000	382.35	-	382.35	617.65
5665	2292	Travel Expense (Mileage, Travel & Conf.)	2,500	-	2,500	-	-	-	2,500.00
		Total Overhead Expenditures	321,678	7,500	329,178	264,072.89	34,303.10	298,375.99	30,801.51
		Grant Funded Expenditures							
		OPC - Debris Basins Removal:							
5665	2183	Admin+ Management & Best Practices Manual (Tasks 1, 8 & 9) - COM3	6,000	-	6,000	4,760.00	1,240.00	6,000.00	-
5665	2183	Planning, Engineering, Construction, CM, Monitoring & Restoration - (Tasks 2, 3, 4, 5, 6 & 7) - SB County Flood Control District	8,000	-	8,000	-	-	-	8,000.00
		Total Grants - OPC - Debris Basins Removal:	14,000	-	14,000	4,760.00	1,240.00	6,000.00	8,000.00
		Grants - OPC - Surfer's Point Project:							
5665	2183	Technical Services - OPC Grant - Surfer's Point Project - City of Ventura	218,320	-	218,320	51,969.73	-	51,969.73	166,350.27
		Total Grants - OPC - Surfer's Point Project:	218,320	-	218,320	51,969.73	-	51,969.73	166,350.27
		Total Grant Funded Expenditures	232,320	-	232,320	56,730	1,240	57,970	174,350.27
5665	6101	Contingency	25,000	(7,500)	17,500	-	-	-	17,500.00
		TOTAL EXPENDITURES	578,998	-	578,998	320,802.62	35,543.10	356,345.72	222,651.78
		Ending Unassigned Fund Balance			0.50	258,992.56			

Note: Amounts with "()" in the ACTUAL column reflect FY20 accruals in excess of actual expenditures and revenue to date.

BEACON - FUND 0030 - BEACON Sand Supply and Public Access

Unadjusted Balance, as of June 30, 2021: 9,462.23

ITEM 5C - Budget Actions and Financial Reports

EXHIBIT II

Audited Financial Statement



Biennial Financial Report
For the Fiscal Years Ended
June 30, 2020 and June 30, 2019

Beach Erosion Authority for Clean Oceans and Nourishment

Biennial Financial Report

For the Fiscal Years Ended June 30, 2020 and 2019

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
BIENNIAL FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

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INTRODUCTORY SECTION

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
BIENNIAL FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

OUR MISSION STATEMENT

“To address coastal erosion, beach nourishment and clean oceans within the Central California Coast from Point Conception to Point Mugu and to foster greater cooperation toward the maintenance and enhancement of the beaches within the jurisdiction of member agencies.”

LIST OF OFFICIALS

June 30, 2020

Board Members:

Gregg Hart	Supervisor, County of Santa Barbara
Christy Weir	Councilmember, City of San Buenaventura
Steve Bennett	Supervisor, County of Ventura
John Zaragoza	Supervisor, County of Ventura
Das Williams	Supervisor, County of Santa Barbara
Eric Friedman	Councilmember, City of Santa Barbara
Kyle Richards	Councilmember, City of Goleta
Carmen Ramirez	Councilmember, City of Oxnard
Fred Shaw	Councilmember, City of Carpinteria
Steven Gama	Councilmember, City of Port Hueneme

Administrative:

Marc Beyeler	Executive Director
Susan McKenzie	Legal Counsel
Jeffery Burgh	Auditor-Controller
	BEACON Chief Financial Officer

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FINANCIAL SECTION



Fedak & Brown LLP

Certified Public Accountants

Cypress Office:
6081 Orange Avenue
Cypress, California 90630
(657) 214-2307
FAX (714) 527-9154

Riverside Office:
1945 Chicago Avenue, Suite C-1
Riverside, California 92507
(951) 783-9149

Independent Auditor's Report

Governing Board
Beach Erosion Authority for Clean Oceans and Nourishment
Ventura, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise BEACON's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of BEACON, as of June 30, 2020 and 2019, and the respective changes in financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Independent Auditor's Report, continued

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 13 and the Budgetary Comparison Schedules – General Fund on pages 33 through 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise BEACON's basic financial statements. The Project Descriptions on pages 39 and 40 and the Project Revenue and Expenditures by Category and Project Expenditures by Category Schedules on pages 41 and 43 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 14, 2021, on our consideration of BEACON's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits. This report can be found on pages 45 and 46.

Fedak & Brown LLP

Fedak & Brown LLP

Cypress, California

May 14, 2021

**MANAGEMENT'S
DISCUSSION
AND ANALYSIS**

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

This section of the Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) basic financial statements presents a discussion and analysis of BEACON's financial performance during the fiscal years ended June 30, 2020 and 2019.

FINANCIAL HIGHLIGHTS

- The assets of BEACON exceeded its liabilities at the close of fiscal years 2019-20 and 2018-19 by \$221,154 and \$200,766 (net position) respectively. Of these amounts, \$221,154 in FY 2019-20 and \$200,766 in FY 2018-19 (unrestricted net position) may be used to meet BEACON's ongoing obligations.
- BEACON's total net position in FY2019-20 of \$221,154 increased by 10 percent compared with FY2018-19. Total net position in FY2018-19 of \$200,766 increased by 30 percent compared with FY2017-18.
- BEACON's total revenue increased by 151 percent or \$225,652 from \$149,342 in FY 2018-19 to \$374,994 in FY 2019-20 primarily due to an increase in grant revenue from the Surfer's Point Project and Mondo's Cove Public Access Stairway Project.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to BEACON's basic financial statements. BEACON's basic financial statements comprise three components:

- 1) Government-wide financial statements,
- 2) Fund financial statements, and
- 3) Notes to the basic financial statements.

This report also contains required and other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of BEACON's finances, in a manner similar to private-sector business. The *statement of net position* and *statement of activities* use the flow of economic resources measurement focus and accrual basis of accounting. The focus and basis emphasize is on the *long-term* view of BEACON's finances.

The *statement of net position* presents information on all of BEACON's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of BEACON is improving or deteriorating.

The *statement of activities* presents information showing how net position changed during the most recent fiscal years. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses reported in this statement include some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 15 to 17 of this report.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of BEACON rather than BEACON as a whole. They are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. BEACON is a single purpose, single fund entity and utilizes a governmental fund to account for its activities.

The fund financial statements consist of the balance sheet and statement of revenues, expenditures, and changes in fund balance. These are prepared on the modified-accrual basis of accounting, whereas government-wide statements are prepared on the full-accrual basis.

In general, these financial statements under the modified-accrual basis have a short-term emphasis and for the most part, measure and account for assets that are current financial resources, and liabilities that are expected to be liquidated with current financial resources. Specifically, cash and receivables collectible within a very short period of time are reported on the balance sheet.

The difference between a fund's total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources represents the fund balance. The assigned and unassigned portions of the fund balance represents the amount available to finance future activities. For fiscal years 2020 and 2019, fund balances were assigned to finance the budgetary deficits of the ensuing fiscal years.

The operating statement for the governmental fund reports all expenditures incurred, but only those revenues that were collected in cash during the current period or very shortly after the end of the year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. When differences exist, both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The fund financial statements can be found on pages 18 to 19 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 21 of this report.

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning BEACON's budgetary schedules. BEACON adopts an annual appropriated budget. Budgetary comparison schedules for the general fund have been provided to demonstrate compliance at the legal level of budgetary control. Required supplementary information can be found on pages 33 to 37 of this report.

Supplementary Information

Supplementary information includes the project descriptions and the schedules for revenue and expenditures by project and project expenditures by category. Supplementary information can be found on pages 39 through 43 of this report.

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of BEACON, at the close of fiscal years 2020 and 2019, assets exceeded liabilities by \$221,154 and \$200,766 respectively, with the change primarily due to unexpended membership dues.

The following is a summary of BEACON's assets, liabilities and net position comparing FY 2019-20 with FY 2018-19, and FY 2018-19 with FY 2017-18:

Summary of Net Position Governmental Activities June 30, 2020, 2019 and 2018						
	FY 2019-20	FY 2018-19	Percent Increase (Decrease)	FY 2018-19	FY 2017-18	Percent Increase (Decrease)
Assets:						
Current and other assets	\$ 353,669	\$ 279,533	27%	\$ 279,533	\$ 232,230	20%
Long-term assets	<u>19,954</u>	<u>1,160</u>	1,620%	<u>1,160</u>	<u>1,160</u>	-%
Total assets	<u>373,623</u>	<u>280,693</u>	33%	<u>280,693</u>	<u>233,390</u>	20%
Liabilities:						
Other liabilities	<u>152,469</u>	<u>79,927</u>	91%	<u>79,927</u>	<u>79,172</u>	1%
Total liabilities	<u>152,469</u>	<u>79,927</u>	91%	<u>79,927</u>	<u>79,172</u>	1%
Net position						
Unrestricted	<u>221,154</u>	<u>200,766</u>	10%	<u>200,766</u>	<u>154,218</u>	30%
Total net position	<u>\$ 221,154</u>	<u>\$ 200,766</u>	10%	<u>\$ 200,766</u>	<u>\$ 154,218</u>	30%

BEACON's total net position in FY 2019-20 of \$221,154 increased by 10 percent compared with FY 2018-19. Total net position in FY 2018-19 of \$200,766 increased by 30 percent compared with FY 2017-18.

At the end of each fiscal year, BEACON accrues all amounts owed but not yet paid by year-end. Total liabilities of \$152,469 for FY 2019-20 increased by \$72,542, compared to FY 2018-19, primarily due to a increase in year-end accrued expenditures for services that were paid out after year-end. Total liabilities of \$79,927 for FY 2018-19 increased by \$755, compared to FY 2017-18.

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

The following table summarizes the changes in net position comparing FY 2019-20 with FY 2018-19, and FY 2018-19 with FY 2017-18:

Summary of Activities Governmental Activities						
	<u>FY 2019-20</u>	<u>FY 2018-19</u>	Percent Increase (Decrease)	<u>FY 2018-19</u>	<u>FY 2017-18</u>	Percent Increase (Decrease)
Revenues:						
Program revenues:						
Membership dues	\$ 147,095	\$ 142,530	3%	\$ 142,530	\$ 137,700	4%
Operating grants and contributions	223,116	-	100%	-	1,160	(100)%
General revenues:						
Interest and investment earnings	<u>4,783</u>	<u>6,812</u>	(30)%	<u>6,812</u>	<u>2,905</u>	134%
Total revenues	<u>374,994</u>	<u>149,342</u>	151%	<u>149,342</u>	<u>141,765</u>	5%
Expenses:						
Administrative	129,872	66,023	97%	66,023	66,806	(1)%
Technical and engineering services	<u>224,734</u>	<u>36,771</u>	511%	<u>36,771</u>	<u>38,511</u>	(5)%
Total expenses	<u>354,606</u>	<u>102,794</u>	245%	<u>102,794</u>	<u>105,317</u>	(2)%
Change in net position	20,388	46,548	(56)%	46,548	36,448	28%
Net position, beginning	<u>200,766</u>	<u>154,218</u>	30%	<u>154,218</u>	<u>117,770</u>	31%
Net position, ending	<u>\$ 221,154</u>	<u>\$ 200,766</u>	10%	<u>\$ 200,766</u>	<u>\$ 154,218</u>	30%

BEACON received total revenue of \$374,994 in FY 2019-20, which is an increase of \$225,652 when compared with FY 2018-19. Total revenue received in FY 2018-19 was \$149,342, which was an increase of \$7,577 compared with FY 2017-18. Increase in revenue for FY 2019-20 is primarily due to an increase in grants and contributions. Increase in revenue for FY 2018-19 is primarily due to an increase in membership dues and investment earnings.

In FY 2019-20, total grant revenue of \$223,116 was recognized for the Surfer's Point project and Mondo's Cove Beach Stairway Access project.

BEACON had interest and investment earnings, including the allocated portion of the Ventura County Investment Pool unrealized gain or loss in the fair value of investments at June 30, 2020 and June 30, 2019, of \$4,783 and \$6,812 respectively, this was a 30 percent decrease. Interest and investment earnings for FY 2018-19 was \$6,812 or a 134 percent increase when compared to FY 2017-18. The Ventura County Investment Pool earned an average rate of 1.99 percent in FY 2019-20 for funds invested in the investment pool when compared to an average rate of 2.33 percent in FY 2018-19.

In FY 2019-20, BEACON spent \$129,872 for administrative expenses compared to \$66,023 for FY 2018-19, an increase of \$63,849. This was primarily due to increases in expenditures for project management, BEACON utilizes services as needed by consultants, the increased project activity generated the need for additional project management. Administrative expenses in FY 2018-19 decreased by \$783 as compared to FY 2017-18 expenses. For technical and engineering services, in FY 2019-20, BEACON spent \$224,734 compared to \$36,771 for FY 2018-19, an increase of \$187,963. The increase stems from the increased need for technical assistance for the Surfer's Point Managed Retreat Project and Mondo's Cove Beach Stairway Project. Technical and engineering services in FY 2018-19 decreased by \$1,740 as compared to FY 2017-18 expenses.

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

The following is a summary of BEACON's governmental activities expenses, and the related operating grants and contributions, comparing FY 2019-20 with FY 2018-19, and FY 2018-19 with FY 2017-18:

<u>Governmental Activities</u>	<u>FY 2019-20</u>	<u>FY 2018-19</u>	<u>Increase (Decrease)</u>	<u>FY 2018-19</u>	<u>FY 2017-18</u>	<u>Increase (Decrease)</u>
Administrative	\$ 9,250	\$ -	\$ 9,250	\$ -	\$ 945	\$ (945)
Technical and Engineering Services	213,866	-	213,866	-	215	(215)
Total Expenses	223,116	-	223,116	-	1,160	(1,160)
Total Operating Grants and Contributions	223,116	-	223,116	-	1,160	(1,160)
Total Change	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

In FY 2019-20, BEACON expended \$193,190 in grant funds for the Surfer's Point Project. Additional funds in the amount of \$29,926 were spent from the account held for the Mondo's Cove stairway project. In FY 2018-19, BEACON expended no grant funds, the primary source of funding was membership dues received from member agencies.

OPERATING FUND BUDGETARY HIGHLIGHTS

BEACON had budgetary variances in FY 2019-20 of negative \$59,435 and FY 2018-19 of \$185,118, primarily due to amounts budgeted for reimbursable revenues that were unavailable and projects which were unspent. Additional budgetary information is provided on pages 33 through 37.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- During FY 2020-21, BEACON will continue to pursue development of work plan tasks to support a Regional Sediment Management Permit to allow for pre-permitted beach and shoreline receiver sites for sediment deposition.
- BEACON local sponsorship, oversight or management will continue in FY 2020-21 for the following projects: Surfers Point Project, Mondo's Cove Beach Access Project, and the Kep Anchor Demonstration project. Additional grant funding will be sought to support these projects.
- In June 2016, Grant funding was secured for the Debris Basin Removal Project, which is a collaboration project with the Santa Barbara Flood Control District. Following the January 9, 2018, debris flow event in Montecito, the Santa Barbara County Flood Control District has modified it debris basin modification and removal strategy project. In FY 2020-21, BEACON staff and Santa Barbara Flood Control Agency has secured a contract amendment with OPC staff and the project will be implemented through FY 2022-23.
- In February 2020, BEACON was awarded a \$450,000 grant from the California Ocean Protection Council to conduct a series of technical and planning studies and assessments to support SLR adaptation planning and regional sediment management planning. The grant work will begin in FY 2021-22 and will conclude at the end of FY 2022-23 in June 2023.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

- In FY 2020-21, BEACON will continue its efforts to secure supplemental funding for the three harbors within BEACON's jurisdiction (Santa Barbara, Ventura, and Channel Islands harbors) in an effort to allow continuation of dredging operations performed by each harbor.
- In FY 2020-21, BEACON will continue seek other grant funding opportunities to fund the projects listed above as well as BEACON's Policy and Management Initiatives.
- The FY 2020-21 adopted budget totals \$578,998, with \$25,000 budgeted for contingencies. Financing Sources included revenues of \$570,355 and fund balance of \$8,643 was used to balance the budget.

REQUEST FOR INFORMATION

The financial report is designed to provide a general overview of BEACON's finances for all those with an interest in BEACON's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Jeffery S. Burgh, BEACON Chief Financial Officer, County of Ventura, 800 South Victoria Avenue, Ventura, California, 93009.

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BASIC FINANCIAL STATEMENTS

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
 STATEMENTS OF NET POSITION - GOVERNMENTAL ACTIVITIES
 JUNE 30, 2020 AND 2019

	FY 2019-20	FY 2018-19
<u>ASSETS</u>		
Cash and investments (Note 2)	\$ 176,987	\$ 276,691
Receivables, net (Note 4)	2,286	2,842
Due from other governmental agencies	174,396	-
Long-term receivable	19,954	1,160
Total assets	373,623	280,693
 <u>LIABILITIES</u>		
Accounts payable	75,356	14,588
Due to other governmental agencies (Note 6)	33,801	1,990
Accrued liabilities (Note 5)	8,777	116
Unearned revenue	34,535	63,233
Total liabilities	152,469	79,927
 <u>NET POSITION</u>		
Unrestricted	221,154	200,766
Total net position	\$ 221,154	\$ 200,766

See the accompanying notes to the basic financial statements

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

		Program Revenues		Net (Expenses) Revenues and Changes in Net Position
Functions/Programs	Expenditures	Membership Dues	Operating Grants and Contributions	Total Governmental Activities
Governmental activities:				
Administrative	\$ 129,872	\$ 134,415	\$ 9,250	\$ 13,793
Technical and engineering services	<u>224,734</u>	<u>12,680</u>	<u>213,866</u>	<u>1,812</u>
Total governmental activities	<u>\$ 354,606</u>	<u>\$ 147,095</u>	<u>\$ 223,116</u>	15,605

General Revenues:	
Interest and investment earnings	<u>4,783</u>
Change in net position	20,388
Net position - July 1, 2019	<u>200,766</u>
Net position - June 30, 2020	<u>\$ 221,154</u>

See the accompanying notes to the basic financial statements

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

<u>Functions/Programs</u>	<u>Expenditures</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenues and Changes in Net Position</u>
Governmental activities:		<u>Membership Dues</u>	<u>Operating Grants and Contributions</u>	<u>Total Governmental Activities</u>
Administrative	\$ 66,023	\$ 101,738	\$ -	\$ 35,715
Technical and engineering services	<u>36,771</u>	<u>40,792</u>	<u>-</u>	<u>4,021</u>
Total governmental activities	<u>\$ 102,794</u>	<u>\$ 142,530</u>	<u>\$ -</u>	39,736

General Revenues:	
Interest and investment earnings	<u>6,812</u>
Change in net position	46,548
Net position - July 1, 2018	<u>154,218</u>
Net position - June 30, 2019	<u>\$ 200,766</u>

See the accompanying notes to the basic financial statements

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
BALANCE SHEETS
GOVERNMENTAL FUND
JUNE 30, 2020 and 2019

	FY 2019-20	FY 2018-19
	<u>General Fund</u>	<u>General Fund</u>
<u>ASSETS</u>		
Cash and investments (Note 2)	\$ 176,987	\$ 276,691
Receivable, net (Note 4)	2,286	2,842
Due from other governmental agencies	174,396	-
Long-term receivable	<u>19,954</u>	<u>1,160</u>
Total assets	<u>\$ 373,623</u>	<u>\$ 280,693</u>
<u>LIABILITIES</u>		
Accounts payable	\$ 75,356	\$ 14,588
Due to other governmental agencies (Note 6)	33,801	1,990
Accrued liabilities (Note 5)	8,777	116
Unearned revenue	<u>34,535</u>	<u>63,233</u>
Total liabilities	<u>152,469</u>	<u>79,927</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable revenue - grants	<u>154,796</u>	<u>1,160</u>
Total deferred inflows of resources	<u>154,796</u>	<u>1,160</u>
<u>FUND BALANCE</u>		
Assigned	8,643	72,955
Unassigned	<u>57,715</u>	<u>126,651</u>
Total fund balance	<u>66,358</u>	<u>199,606</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 373,623</u>	<u>\$ 280,693</u>
 Fund balance - total governmental fund	 \$ 66,358	 \$ 199,606
Certain receivables are not available to pay for current period expenditures, and therefore are not reported as revenue in the governmental fund.	<u>154,796</u>	<u>1,160</u>
Net position of governmental activities	<u>\$ 221,154</u>	<u>\$ 200,766</u>

See the accompanying notes to the basic financial statements

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

	FY 2019-20	FY 2018-19
	<u>General Fund</u>	<u>General Fund</u>
Revenues:		
Grant revenue	\$ 69,480	\$ -
Membership dues	147,095	142,530
Investment Earnings	4,783	6,812
Total revenues	221,358	149,342
Expenditures:		
Administrative		
Project management	104,579	29,482
Accounting services	9,450	10,450
Legal services	9,562	8,708
Audit services	-	10,180
Membership and dues	500	500
Insurance	3,531	3,303
Other professional services	2,250	3,400
Total administrative	129,872	66,023
Technical and engineering services	224,734	36,771
Total expenditures	354,606	102,794
Net change in fund balance	(133,248)	46,548
Fund balance - beginning	199,606	153,058
Fund balance - ending	\$ 66,358	\$ 199,606
Net change in fund balance - total governmental fund	\$ (133,248)	\$ 46,548
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	153,636	-
Change in net position of governmental activities	\$ 20,388	\$ 46,548

See the accompanying notes to the basic financial statements

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BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2020 and 2019

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) ORGANIZATION AND OPERATIONS OF THE REPORTING ENTITY

B.E.A.C.O.N. was established by a Joint Powers Agreement on July 1, 1986, by the Cities of Carpinteria, Oxnard, Port Hueneme, Santa Barbara, and Ventura, and the Counties of Santa Barbara and Ventura (member agencies). This joint powers agency was established under authority of Title 1, Division 7, Chapter 5 of the California Government Code (6500 et seq.). On May 14, 1999, an amended Joint Powers Agreement established a name change to Beach Erosion Authority for Clean Oceans and Nourishment (BEACON). The City of Goleta joined BEACON in fiscal year 2003-04.

BEACON is a public entity separate and apart from any Member Agency. All powers of BEACON are exercised by the Board of Directors. The Board of Directors is composed of one designated representative and one alternate from each member city, and two designated representatives and two alternates each, from the County of Santa Barbara and the County of Ventura. Each designated director and alternate must be a mayor, councilperson or supervisor.

The purpose of BEACON is to foster greater cooperation toward the maintenance and enhancement of the beaches within the jurisdiction of BEACON member agencies.

BEACON accounts for its financial position and results of operation in accordance with generally accepted accounting principles (GAAP) applicable to governmental units.

External Investment Trust. BEACON participates in an external investment trust fund managed by the County of Ventura Treasurer. The County Treasurer's investment pool is defined in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as amended by GASB 72, which requires governmental entities to report certain investments at fair value in the statement of net position and recognize the corresponding change in fair value of investments in the year in which the change occurred. The fair value of pooled investments is determined monthly and is provided by the custodian bank. The external investment pool commingles the moneys of more than one legally separate entity, not part of the sponsor's reporting entity, and invests on the participants' behalf in an investment portfolio for the purpose of increasing investment earnings.

Fund Accounting. The accounts of BEACON are organized on the basis of funds. A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity.

General Fund – The General Fund accounts for the legally authorized activities of BEACON. For financial reporting, the General Fund includes membership dues, grant, and investment revenues as well as program and administrative expenditures.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
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B) NEW ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 83, *Certain Asset Retirement Obligations*, effective for periods beginning after June 15, 2018, enhances comparability of financial statements by establishing uniform criteria for governments to recognize and measure certain Asset Retirement Obligations (AROs) and requires disclosures related to those AROs. The new requirements are not applicable to BEACON.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective for reporting periods beginning after June 15, 2018, improves financial reporting by providing users of financial statements with essential information that is currently not consistently provided. In addition, information about resources to liquidate debt and risks associated with changes in terms associated with debt will be disclosed. As a result, users will have better information to understand the effects of debt on a government's future resource flows. The new requirements are not applicable to BEACON.

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, effective immediately, is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, by one (1) or one-and-a-half (1.5) years from the original published effective dates. This Statement will provide governments enough time to apply the authoritative guidance addressed in these Statements and will help safeguard the reliability of the financial statements. BEACON implemented the new requirement for fiscal year 2019-20 financial statements.

BEACON is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

GASB Statement No. 84, *Fiduciary Activities*, effective for reporting periods beginning after December 15, 2019*, enhances consistency and comparability of financial statements by establishing specific criteria for identifying activities that should be reported as fiduciary. It also clarifies whether and how businesstype activities should report their fiduciary activities. BEACON intends to implement the new requirements for the fiscal year 2020-21 financial statements.

GASB Statement No. 87, *Leases*, effective for reporting periods beginning after June 15, 2021*, improves accounting and financial reporting for leases and requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the governments' leasing activities. The new requirements are not applicable to BEACON.

* Date as modified by GASB Statement No. 95.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
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GASB Statement No. 89, *Accounting for Interest Cost incurred before the End of a Construction Period*, effective for reporting periods beginning after December 15, 2020*, provides users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities. The new requirements are not applicable to BEACON.

GASB Statement No. 90, *Majority Equity Interests-an Amendment of GASB Statements No. 14 and No. 61*, effective for reporting periods beginning after December 15, 2019*, improves financial reporting by providing users of financial statements with essential information related to presentation of majority equity interest in legally separate organizations that previously was reported inconsistently. In addition, requires reporting of information about component units if the government acquires a 100 percent equity interest and provides information about the cost of services to be provided by the component unit in relation to the consideration provided to acquire the component unit. The new requirements are not applicable to BEACON.

GASB Statement No. 91, *Conduit Debt Obligations*, effective for reporting periods beginning after December 15, 2021*, improves financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities. In addition, requires issuers to recognize liabilities associated with additional commitments extended by issuers and to recognize asset and deferred inflows of resources related to certain arrangements associated with conduit debt obligations. These revised disclosure requirements will provide financial statement users with better information regarding the commitments issuers extend and the likelihood that they will fulfill those commitments. The new requirements are not applicable to BEACON.

GASB Statement No. 92, *Omnibus 2020*, effective for reporting periods beginning after June 15, 2021*, enhances comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation of certain GASB Statements. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. BEACON intends to implement the new requirements for the fiscal year 2021-22 financial statements.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, effective for reporting periods beginning after June 15, 2021*, except for the removal of LIBOR as an appropriate benchmark interest rate which is effective for reporting periods ending December 31, 2022. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). The requirements of this Statement will enhance the comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. BEACON intends to implement the new requirements for the fiscal year 2021-22 financial statements.

* Date as modified by GASB Statement No. 95.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
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GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment*, effective for reporting periods beginning after June 15, 2022, is intended to improve financial reporting by addressing issues related to improve public-private and public-public partnership arrangements (PPPs). The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and availability payment arrangements (APAs) and provides uniform guidance on the accounting and financial reporting for transactions that meet those definition. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The new requirements are not applicable to BEACON.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for reporting periods beginning after June 15, 2022, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. BEACON intends to implement the new requirements for the fiscal year 2022-23 financial statements.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* – an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32, effective for reporting periods beginning after June 15, 2021, but requires immediate implementation of paragraphs that address defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. This new guidance intends to 1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances where a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; 2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution OPEB plans, and employee benefit plans other than pension plans or OPEB plans as fiduciary component units in fiduciary fund financial statements; and 3) enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans while mitigating the costs associated with reporting those plans. The requirements will, also, enhance the relevance, consistency, and comparability of the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and investment information for all Section 457 plans. The new requirements are not applicable to BEACON.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2020 and 2019

C) BASIS OF PRESENTATION

The basic financial statements of BEACON are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-Wide Financial Statements

The government-wide financial statements consist of the statement of net position and the statement of activities and display information about the primary government (BEACON). The statements are presented on an economic resources measurement focus and the accrual basis of accounting. The Statement of Net Position includes all of BEACON's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The Statement of Activities presents changes in the net position. Under accrual basis of accounting revenues are recognized in the period in which the liability is incurred. BEACON reports only governmental type activities. The statement of activities presents a comparison of direct expenses and program revenues. Direct expenses are those that are specifically associated with a program or function. Indirect expenses are not allocated to a program or function. Program revenues include grants and contributions, and membership dues, that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not presented as program revenues are presented as general revenues.

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Fund Financial Statements

The fund financial statements consist of the balance sheet and the statement of revenues, expenditures and changes in fund balance. These statements are prepared under the modified accrual basis of accounting and the current-financial resources measurement focus. Under this method, revenues are recognized when measurable and available to finance expenditures of the current period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

BEACON reports only governmental funds as follows:

General Fund – The General Fund accounts for the legally authorized activities of BEACON. For financial reporting information, the general fund includes the state grants and investment revenue and program and administration expenditures.

D) CASH AND CASH EQUIVALENTS

Under the Joint Power Agreement, BEACON has designated County of Ventura to act as its fiscal agent. Substantially all of BEACON's cash is held in the Ventura County Investment Pool. BEACON considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2020 and 2019

E) ACCOUNTS RECEIVABLE

BEACON considers accounts receivable to be fully collectible. Accordingly, an allowance for uncollectible accounts has not been recorded.

F) CAPITAL ASSETS

Capital assets, which include property, plant, equipment, infrastructure and intangible assets, are reported in the governmental activity column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimate useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. At June 30, 2020 and June 30, 2019, there were no capital assets.

G) NET POSITION

Net Investment In Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt, and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted – This category reflects the component of net position that is subject to constraints either by creditors (such as debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This category represents the net position of BEACON not restricted for any project or other purpose. Outstanding liabilities and deferred inflows of resources that are attributable to this component reduce the balance of this category.

H) FUND BALANCES

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which BEACON is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Nonspendable fund balance - includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories or prepaid amounts and may also include the long-term receivables.

Restricted fund balance - includes amounts with constraints on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – includes amounts that can only be used for the specific purposes determined by formal action of the highest level of decision-making authority, the BEACON Board of Directors (Board). Commitments may be changed only by the Board taking the same formal action that originally imposed the constraint.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2020 and 2019

Assigned fund balance – includes amounts that are constrained by BEACON’s intent to be used for specific purposes. The intent is expressed by the highest level of decision-making, the Board. Assigned fund balance does not require the same formal action required for committed fund balance. The Board establishes and modifies assignments of fund balance through the adoption of the budget and subsequent budget amendments. Fund balance assignments for subsequent years' adopted budgets were \$8,643 and \$72,955 in FY 2019-20 and FY 2018-19 respectively.

Unassigned fund balance – is the residual classification for the General Fund and includes all amounts not contained in the other classifications.

When restricted and unrestricted (committed, assigned, or unassigned) resources are available, restricted resources are generally considered to be used first, followed by committed, assigned, and unassigned resources as they are needed.

BEACON believes that sound financial management principles require that sufficient funds be retained by BEACON to provide a stable financial base at all times. To retain this stable financial base, BEACON maintains an unrestricted fund balance in its funds sufficient to fund cash flows of BEACON and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

D) MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting.

The government-wide financial statements use the flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net position. Under the accrual basis of accounting, revenues and contributions are recognized in the period in which they are earned and become due; expenses are recognized in the period incurred.

The accompanying fund financial statements have been prepared using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet.

The fund financial statements have been prepared using the modified-accrual basis of accounting. The modified-accrual basis of accounting is defined as the basis of accounting under which expenditures are recorded at the time liabilities are incurred. Revenues are recorded when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” is defined as the amount that can be determined. “Available” is defined as collectible in the current period or soon enough thereafter to be used to pay the liabilities of the current period. The availability period is defined as six months. Revenue sources of BEACON susceptible to accrual include state grants, miscellaneous agreements, and interest on investments.

Because the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, a reconciliation is presented which explains the adjustments necessary to reconcile fund financial statements to the government-wide financial statements.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2020 and 2019

The accounting policies of BEACON conform with GAAP. The following summary of BEACON's more significant accounting policies is presented to assist the reader in interpreting the basic financial statements and other data in this report. These policies should be viewed as an integral part of the accompanying financial statements.

J) BUDGETARY POLICIES

BEACON adopts an annual budget and adheres to the provisions of the applicable sections of the California Government Code on budgetary matters, commonly known as the County Budget Act. Annually, the Board conducts a public hearing for discussion of the proposed budget. The Board adopts the final budget including revisions. Subsequent revisions, which occur during the year, are also adopted by the Board.

K) ENCUMBRANCES

BEACON utilizes an encumbrance system as an extension of normal budgetary accounting to assist in controlling expenditures. Under this system, purchases and other significant commitments for expenditures are recorded in order to reserve that portion of applicable appropriations. When the related goods or services are received, the encumbrance is reversed and an expenditure and liability for payment to the vendor are recorded. All unencumbered and unexpended appropriations lapse at the end of each fiscal year and become available for financing of next year's budget. Encumbered appropriations are reappropriated in the next year's budget. At June 30, 2020 and June 30, 2019, no encumbrance balances remained and none were reappropriated.

L) USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2020 and 2019

2. CASH AND INVESTMENTS

Cash and investments as of June 30, 2020 and 2019, consist of the following:

	<u>FY 2019-20</u>	<u>FY 2018-19</u>
Total cash and cash investments	<u>\$ 176,987</u>	<u>\$ 276,691</u>

The County of Ventura Investment Pool is accounted for in accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, as amended by GASB 72, which requires governmental entities to report certain investments at fair value in the statement of net position and recognize the corresponding change in fair value of investments in the year in which the change occurred. The fair value of pooled investments is determined monthly and is provided by the custodian bank. The fair value of BEACON's position in the pool approximates the value of the pool shares. For BEACON, the net change in fair value from carrying value at June 30, 2020, from June 30, 2019, was a decrease of \$858; the net change in fair value from carrying value at June 30, 2019, from June 30, 2018, was an increase of \$1,071. The realized and unrealized gains and losses are included in investment earnings. However, County investments are primarily held to maturity and only actual earnings are distributed to pool participants. Therefore, the unrealized fair value gain or loss is not available for allocation except if actually realized.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of the fair value to changes in market interest rates.

At June 30, 2020 and June 30, 2019, the weighted average maturity of the County of Ventura Investment Pool was 249 and 192 days, respectively.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County of Ventura Investment Pool has received ratings of AA Af and S1+ by Standard and Poor's Ratings Services, the highest possible ratings given by the agency.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2020 and 2019

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and BEACON's investment policy do not contain legal or policy requirements, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

As of June 30, 2020 and June 30, 2019, BEACON had all of its cash in the Ventura County Investment Pool. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the money invested by BEACON in the County of Ventura Investment Pool).

Applicable disclosures to the Ventura County Investment Pool are provided in Ventura County's Fiscal Year 2020 Comprehensive Annual Financial Report. That report is available from the Auditor-Controller's Office, 800 South Victoria Avenue, Ventura CA 93009-1540, or on the County website at: <https://www.ventura.org/auditor-controllers-office/financial-reports/comprehensive-annual-financial-report-2020/>.

Fair Value Measurements

BEACON categorizes its fair value measurements within the fair value hierarchy established by GASB 72. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and
- Level 3: Investments reflect prices based upon unobservable sources.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. BEACON's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

As of June 30, 2020 and June 30, 2019, BEACON held no individual investments. All funds are invested in the Ventura County Investment Pool. Deposits and withdrawals are made on the basis of \$1 and not fair value. Consequently, BEACON's proportionate share of investments in the Ventura County Investment Pool at June 30, 2020 and June 30, 2019 are uncategorized and not defined as Level 1, Level 2 or Level 3 input.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2020 and 2019

3. RISK MANAGEMENT

BEACON is exposed to various risks of loss related to torts; errors and omissions; for which BEACON is either self-insured, commercially insured, or a combination of both.

Insurance coverage has been obtained in the name of BEACON; there have been no claims or insurance settlements. Coverage includes \$1,000,000 in personal injury (including bodily injury and property damage), non-owned and hired automobile liability, products/completed operations, and public officials errors and omissions. The deductible is \$1,000. Also included is a sublimit of \$1,000,000 in fire damage liability with a \$1,000 deductible.

4. RECEIVABLES

Year-end receivables for BEACON are as follows:

	FY 2019-20	FY 2018-19
	<u>General Fund</u>	<u>General Fund</u>
Receivables:		
Accounts	\$ 539	\$ -
Interest	1,747	2,842
Due from other governmental agencies	174,396	-
Gross receivables	176,682	2,842
Long-term receivables	19,954	1,160
Total receivables	\$ 196,636	\$ 4,002

California Ocean Protection Council (OPC) implements a policy of retaining 10 percent of any claims for payment submitted pending satisfactory completion of the applicable project. Amounts estimated to be retained for a period of greater than one year have been included in long-term receivable at year end.

5. ACCRUED LIABILITIES

Accrued liabilities are the result of the implementation of California Ocean Protection Council's (OPC) 10 percent retention policy, as BEACON has reserved the right to retain 10 percent of that portion of compensation invoiced by contractors that is to be reimbursed through OPC grant awards. Any retention withheld by BEACON will be released upon release of the grant funding by OPC.

Accrued liabilities at year-end are as follows:

Vendor	FY 2019-20	FY 2018-19
City of Ventura	\$ 8,661	\$ -
COM3	95	95
James Bailard & Associates	21	21
Total accrued liabilities	\$ 8,777	\$ 116

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Years Ended June 30, 2020 and 2019

6. SUPPORT SERVICES

BEACON has no employees. BEACON contracts with the County of Santa Barbara for legal services and the County of Ventura for accounting services. A summary of amounts paid to each, as well as amounts payable at year end are as follows:

	2020	2019
Total expenditure for fiscal years ending June 30:		
County of Santa Barbara (Legal)	\$ 9,562	\$ 8,708
County of Ventura (Accounting)	9,450	10,450
	\$ 19,012	\$ 19,158
Due to other governments at June 30:		
City of Ventura (OPC Surfer's Point)	\$ 31,179	\$ -
County of Ventura (Accounting)	2,622	1,990
	\$ 33,801	\$ 1,990

7. COMMITMENTS AND CONTINGENCIES

There was no work committed to under contract but not yet performed as of June 30, 2020 and June 30, 2019.

BEACON management is not aware of any outstanding claims or litigation.

BEACON has limited revenue sources from member dues, contribution/donations, grant revenues, and revenues from miscellaneous agreements. BEACON is dependent on continued available funding and has relied on both the payment of the annual dues by all member agencies, as well as grant and agreement reimbursements and advances, to provide cash flow. Grant expenditures are subject to audit by grantors that could result in return of funds, although management does not anticipate any questioned costs.

8. SUBSEQUENT EVENTS

California Ocean Protection Council (OPC)

In Fall of 2018, BEACON received an announcement that it was selected for \$350,000 in grant funding from OPC for the Surfer's Point Managed Retreat Project located in the City of Ventura. The project aims to provide stabilization and restoration of the shoreline through a managed retreat. Between 2019 and 2021 a project consultant undertook design and engineering analysis and a final design and engineering plan was completed in early 2021. Most recently updated permits for the project are being secured and during FY 2021-22, BEACON will be assisting the City of Ventura in seeking grant funding for project implementation.

In February 2020, BEACON was awarded a \$450,000 grant from the California Ocean Protection Council to conduct a series of technical and planning studies and assessments to support SLR adaptation planning and regional sediment management planning. The grant work will begin in FY 2021-22 and will conclude at the end of FY 2022-23 in June 2023.

Other Events occurring after June 30, 2020 have been evaluated for possible adjustment to the financial statements or disclosures as of May 14, 2021 which is the date the financial statements were available to be issued.

**REQUIRED
SUPPLEMENTARY
INFORMATION
(OTHER THAN MD & A)**

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BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
 BUDGETARY COMPARISON SCHEDULE - ON BUDGETARY BASIS
 GENERAL FUND

For the Fiscal Year Ended June 30, 2020

	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Membership dues	\$ 147,095	\$ 152,345	\$ 147,095	\$ (5,250)
Grant revenue	372,365	436,365	69,480	(366,885)
Revenues from use of money and property	6,000	6,000	5,641	(359)
Amount available for appropriation	525,460	594,710	222,216	(372,494)
Charges to appropriations (outflows):				
Services and supplies:				
Administrative:				
Project management	96,500	129,750	104,579	25,171
Accounting services	15,000	15,000	9,450	5,550
Legal services	12,000	12,000	9,562	2,438
Membership and dues	500	500	500	-
Insurance	3,500	3,500	3,531	(31)
Other professional services	3,500	3,500	2,250	1,250
Total administrative	131,000	164,250	129,872	34,378
Technical and engineering services	392,415	450,284	224,734	225,550
Contingencies	75,000	53,131	-	53,131
Total charges to appropriation	598,415	667,665	354,606	313,059
Deficiency of revenues under expenditures	(72,955)	(72,955)	(132,390)	(59,435)
Fund balance - beginning	199,606	199,606	199,606	-
Fund balance - ending	\$ 126,651	\$ 126,651	\$ 67,216	\$ (59,435)

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BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
BUDGETARY COMPARISON SCHEDULE - ON BUDGETARY BASIS
GENERAL FUND

For the Fiscal Year Ended June 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Membership dues	\$ 142,530	\$ 142,530	\$ 142,530	\$ -
Grant revenue	18,000	18,000	-	(18,000)
Revenues from use of money and property	<u>1,800</u>	<u>1,800</u>	<u>5,741</u>	<u>3,941</u>
Amount available for appropriation	<u>162,330</u>	<u>162,330</u>	<u>148,271</u>	<u>(14,059)</u>
Charges to appropriations (outflows):				
Services and supplies:				
Administrative:				
Project management	70,000	65,000	29,482	35,518
Accounting services	15,000	15,000	10,450	4,550
Legal services	12,000	12,000	8,708	3,292
Audit services	10,180	10,180	10,180	-
Membership and dues	-	-	500	(500)
Insurance	3,500	3,500	3,303	197
Other professional services	<u>3,250</u>	<u>3,250</u>	<u>3,400</u>	<u>(150)</u>
Total administrative	<u>113,930</u>	<u>108,930</u>	<u>66,023</u>	<u>42,907</u>
Technical and engineering services	<u>59,550</u>	<u>64,550</u>	<u>36,771</u>	<u>27,779</u>
Contingencies	<u>128,491</u>	<u>128,491</u>	<u>-</u>	<u>128,491</u>
Total charges to appropriation	<u>301,971</u>	<u>301,971</u>	<u>102,794</u>	<u>199,177</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(139,641)</u>	<u>(139,641)</u>	<u>45,477</u>	<u>185,118</u>
Fund balance - beginning	<u>153,058</u>	<u>153,058</u>	<u>153,058</u>	<u>-</u>
Fund balance - ending	<u>\$ 13,417</u>	<u>\$ 13,417</u>	<u>\$ 198,535</u>	<u>\$ 185,118</u>

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BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
 For the Fiscal Years Ended June 30, 2020 and 2019

BUDGETARY COMPARISONS AND BASIS OF ACCOUNTING

BEACON adopts a balanced annual budget and adheres to the applicable section of the California Government Code on budgetary matters, commonly known as the County Budget Act.

The Budgetary Comparison Schedule, as required by GASB 34 for the General Fund presents the original budget, final budget and actual amount. The “original budget” includes the adopted budget plus appropriations for prior year approved rollover encumbrances. The “final budget” is the budget as Board approved at the end of the fiscal year. The “actual amount” includes the actual revenues and expenditures incurred on a budgetary basis and as adjusted for the basic financial statements. Variances are provided between the Final Budget Amounts and the Actual Amounts on a budgetary basis.

This information is presented as Required Supplementary Information. Analysis of the final budget to actual variances is discussed in the Management’s Discussion and Analysis.

The budget is adopted on a basis of accounting that is different from GAAP. The primary differences are:

- For budgetary purposes, changes in the fair value of investments are not recognized as increases or decreases to revenue. Under GAAP, such changes are recognized as increases or decreases to revenue.

The following schedule is a reconciliation of the difference between the fund balances on the actual on a budgetary basis and the GAAP basis on the fund financial statements at June 30, 2020 and 2019:

	<u>FY 2019-20</u>	<u>FY 2018-19</u>
	<u>General</u>	<u>General</u>
Fund balance - actual on budgetary basis	\$ 67,216	\$ 198,535
Adjustment:		
Change in fair value of investments	<u>(858)</u>	<u>1,071</u>
Total adjustments	<u>(858)</u>	<u>1,071</u>
Fund balance - GAAP basis	<u>\$ 66,358</u>	<u>\$ 199,606</u>

Level of Budgetary Control

BEACON's expenditures are controlled at the object level (services and supplies, contingencies) and sub-object level (capital assets) within budget units for BEACON. The object level is the level at which expenditures may not legally exceed appropriations.

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SUPPLEMENTARY INFORMATION

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BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT PROJECT DESCRIPTIONS

The projects for BEACON include the following:

South Central Coast Beach Enhancement Program (SCCBEP): This program was in place from 2005 to 2010. The program allowed for the potential annual nourishment of five pre-selected beaches within Santa Barbara and Ventura Counties. Permits were secured from the resource agencies for all five beaches for a five year period. These permits expired in 2010. BEACON is developing a re-permitting effort for this program, pursuing a new SCCBEP model related to a range of sediment sources. BEACON is working on a revised work plan. However, without grant funding this effort cannot commence. BEACON is pursuing grant opportunities to fund the work plan.

Coastal Regional Sediment Management Plan (CRSMP): The CRSMP is BEACON's blueprint for its path forward for the next thirty years. The outdated current plan identifies capital projects, policy, studies and management initiatives that serve the objectives of restoring and maintaining coastal beaches and other critical areas of sediment deficient or excess, reducing the proliferation of protective shoreline structures, sustaining recreation and tourism, enhancing public safety and access and restoring coastal habitats focused on sandy habitats. The CRSMP was adopted by the Board at the end of 2009 and in 2011 the BEACON Board approved a Programmatic Environmental Impact Report (EIR) for the Capital Projects identified in the approved CRSMP. Efforts have now turned to an amendment of the CRSMP to accommodate coastal inundation and sea level rise projections. BEACON is pursuing grant funding to fund the associated technical analyses to support the update of the CRSMP. In February 2020 BEACON was awarded a grant to support work on analyzing the use of sediment fines in beach deposition projects, framework development of the ecological analysis of sandy beaches and a vulnerability assessment of regional beaches which will all support the CRSMP update.

Kelp Anchor Demonstration Project: This project consists of the placement of approximately 200 kelp anchors in the Goleta Bay located between the inner and outer boundaries of the historic kelp bed. BEACON is the lead agency for the project. The re-establishment of a kelp bed in Goleta Bay is considered an environmental benefit to marine life and is consistent with BEACON's mission. As the lead agency, BEACON has secured a California Environmental Quality Act (CEQA) exemption under CEQA Guidelines Section 15306 and has secured a Coastal Commission Permit and a Lease from the State Lands Commission. The kelp anchors were successfully installed between December 2015 and October 2016. The installation was performed by the inventor of the anchor, Mr. Bob Kiel and his team. BEACON was able to secure a small grant from City of Goleta in the amount of \$2,500 and a donation from a private source in the amount of \$4,000. These funds have partially covered Mr. Kiel installation and monitoring service contract. Post installation monitoring is currently underway by Mr. Kiel's team. The BEACON Board will next consider the question of if and how the Kelp Anchor Program can be expanded.

**BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
PROJECT DESCRIPTIONS (Continued)**

Debris Basin Removals: From a sand transport perspective, by far the largest feeder of sediment to the BEACON coast is from our creeks and rivers. However, this natural process is often obstructed by debris basins. Consequently, BEACON has an ongoing initiative to pursue grants to fund the removal of select debris basins in Santa Barbara and Ventura Counties. BEACON is coordinating with Flood Control Districts in both counties to identify debris basins. In June of 2016 BEACON successfully secured a grant from the California Ocean Protection Council (OPC) for \$539,000. These funds were assigned to contribute to the cost of the removal of the San Ysidro Creek and Rattlesnake Creek debris basins located in the County of Santa Barbara. Following the January 9, 2018, debris flow event in Montecito, the Santa Barbara County Flood Control District has modified their debris basin restoration strategy. BEACON staff, working with County Flood Control staff have successfully negotiated a contract amendment with staff of the Ocean Protection Council and a new work plan has been approved and will be implemented over the next three years. The new work plan is for debris basin modifications at San Ysidro Creek and Cold Springs Creek.

Surfers Point Living Shoreline and Managed Retreat Project: BEACON is collaborating with the City of Ventura is completing final design, engineering and permitting for Phase 2 of the Surfers Point Project at Seaside Park in Ventura adjacent to the Ventura River Mouth. Phase 2 will extend the project nearly 1,000 feet to the east in front of the Ventura County Fairgrounds. The project will remove significant public access and recreation facilities out of the hazard zone and construct new integrated rock cobble, sandy beach and dunes habitats to act as protection for the re-located public improvements and the Ventura County Fairgrounds. BEACON is assisting the City in fundraising to complete construction of the Phase 2 component of the overall project, scheduled to be initiated in Fall/Winter 2022.

Mondo's Cove Beach Public Stairway: In September 2019, BEACON staff presented a staff report proposing the use of BEACON's Shoreline Sand Supply and Public Access Fund to develop a design for the Mondo's Cove Public Access Improvements Project located in northern Ventura County. In 2014, BEACON and the California Coastal Commission signed a Memorandum of Agreement (MOA), establishing a Shoreline Sand Supply and Public Access Fund, including a payment of \$60,000 in mitigation funds for public access as a result of the issuance of Coastal Development Permit (CDP) #4-07-154. Since January 2020, BEACON has been working with a planning and design consultant to complete engineering design for a public beach stairway. The final design phase of the project is expected to be completed by Summer 2021. Following completion of the design, BEACON staff will be soliciting grant funds for development of final approvals, a final construction bid package, and for construction.

BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
PROJECT REVENUE AND EXPENDITURES BY CATEGORY

For the Fiscal Year Ended June 30, 2020				
	Mondo's Cove Beach Stairway Project	Debris Basin Removal	Surfer's Point Project	Total
Revenue:				
Grants and Contribution				
Mondo's Cove Beach Stairway	\$ 29,926	\$ -	\$ -	\$ 29,926
Surfer's Point Project	<u>-</u>	<u>-</u>	<u>193,190</u>	<u>193,190</u>
Total grants and contributions revenue	<u>\$ 29,926</u>	<u>\$ -</u>	<u>\$ 193,190</u>	<u>\$ 223,116</u>
Expenditures:				
Direct reimbursables:				
Mondo's Cove Beach Stairway	\$ 29,926	\$ -	\$ -	\$ 29,926
Surfer's Point Project	<u>-</u>	<u>-</u>	<u>193,190</u>	<u>193,190</u>
Total direct reimbursables	<u>\$ 29,926</u>	<u>\$ -</u>	<u>\$ 193,190</u>	<u>223,116</u>
Non-reimbursable expenditures				<u>131,490</u>
Total expenditures				<u>\$ 354,606</u>

For the Fiscal Year Ended June 30, 2019				
	Mondo's Cove Beach Stairway Project	Debris Basin Removal	Surfer's Point Project	Total
Revenue:				
Grants and Contributions				
Total grants and contributions revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Direct reimbursables				
Total direct reimbursables	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Non-reimbursable expenditures				<u>102,794</u>
Total expenditures				<u>\$ 102,794</u>

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BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT
PROJECT EXPENDITURES BY CATEGORY

For the Fiscal Year Ended June 30, 2020				
	Mondo's Cove Beach Stairway Project	Debris Basin Removal	Surfer's Point Project	Total
Administration:				
Marc Beyeler	\$ 4,000	\$ -	\$ 5,250	\$ 9,250
Total administration	4,000	-	5,250	9,250
Technical:				
Jensen's Design	25,926	-	-	25,926
City of Ventura	-	-	187,940	187,940
Total technical	25,926	-	187,940	213,866
Total expenditures by project	\$ 29,926	\$ -	\$ 193,190	223,116
Non reimbursable expenditures				131,490
Total expenditures				\$ 354,606

For the Fiscal Year Ended June 30, 2019				
	Mondo's Cove Beach Stairway Project	Debris Basin Removal	Surfer's Point Project	Total
Administration:				
Total administration	\$ -	\$ -	-	\$ -
Technical:				
Total technical	-	-	-	-
Total expenditures by project	\$ -	\$ -	\$ -	-
Non reimbursable expenditures				102,794
Total expenditures				\$ 102,794

REPORT ON INTERNAL CONTROLS AND COMPLIANCE

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Fedak & Brown LLP

Certified Public Accountants

Cypress Office:
6081 Orange Avenue
Cypress, California 90630
(657) 214-2307
FAX (714) 527-9154

Riverside Office:
1945 Chicago Avenue, Suite C-1
Riverside, California 92507
(951) 783-9149

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on the Audits of Financial Statements Performed in Accordance with *Government Auditing Standards*

Governing Board
Beach Erosion Authority for Clean Oceans and Nourishment
Ventura, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprises BEACON's basic financial statements, and have issued our report thereon dated May 14, 2021.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered BEACON's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of BEACON's internal control. Accordingly, we do not express an opinion on the effectiveness of BEACON's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether BEACON's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on the Audits of Financial Statements
Performed in Accordance with *Government Auditing Standards*, continued**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fedak & Brown LLP

Fedak & Brown LLP
Cypress, California
May 14, 2021

ITEM 5C - Budget Actions and Financial Reports

EXHIBIT III

Management Letter for the Audit of the Financial Statements

Beach Erosion Authority for Clean Oceans and Nourishment

Management Report

June 30, 2020 and 2019



Fedak & Brown LLP
Certified Public Accountants

Beach Erosion Authority for Clean Oceans and Nourishment

Management Report

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Charles Z. Fedak, CPA, MBA
Christopher J. Brown, CPA, CGMA
Andy Beck, CPA

Fedak & Brown LLP

Certified Public Accountants

Cypress Office:
6081 Orange Avenue
Cypress, California 90630
(657) 214-2307
FAX (714) 527-9154

Riverside Office:
1945 Chicago Avenue, Suite C-1
Riverside, California 92507
(951) 783-9149

Board of Directors
Beach Erosion Authority for Clean Oceans and Nourishment
Ventura, California

Dear Members of the Board:

In planning and performing our audits of the financial statements of Beach Erosion Authority for Clean Oceans and Nourishment (“BEACON”) as of and for the years ended June 30, 2020 and 2019, in accordance with auditing standards generally accepted in the United States of America, we considered internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of BEACON’s internal control. Accordingly, we do not express an opinion on the effectiveness of BEACON’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weakness. Given these limitations during our audits we did not identify any deficiencies in internal control to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management and the Board of Directors of BEACON. This restriction is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

Fedak & Brown LLP

Fedak & Brown LLP
Cypress, California
May 14, 2021

APPENDIX

Beach Erosion Authority for Clean Oceans and Nourishment

Audit/Finance Committee Letter

June 30, 2020 and 2019



Charles Z. Fedak, CPA, MBA
Christopher J. Brown, CPA, CGMA
Andy Beck, CPA

Fedak & Brown LLP

Certified Public Accountants

Cypress Office:
6081 Orange Avenue
Cypress, California 90630
(657) 214-2307
FAX (714) 527-9154

Riverside Office:
1945 Chicago Avenue, Suite C-1
Riverside, California 92507
(951) 783-9149

Board of Directors
Beach Erosion Authority for Clean Oceans and Nourishment
Ventura, California

We have audited the financial statements of the governmental activities and each major fund of the Beach Erosion Authority for Clean Oceans and Nourishment (“BEACON”) for the years ended June 30, 2020 and 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audits. We have communicated such information in our letter to you dated July 10, 2020. Professional standards also require that we communicate to you the following information related to our audits.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by BEACON are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020 and 2019. We noted no transactions entered into by BEACON during fiscal years for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper periods.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting BEACON’s financial statements were:

Management’s estimate of the fair value of cash and investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain basic financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the basic financial statements were:

The disclosure of fair value of cash and investments in Note 2 to the basic financial statements represents amounts susceptible to market fluctuations.

The disclosures in the basic financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audits.

Significant Audit Matters, continued

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audits, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For the purpose of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audits.

Management Representations

We have requested certain representations from management that are included in the management representational letter dated May 14, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves the application of an accounting principal to BEACON's basic financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as BEACON's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Budgetary Comparison Schedule and Notes to the Requirement Supplementary Information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Project Revenue and Expenditures and Project Expenditures by Category, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audits of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than the specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

Conclusion

We appreciate the cooperation extended us by Mr. Marc Beyeler, Executive Director, Mr. Jason McGuire, Accounting Manager, and the staff of BEACON in the performance of our audit testwork. We will be pleased to respond to any question you have about the foregoing. We appreciate the opportunity to continue to be of service to BEACON.

A handwritten signature in black ink that reads "Fedak & Brown LLP". The signature is written in a cursive, slightly slanted style.

Fedak & Brown LLP

Cypress, California

May 14, 2021

*Beach Erosion Authority for Clean Oceans and Nourishment
Schedule of Audit Adjusting Journal Entries
June 30, 2019*

Account	Description	Debit	Credit
Proposed Journal Entries			
Proposed Journal Entries JE # 1			
PAJE - To record prepaid insurance (Alliant Invoice 931, July - Sept) at June 30, 2019.			
001-9999-FB	Prepaid Insurance	825.77	
022-2072.9601 7125	Insurance premiums		825.77
Total		<u>825.77</u>	<u>825.77</u>
	Total Proposed Journal Entries	<u>825.77</u>	<u>825.77</u>
	Total All Journal Entries	<u>825.77</u>	<u>825.77</u>

Legend:

PAJE	Proposed Audit Adjusting Journal Entry (Not Posted to G/L)
------	--

*Beach Erosion Authority for Clean Oceans and Nourishment
Schedule of Audit Adjusting Journal Entries
June 30, 2020*

Account	Description	Debit	Credit
Proposed Journal Entries			
Proposed Journal Entries JE # 1			
PAJE - To record prepaid insurance (Alliant Invoice 5029, July - Sept) at June 30, 2020.			
001-9999-FB	Prepaid Insurance	978.37	
022-2072.9601 7125	Insurance premiums		978.37
Total		<u>978.37</u>	<u>978.37</u>
	Total Proposed Journal Entries	<u>978.37</u>	<u>978.37</u>

Legend:

PAJE	Proposed Audit Adjusting Journal Entry (Not Posted to G/L)
------	--



A California Joint Powers Agency

Member Agencies

Al Clark
City of Carpinteria

Kyle Richards
City of Goleta

Vianey Lopez
City of Oxnard

Steven Gama
City of Port Hueneme

Joe Schroeder
City of San Buenaventura

Eric Friedman
City of Santa Barbara

Gregg Hart, Chair
Das Williams
County of Santa Barbara

Carmen Ramirez, Vice Chair
Matt LaVere
County of Ventura

Executive Director
Marc Beyeler

Santa Barbara Address:
105 East Anapamu, Suite 201
Santa Barbara, CA 93101

Ventura Address:
501 Poli St.
P.O. Box 99
Ventura, CA 93001

Email:
Office@Beacon.ca.gov

Website:
<http://www.beacon.ca.gov>

STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 5D

To: BEACON Board of Directors
From: Executive Director
Date: July 16, 2021

Subject: Review and Approve BEACON Contracts

RECOMMENDED ACTIONS:

- i. Approve, ratify, and authorize the Chair to execute an Agreement with MBA Consultants to provide Executive Director services in an amount not to exceed \$139,621.50 with a period of performance from July 1, 2021, through June 30, 2022 (Attachment 1).
- ii. After approval of Item 5.C.iv, approve and authorize the Chair to execute an Agreement, substantially similar to that attached, with Stacy Miller Public Affairs to provide communications planning and support services to BEACON with a period of performance from July 16, 2021, to December 31, 2021, in an amount not to exceed \$15,000. (Attachment 2).

DISCUSSION:

Since BEACON has no employees, all functions are carried out by either member agencies' staff or contract consultants. The contracts and agreements provide BEACON with individuals and agency resources uniquely qualified to provide necessary support services and their knowledge and understanding of BEACON is extensive. For these reasons, their use during FY 21-22 is recommended.

At the May 2021 Board Meeting all of the annual agreements required for FY 21-22 were presented and approved by the BEACON Board. The one agreement that was not presented was the Executive Director Agreement with Marc Beyeler which was delayed in order to accommodate a closed session Executive Director performance review by the Board. The recommended actions today include the FY21-211 Agreement with Marc Beyeler (MBA Consultants) for the Executive Director position as well as a new contract with a communications consultant. The communications consultant will assist BEACON staff in developing materials for reporting achievements and accomplishments to BEACON's member agencies, assist BEACON staff in developing materials for the BEACON website, and developing outreach initiatives for public education regarding coastal issues.

ITEM 5D - Review and Approve BEACON Contracts

ATTACHMENT 1

Agreement with MBA Consultants for FY2021-2022

AGREEMENT FOR SERVICES

This Agreement is entered into by:

**Beach Erosion Authority for Clean
Oceans and Nourishment (“BEACON”)**

And

Marc Beyeler (“Contractor”)
Principal/Senior Associate
MBA Consultants
26416 Mulholland Highway,
Calabasas, CA 91302
Phone: 510-316-6095
e: marcbeyeler@mac.com

I. CONTACT INFORMATION.

A. DESIGNATED REPRESENTATIVES: Gerald Comati at phone number 805-962-0488 is the representative of BEACON and will administer this Agreement for and on behalf of BEACON. Marc Beyeler at phone number 510-316-6095 is the authorized representative for CONTRACTOR. Changes in designated representatives shall be made only after advance written notice to the other party.

B. NOTICES: Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by personal delivery or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To BEACON: Gerald Comati
BEACON
1943 Grand Avenue
Santa Barbara, CA 93103
T:805-062-0488
E:comati@beacon.ca.gov

To CONTRACTOR: Marc Beyeler/MBA Consultants
26416 Mulholland Highway,
Calabasas, CA 91302
T:510-316-6095
E:marcbeyeler@mac.com

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

II. SCOPE OF WORK.

A. SCOPE OF WORK (“Services”):

1. Contractor shall perform the duties of Executive Director described in Attachment 2 BEACON Executive Director Job Description, attached hereto and incorporated herein by this reference.

B. Contractor will be responsible for all aspects of this Agreement.

C. CONTRACT PERIOD: July 1, 2021 – June 30, 2022.

III. COMPENSATION AND EXPENSES

A. FEES: For CONTRACTOR services to be rendered under this Agreement as defined in Section II, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$139,621.50

1. Payment for services and /or reimbursement of costs shall be made upon CONTRACTOR's satisfactory performance, based upon the scope and methodology contained in Scope of Work as determined by BEACON. Payment for services and/or reimbursement of costs shall be based upon the costs, expenses, overhead charges and hourly rates for personnel, as defined in Attachment 1 (Schedule of Fees). Invoices submitted for payment that are based upon Attachment 1 must contain sufficient detail to enable an audit of the charges and provide supporting documentation if so specified in Scope of Work.
2. Each month, CONTRACTOR shall submit to the BEACON DESIGNATED REPRESENTATIVE an invoice or certified claim on the BEACON Treasury for the service performed over the period specified. These invoices or certified claims must cite this Agreement. BEACON shall evaluate the quality of the service performed and if found to be satisfactory and within the cost basis of Attachment 1 shall initiate payment processing. BEACON shall pay invoices or claims for satisfactory work within 30 days of receipt of correct and complete invoices or claims from CONTRACTOR.
3. BEACON's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of BEACON's right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.

B. EXPENSES: BEACON shall reimburse Contractor for expenses related to the performance of services described in this Agreement. BEACON shall approve any changes to the approved budget in writing through an Amendment to this Agreement.

IV. INDEPENDENT CONTRACTOR; TAXES

A. NOT AN EMPLOYEE: Regardless of any functional title or work description, Contractor is an independent contractor and not an employee of BEACON. If BEACON decides to hire the Contractor as an employee at some future date, the fee set forth in this Agreement does

not set a precedent for a regular salary figure. If applicable, any regular future salary would be negotiated upon date of hire.

B. **NO BENEFITS:** Contractor shall not be eligible for any of the benefits paid to employees of BEACON, including but not limited to workers' compensation and health insurance. Contractor shall provide evidence of general liability insurance prior to starting beginning work under this Agreement.

C. **TAXES:** Contractor agrees to be responsible for any and all filing of payment of taxes applicable to its performance of services under this Contract, including the Services, and for compliance with any and all provisions requirements arising under the tax law(s) of the State of California. No federal, state or local income tax, or any payroll tax of any kind shall be withheld or paid by BEACON on behalf of Contractor.

V. LIABILITY; INDEMNIFICATION

A. **LIMITATION OF LIABILITY:** Neither BEACON nor any of its agents, employees, representatives, directors or officers shall be liable for any personal injury to or death of Contractor or Contractor's agents, representatives or subcontractors, however caused, or any damage to or loss of property of Contractor, however caused.

B. **PERMISSION TO USE INFORMATION:** BEACON represents and warrants that to its knowledge, all data, information and documents furnished by it or its partners to Contractor for purposes of performing the Services ("Information") are accurate, and BEACON grants Contractor and its representatives permission to use the Information as is necessary to the performance of the Services.

C. **CONTRACTOR** agrees to indemnify, defend (with counsel reasonably approved by BEACON) and hold harmless BEACON and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by BEACON on account of any claim except where such indemnification is prohibited by law. **CONTRACTOR's** indemnification obligation applies to BEACON's active as well as passive negligence but does not apply to BEACON's sole negligence or willful misconduct.

VI. CANCELLATION

Either party may terminate this Agreement upon fifteen (15) days written notification to the address listed above without penalty.

VII. OTHER

A. **ASSIGNMENT:** Contractor shall not assign, encumber or otherwise transfer this Agreement or any rights granted hereunder without the prior written consent of BEACON, which consent BEACON may withhold for any reason.

B. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and shall insure to the benefit of and shall be binding upon the parties, their respective successors and permitted assigns.

C. AMENDMENT; WAIVER: This Agreement may be amended, modified or supplemented only by written instrument signed by both parties. The failure of any party to exercise any right or option given to it by this Agreement or to insist upon strict adherence to the terms of this Agreement shall not constitute a waiver of any terms or conditions of this Agreement with respect to any other or subsequent breach.

D. ARBITRATION: The parties agree that any dispute regarding the terms of this Agreement, the performance of any party hereunder, or any other matter related hereto shall be resolved by binding arbitration to be held in Santa Barbara, California under the auspices and pursuant to the applicable rules of the American Arbitration Association.

E. CALIFORNIA LAW AND JURISDICTION. This Agreement shall be construed in accordance with the laws of California applicable to agreements made and to be performed entirely in California. Any litigation regarding this Agreement or its contents shall be filed in the county of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

F. SEVERABILITY. If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

G. HEADINGS. Section headings used herein are inserted for convenience only and are not part of this Agreement.

H. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY. BEACON shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, all photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials, and any material necessary for the practical use of such items, from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. CONTRACTOR shall not release any of such items to other parties except after prior written approval of BEACON.

I. RECORDS, AUDITS, AND REVIEW. CONTRACTOR shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CONTRACTOR's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting principles. BEACON shall have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon reasonable notice. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00), CONTRACTOR shall be subject to the examination and audit of the California State Auditor, at the request of the BEACON or as part of any audit of BEACON, for a period of three (3) years

after final payment under the Agreement (Cal. Govt. Code Section 8546.7). CONTRACTOR shall participate in any audits and reviews, whether by BEACON or the State, at no charge to BEACON.

J. REMEDIES NOT EXCLUSIVE. No remedy herein conferred upon or reserved to BEACON is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

K. COMPLIANCE WITH LAW. CONTRACTOR shall, at its sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of CONTRACTOR in any action or proceeding against CONTRACTOR, whether BEACON is a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR and BEACON.

L. EXECUTION OF COUNTERPARTS. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

M. SURVIVAL. All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

N. CONFLICT OF INTEREST. CONTRACTOR warrants by the execution of this Agreement that CONTRACTOR maintains no agreement, employment or position which would be in conflict with the duties to be performed for BEACON under this Agreement. CONTRACTOR further agrees that during the term of this Agreement, CONTRACTOR will not obtain, engage in, or undertake any obligations or duties which would be in conflict with the services or duties to be performed under the provisions of this Agreement without the prior written consent of the Executive Director of BEACON. It is understood that CONTRACTOR may perform services for member agencies which are or may be directly related to or based upon work performed for BEACON.

(Signatures on following page.)

IN WITNESS WHEREOF, this Agreement was executed by the Parties hereto and shall be effective as of July 1, 2021.

CONTRACTOR

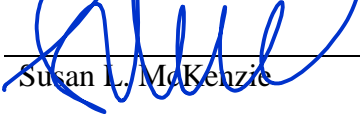
By: _____
Name: Marc Beyeler
Title: Principal, MBA Consultants
Date: _____

BEACON

By: _____
Name: Gregg Hart
Title: Chair, BEACON
Date: _____

Approved as to Form:

Rachel Van Mullem
County Counsel

By: 

Susan L. McKenzie
Deputy County Counsel,
Counsel for BEACON

Attest:

By: _____
Name: Gerald Comati
Title: Program Manager

ATTACHMENT 1

MBA Associates 2021-2022 Consultant Rates*

Principal	\$125-\$225/hour
Senior Associates	\$100-\$175/hour
Associates	\$100-\$125/hour
Specialists	Various
Administrative	\$75-\$100/hour

Reasonable Travel and transportation	Billed at cost
Mileage	\$0.54/mile
Copying and printing	Billed at cost

*Any and all rates not listed or appearing in this Attachment 1, shall be agreed to and approved in writing by both Parties prior to Contractor invoicing.

ATTACHMENT 2

BEACON Executive Director Job Description

BEACON, the Beach Erosion Authority for Clean Oceans and Nourishment, is a Joint Powers Agency, consisting of the Ventura and Santa Barbara Counties, and the six coastal cities of Santa Barbara, Goleta, Carpinteria, Oxnard, Port Hueneme, and San Buenaventura. BEACON is responsible for regional beach erosion and nourishment policy and projects, and the protection of coastal water quality. BEACON's projects are included in its Coastal Regional Sediment Management Plan. BEACON is governed by a 10 member Board of Directors, representing 8 member agencies.

The Executive Director under policy direction of the BEACON Board of Directors, organizes, coordinates, and directs all BEACON functions and activities, provides leadership, policy guidance, strategic direction and day-to-day management of BEACON; fosters cooperative working relationships with the Board the County of Ventura, cities and special districts, the public and other agencies; performs related work as assigned.

The BEACON Executive Officer is an "at-will" employee appointed by the Board. The Executive Director reports directly to the Board and performs all duties necessary for the proper and efficient management of BEACON as determined by the Board and the authorizing language of the JPA.

EXAMPLES OF DUTIES:

The following is used as a partial description and is not restrictive to duties required.

Plans, organizes and directs the activities of BEACON; develops goals, policies and projects for BEACON subject to Board review, directs implementation of policies and procedures; evaluates programs, procedures and systems for overall effectiveness.

Conducts complex analysis and prepares written reports and recommendations on a range of programs, policies, and projects.

Responsible for preparing agendas and meeting materials for attends all BEACON Board meetings and is and responsible for all meeting logistics and responsible for conducting meeting in conjunction with the Chair of the Board.

Prepares agendas and meeting materials for the BEACON Executive Committee and responsible for all meeting logistics and responsible for conducting meeting in conjunction with the Chair of the Board.

Represents BEACON in various negotiations with other governmental agencies regarding the authority and functions of BEACON and the policies, procedures and funding of BEACON.

Prepares and administers BEACON's annual budget working with staff of the County of Ventura.

Works closely with and advises the Board, consultant and professional and support staff, the Counties of Ventura and Santa Barbara, cities, special districts, the public and other agencies to implement BEACON programs and to ensure compliance with laws and local policies.

Serves as BEACON Science Director and is responsible for organizing and supporting the activities of the BEACON Science Advisory Committee (SAC). Prepares agendas and meeting materials for the BEACON SAC and is responsible for all meeting logistics and responsible for conducting meeting in conjunction with the Co-Chairs of the SAC.

Reviews and authorizes the work of professional consultants; reviews work plans and progress reports and confers with consultant staff to define and solve problems; Responsible for the efficient and effective performance of all contracts.

Represents the BEACON before the media, other agencies and the public. Actively participates in BEACON related organizations and professional associations.

Provides regular updates to member agency City Councils, and Boards of Supervisors regarding BEACON activities and progress towards priority goals and objectives.

Provides BEACON Board of Directors with an annual review of Executive Director activities and accomplishments as part of an annual review process.

Contractor may undertake additional environmental planning expert services related to sediment management and climate and sea-level rise adaptation planning as directed and may be additionally compensated for same dependent on the availability of grant funding.

QUALIFICATION GUIDELINES:

Knowledge Of:

State Joint Powers Authority state law, practices and procedures; principles and practices of organization, management, governmental budgeting, administrative analysis and personnel administration; urban and environmental planning practices and techniques; federal, state and local laws and guidelines relating to coastal and marine management and environmental protection.

Skills and Abilities In:

Planning, organizing, coordinating and directing BEACON programs and activities.

Analyzing functional, organizational and financial characteristics of regional environmental, coastal and marine projects, evaluating alternatives, and recommending effective courses of action relating to BEACON functions.

Interpreting, explaining and applying BEACON law and policies and related state and federal laws.

Appointing, motivating and evaluating staff and providing for their training and professional development.

Representing BEACON effectively in contacts with the public, BEACON member agencies, and other public agencies, including state and federal agencies and partners

Promoting cooperative relationships with BEACON member agencies and their staff, other public agencies, public groups concerned with BEACON functions and operations.

Supplemental Information:

Works primarily in a home office environment but regular travel is required within the region of Santa Barbara and Ventura counties.

RECRUITING STANDARDS:

Education/Experience:

Graduation from an accredited college with a bachelor's degree in public administration, urban or environmental planning or a closely related field and five years of related experience in a professional capacity managing public programs and budgets involving multiple constituencies, or any combination of training and/or experience that could likely provide the desired knowledge, skills and abilities.

OTHER REQUIREMENTS:

Necessary Special Requirements: Possession of or the ability to obtain a valid unrestricted California driver license.

ITEM 5D - Review and Approve BEACON Contracts

ATTACHMENT 2

Agreement with Stacey Miller Public Affairs

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

THIS AGREEMENT (hereafter, "Agreement") is made by and between the BEACH EROSION AUTHORITY FOR CLEAN OCEANS AND NOURISHMENT (hereafter, "BEACON") and Stacy Miller Public Affairs having its principal place of business at 1237 S. Victoria Ave., Suite 501, Oxnard, CA 93035-1292 (hereafter, "CONTRACTOR"), individually referred to as Party, or collectively as Parties, wherein CONTRACTOR agrees to provide and BEACON agrees to accept the services specified herein.

WHEREAS, CONTRACTOR represents that it is specially trained, skilled, experienced, and competent to perform the special services required by BEACON and BEACON desires to retain the services of CONTRACTOR pursuant to the terms, covenants, and conditions herein set forth.

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

1. **DESIGNATED REPRESENTATIVES**. Marc Beyeler at phone number (510) 316-6095 is the representative of BEACON and will administer this Agreement for and on behalf of BEACON. Stacy Miller at phone number (818) 402-5806 is the authorized representative for CONTRACTOR. Changes in designated representatives shall be made only after advance written notice to the other party.

2. **NOTICES**. Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by first class mail, postage prepaid, or otherwise delivered as follows:

To BEACON: BEACON
105 East Anapamu Street, Suite 201
Santa Barbara, CA 93103
Attention: Marc Beyeler

To CONTRACTOR: Stacy Miller
1237 S. Victoria Ave., Suite 501
Oxnard, CA 93035-1292
818-402-5806

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notice section. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail. This

Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

3. **SCOPE OF SERVICES.** CONTRACTOR agrees to provide services to BEACON in accordance with Exhibit A, attached hereto and incorporated herein by reference.

4. **TERM.** CONTRACTOR shall commence performance on July 16, 2021 and end performance upon completion, but no later than December 31, 2021 unless otherwise directed by BEACON or unless earlier terminated.

5. **COMPENSATION OF CONTRACTOR.** In full consideration for CONTRACTOR's services, CONTRACTOR shall be paid for performance under this Agreement in accordance with the terms of Exhibit B attached hereto and incorporated herein by reference. Billing shall be made by invoice, which shall include the contract number assigned by BEACON and which is delivered to the address given in Section 2, **NOTICES.** above, following completion of the increments identified in Exhibit B. Unless otherwise specified in Exhibit B, payment shall be net thirty (30) days from presentation of invoice.

6. **INDEPENDENT CONTRACTOR.** It is mutually understood and agreed that CONTRACTOR, (including any and all of its officers, agents, and employees), shall perform all of its services under this Agreement as an independent contractor as to BEACON and not as an officer, agent, servant, employee, joint venturer, partner, or associate of BEACON. Furthermore, BEACON shall have no right to control, supervise, or direct the manner or method by which CONTRACTOR shall perform its work and function. However, BEACON shall retain the right to administer this Agreement so as to verify that CONTRACTOR is performing its obligations in accordance with the terms and conditions hereof. CONTRACTOR understands and acknowledges that it shall not be entitled to any of the benefits of a BEACON employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure. CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, CONTRACTOR shall be solely responsible and save BEACON harmless from all matters relating to payment of CONTRACTOR's employees, including compliance with Social Security withholding and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, CONTRACTOR may be providing services to others unrelated to the BEACON or to this Agreement.

7. **STANDARD OF PERFORMANCE.** CONTRACTOR represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, CONTRACTOR shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which CONTRACTOR is engaged. All products of whatsoever nature which CONTRACTOR delivers to BEACON

pursuant to this Agreement shall be prepared in a professional and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in CONTRACTOR's profession. CONTRACTOR shall correct or revise any errors or omissions at BEACON's request without additional compensation. Permits and/or licenses shall be obtained and maintained by CONTRACTOR without additional compensation.

8. **DEBARMENT AND SUSPENSION.** CONTRACTOR certifies to BEACON that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state or local government contracts. CONTRACTOR certifies that it shall not contract with a subcontractor that is so debarred or suspended.

9. **TAXES.** CONTRACTOR shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement and shall make any and all payroll deductions required by law. BEACON shall not be responsible for paying any taxes on CONTRACTOR's behalf and, should BEACON be required to do so by State, federal, or local taxing agencies, CONTRACTOR agrees to promptly reimburse BEACON for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance. CONTRACTOR shall provide its social security number or tax identification number to BEACON, which BEACON shall keep on file at its offices.

10. **CONFLICT OF INTEREST.** CONTRACTOR covenants that CONTRACTOR presently has no employment or interest and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by CONTRACTOR. CONTRACTOR must promptly disclose to BEACON, in writing, any potential conflict of interest. BEACON retains the right to waive a conflict of interest disclosed by CONTRACTOR if BEACON determines it to be immaterial, and such waiver is only effective if provided by BEACON to CONTRACTOR in writing.

11. **OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY.** BEACON shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, all photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials, and any material necessary for the practical use of such items from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. CONTRACTOR shall not release any of such items to other parties, except after prior written approval of BEACON.

Unless otherwise specified in Exhibit A, CONTRACTOR hereby assigns to BEACON all copyright, patent, and other intellectual property and proprietary rights to all data, documents,

reports, photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials prepared or provided by CONTRACTOR pursuant to this Agreement (collectively referred to herein as "Copyrightable Works and Inventions").

BEACON shall have the unrestricted authority to copy, adapt, perform, display, publish, disclose, distribute, create derivative works from, and otherwise use in whole or in part, any Copyrightable Works and Inventions reports, data, documents or other materials prepared under this Agreement. CONTRACTOR agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights and assignments provided hereunder. CONTRACTOR warrants that any Copyrightable Works and Inventions and other items provided under this Agreement will not infringe upon any intellectual property or proprietary rights of any third party. CONTRACTOR at its own expense shall defend, indemnify, and hold harmless BEACON against any claim that any Copyrightable Works or Inventions or other items provided by CONTRACTOR hereunder infringe upon any intellectual property or other proprietary rights of a third party, and CONTRACTOR shall pay any damages, costs, settlement amounts, and fees (including attorneys' fees) that may be incurred by BEACON in connection with any such claims. This Ownership of Documents and Intellectual Property provision shall survive expiration or termination of the Agreement.

12. **NO PUBLICITY OR ENDORSEMENT.** CONTRACTOR shall not use BEACON's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials, unless otherwise required. CONTRACTOR shall not use BEACON's name or logo in any manner that would give the appearance that the BEACON is endorsing CONTRACTOR. CONTRACTOR shall not in any way contract on behalf of or in the name of BEACON's. CONTRACTOR shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the BEACON or its projects without obtaining the prior written approval of BEACON.

13. **BEACON PROPERTY AND INFORMATION.** All of BEACON's property, documents, and information provided for CONTRACTOR's use in connection with the services shall remain BEACON's property, and CONTRACTOR shall return any such items whenever requested by BEACON and whenever required according to the Termination section of this Agreement. CONTRACTOR may use such items only in connection with providing the services. CONTRACTOR shall not disseminate any BEACON property, documents, or information without BEACON prior written consent.

14. **RECORDS, AUDIT, AND REVIEW.** CONTRACTOR shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CONTRACTOR's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. BEACON shall have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon

reasonable notice. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00) CONTRACTOR shall be subject to the examination and audit of the State Auditor General for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). CONTRACTOR shall participate in any audits and review, whether by BEACON or the State, at no charge to BEACON.

If federal, state or other regulatory audit exceptions are made relating to this Agreement, CONTRACTOR shall reimburse all costs incurred by BEACON associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from BEACON, CONTRACTOR shall reimburse the amount of the audit exceptions and any other related costs directly to BEACON as specified by BEACON in the notification.

15. **INDEMNIFICATION AND INSURANCE.** CONTRACTOR agrees to defend, indemnify and hold harmless the BEACON and to procure and maintain insurance in accordance with the provisions of Exhibit C, attached hereto and incorporated herein by reference.

16. **NONDISCRIMINATION.** CONTRACTOR shall comply with Title VI of the Civil Rights Act of 1964, as amended, and with the provisions contained in Title 49, Code of Federal Regulations (CFR), Part 21 through Appendix C and 23 CFR 710.405(b). During the performance of this Agreement, the CONTRACTOR, for itself, its assignees and successors in interest agrees as follows:

- A. **Compliance with Regulations.** CONTRACTOR shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") 49 CFR Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this Agreement.
- B. **Nondiscrimination.** The CONTRACTOR or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as recipient deems appropriate. CONTRACTOR, with regard to the work performed by it during the agreement, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection or retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the regulations.

- C. **Solicitations for Subcontractors, including Procurement of Materials and Equipment.** In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under the subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR's obligations under this agreement, and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age or national origin.
- D. **Information and Reports.** CONTRACTOR shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by BEACON to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to BEACON, and shall set forth what efforts it has made to obtain the information.
- E. **Sanctions for Noncompliance.** In the event of CONTRACTOR's noncompliance with the nondiscrimination provisions of this Agreement, BEACON shall impose such contract sanctions as it may determine to be appropriate, including, but not limited to:
1. Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies, and/or
 2. Cancellation, termination or suspension of the Agreement in whole or in part.

17. **NON-EXCLUSIVE AGREEMENT.** CONTRACTOR understands that this is not an exclusive agreement and that BEACON shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by CONTRACTOR as the BEACON desires.

18. **NON-ASSIGNMENT.** CONTRACTOR shall not assign, transfer or subcontract this Agreement or any of its rights or obligations under this Agreement without the prior written consent of BEACON and any attempt to so assign or so subcontract or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

19. **TERMINATION.**

- A. **By BEACON.** BEACON may, by written notice to CONTRACTOR, terminate this Agreement in whole or in part, whether for BEACON's convenience, for non-appropriation of funds, or because of the failure of CONTRACTOR to fulfill the obligations herein.

1. **For Convenience.** BEACON may terminate this Agreement in whole or in part upon thirty (30) days written notice. During the thirty (30) day period, CONTRACTOR shall, as directed by BEACON, wind down and cease its services as quickly and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on BEACON from such winding down and cessation of services.
 2. **For Nonappropriation of Funds.** Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or local governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then BEACON will notify CONTRACTOR of such occurrence and BEACON may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, BEACON shall have no obligation to make payments with regard to the remainder of the term.
 3. **For Cause.** Should CONTRACTOR default in the performance of this Agreement or materially breach any of its provisions, BEACON may, at BEACON's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, CONTRACTOR shall immediately discontinue all services affected (unless the notice directs otherwise) and notify BEACON as to the status of its performance. The date of termination shall be the date the notice is received by CONTRACTOR, unless the notice directs otherwise.
- B. **By CONTRACTOR.** Except where BEACON withholds payment pursuant to other terms of this Agreement, should BEACON fail to pay CONTRACTOR all or any part of the payment set forth in Exhibit B, CONTRACTOR may, at CONTRACTOR's option, terminate this agreement, if such failure is not remedied by BEACON within thirty (30) days of written notice to BEACON of such late payment.
- C. **Upon termination,** CONTRACTOR shall deliver to BEACON all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by CONTRACTOR in performing this Agreement, whether completed or in process, except such items as BEACON may, by written permission, permit CONTRACTOR to retain. Notwithstanding any other payment provision of this Agreement, BEACON shall pay CONTRACTOR for satisfactory services performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CONTRACTOR be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. CONTRACTOR shall furnish to BEACON such financial information as in the judgment of BEACON is necessary to

determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of BEACON shall be final. The foregoing is cumulative and shall not affect any right or remedy which BEACON may have in law or equity.

20. **SECTION HEADINGS.** The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

21. **SEVERABILITY.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

22. **REMEDIES NOT EXCLUSIVE.** No remedy herein conferred upon or reserved to BEACON is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

23. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

24. **NO WAIVER OF DEFAULT.** No delay or omission of BEACON to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to BEACON shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of BEACON.

25. **ENTIRE AGREEMENT AND AMENDMENT.** In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

26. **SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

27. **COMPLIANCE WITH LAW.** CONTRACTOR shall, at its sole cost and expense, comply with all BEACON, State and Federal ordinances and statutes, including regulations now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of CONTRACTOR in any action or proceeding against CONTRACTOR, whether BEACON is a party thereto or not, that CONTRACTOR has violated any such ordinance statute, or regulation, shall be conclusive of that fact as between CONTRACTOR and BEACON.

28. **CALIFORNIA LAW AND JURISDICTION.** This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in State court, or in the federal district court nearest to Santa Barbara County, if in federal court.

29. **EXECUTION OF COUNTERPARTS.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

30. **AUTHORITY.** All signatories and parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any State and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, CONTRACTOR hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which CONTRACTOR is obligated, which breach would have a material effect hereon.

31. **SURVIVAL.** All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

32. **PRECEDENCE.** In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the numbered sections shall prevail over those in the Exhibits.

33. **SUSPENSION FOR CONVENIENCE.** BEACON may, without cause, order CONTRACTOR in writing to suspend, delay, or interrupt the services under this Agreement in whole or in part for up to 90 days. BEACON shall incur no liability for suspension under this provision and suspension shall not constitute a breach of this Agreement.

(Signatures on following page.)

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective on the date when fully executed by both parties.

ATTEST:

Marc Beyeler
Executive Director
BEACON

By: _____

**THE BEACH EROSION AUTHORITY FOR
CLEAN OCEANS AND NOURISHMENT:**

By: _____

Gregg Hart
Chair
Board of Directors, BEACON

Date: _____

CONTRACTOR:

Stacy Miller Public Affairs

By: _____

Authorized Representative

Name: _____

Title: _____

APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel

By: _____

Deputy County Counsel
Counsel for BEACON

EXHIBIT A

Scope of Services

The Stacy Miller Public Affairs will assist BEACON staff in developing materials for reporting achievements and accomplishments to BEACON's member agencies, assist BEACON staff in developing materials for the BEACON website, and developing outreach initiatives for public education regarding coastal issues.

Specifically, CONTRACTOR shall perform the following Services:

1. Assist BEACON Executive Staff in developing communications materials detailing BEACON's annual accomplishments and achievements as a priority activity.
2. Assist BEACON Executive Staff in developing communications materials describing BEACON's membership, jurisdiction, programs, projects and partnerships (i.e., Power Point Presentations, etc. including photos, visual graphics, and/or videos) as a priority activity.
3. Evaluate options for BEACON communications activities.
4. Provide BEACON Executive Staff assistance (and training) in developing an on-going communications plan.

Stacy Miller shall be the individual(s) personally responsible for providing all services hereunder. CONTRACTOR may not substitute other persons without the prior written approval of BEACON's designated representative.

EXHIBIT B
PAYMENT ARRANGEMENTS
Periodic Compensation (with attached Schedule of Fees)

- A. For CONTRACTOR services to be rendered under this contract, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, up to but not to exceed **\$15,000**.
- B. Payment for services and/or reimbursement of costs shall be made upon CONTRACTOR's satisfactory performance, based upon the scope and methodology contained in Exhibit A as determined by BEACON.
- C. Payment for services and/or reimbursement of costs shall be based upon the costs, expenses, overhead charges and hourly rates for personnel, as defined in **Attachment B1 Schedule of Fees**. Invoices submitted for payment that are based upon Attachment B1 must contain sufficient detail to enable an audit of the charges and to provide supporting documentation to connect requirements specified in Exhibit A.
- D. **Monthly**, CONTRACTOR, shall submit to the BEACON Designated Representative an invoice or certified claim for the service performed over the period specified. BEACON's Designated Representative shall evaluate the quality of the service performed and, if found to be satisfactory and within the cost basis of Attachment B1, shall initiate payment processing. BEACON shall pay invoices or claims for satisfactory work within 30 days of presentation.
- E. BEACON's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of BEACON's right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.

Attachment B1

SCHEDULE OF FEES & RATE SHEET

Personnel	Hourly Rate
Stacy Miller, CEO	\$245.00 per hour
Gail Morgan, Chief Strategist	\$185.00 per hour
Jenna Perkovich, Communication Associate	\$75.00 per hour
Allan Evenas	\$95.00 per hour

EXHIBIT C
STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS
FOR PROFESSIONAL CONTRACTS

CONTRACTOR agrees to indemnify, defend (with counsel reasonably approved by BEACON) and hold harmless BEACON and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by BEACON on account of any claim except where such indemnification is prohibited by law. CONTRACTOR's indemnification obligation applies to BEACON's active as well as passive negligence but does not apply to BEACON's sole negligence or willful misconduct.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CONTRACTOR shall notify BEACON immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

CONTRACTOR shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONTRACTOR, his agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if CONTRACTOR has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

4. **Professional Liability** (Errors and Omissions) Insurance appropriate to the CONTRACTOR'S profession, with limit of no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the CONTRACTOR maintains higher limits than the minimums shown above, BEACON requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to BEACON.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – BEACON, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONTRACTOR's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).
2. **Primary Coverage** – For any claims related to this Agreement, the CONTRACTOR's insurance coverage shall be primary insurance as respects the BEACON, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by BEACON, its officers, officials, employees, agents or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to BEACON.
4. **Waiver of Subrogation Rights** – CONTRACTOR hereby grants to BEACON a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the BEACON by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the BEACON has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the BEACON. BEACON may require the CONTRACTOR to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".

7. **Verification of Coverage** – CONTRACTOR shall furnish BEACON with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by BEACON before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR’s obligation to provide them. The CONTRACTOR shall furnish evidence of renewal of coverage throughout the term of the Agreement. BEACON reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, BEACON has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by BEACON as a material breach of contract.
9. **Subcontractors** – CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CONTRACTOR shall ensure that BEACON is an additional insured on insurance required from subcontractors.
10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the CONTRACTOR must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.
11. **Special Risks or Circumstances** – BEACON reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of BEACON to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of BEACON.



A California Joint Powers Agency

Member Agencies

Al Clark
City of Carpinteria

Kyle Richards
City of Goleta

Vianey Lopez
City of Oxnard

Steven Gama
City of Port Hueneme

Joe Schroeder
City of San Buenaventura

Eric Friedman
City of Santa Barbara

Gregg Hart, Chair
Das Williams
County of Santa Barbara

Carmen Ramirez, Vice Chair
Matt LaVere
County of Ventura

Executive Director
Marc Beyeler

Santa Barbara Address:
105 East Anapamu, Suite 201
Santa Barbara, CA 93101

Ventura Address:
501 Poli St.
P.O. Box 99
Ventura, CA 93001

Email:
Office@Beacon.ca.gov

Website:
<http://www.beacon.ca.gov>

STAFF REPORT

Meeting Date: July 16, 2021
Agenda Item: 6

To: BEACON Board of Directors
From: Executive Director
Date: July 8, 2021

Subject: Executive Director's Report and Communications

The Executive Director will report on activities and achievements of BEACON, upcoming events of interest to the Board of Directors and the public, and general status of BEACON major projects including:

Upcoming Board Meetings -

September 16, 2021, Meeting Agenda:

- A. BEACON Regional SLR Adaptation Policies Report-Member Agency Presentation
- B. Project Updates
- C. Discussion of Ex-Officio Membership
- D. Discussion of Board Meeting Venue and Logistics

November 20, 2021. Meeting Agenda:

- A. BEACON Regional SLR Adaptation Policies Report
- B. Project Updates
- C. Report from Science Advisory Committee (SAC) on first year activities and accomplishments, including Managers Workshop and completion/adoption of initial BEACON research agenda.