



CITY OF CANYON LAKE

City Hall

31516 Railroad Canyon Road
Canyon Lake, CA 92587

www.canyonlakeca.gov

Mayor Dale Welty
Mayor Pro Tem Mark Terry
Council Member Kasey Castillo
Council Member Jennifer Dain
Council Member Jeremy Smith

AGENDA

Regular Meeting of the Canyon Lake City Council
Wednesday, April 10, 2024

Closed Session 4:00 P.M. – City Hall Administration Office – 31526 Railroad Canyon Road, Suite 5
Open Session 6:30 P.M. – City Hall Council Chamber – 31516 Railroad Canyon Road

CLOSED SESSION

CLOSED SESSION CALLED TO ORDER

ROLL CALL

Castillo, Dain, Smith, Terry, Welty

PUBLIC COMMENT

LIMIT 3 MINUTES

Any person wishing to address the City Council on any matter within the jurisdiction of the City, whether or not it appears on this agenda, is asked to complete a "Speaker Request Form" available on the back counter. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council. The City Council has adopted a time limitation of three (3) minutes per person. If you are commenting on the agenda item, your comments will be heard at the time that particular item is scheduled on the agenda. Please note that if you are addressing the City Council on items NOT on the agenda, the Brown Act does not allow discussion of such items. Therefore, the City Council may only do the following: refer the matter to staff, ask for additional information or request a report back, or give a very limited factual response.

Members of the public may submit comments electronically by sending an email to cityclerk@canyonlakeca.gov. Comments submitted electronically will be provided to the City Council and included in the official record but will not be read aloud during the meeting.

1. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Government Code Section 54957.6
Agency Designated Representative: City Attorney
Unrepresented Employee: Interim City Manager
2. PUBLIC EMPLOYMENT - Appointment Pursuant to Section 54957: Title: Interim City Manager
3. CONFERENCE WITH LABOR NEGOTIATORS: Pursuant to Government Code Section 54957.6
Agency Designated Representative: Interim City Manager
Canyon Lake Firefighters Association
4. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION - Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: Two Cases

OPEN SESSION

OPEN SESSION CALLED TO ORDER

INVOCATION

FLAG SALUTE

ROLL CALL

Castillo, Dain, Smith, Terry, Welty

CLOSED SESSION REPORT

CEREMONIAL MATTERS *Presentations, Awards, Proclamations*

Citizen of the Month

Student of the Month

Certificate of Recognition – JDI Dance Company

Certificate of Recognition – Pat Kemball

COMMUNITY REPORTS

LIMIT 3 MINUTES

Elsinore Valley Municipal Water District

Canyon Lake Property Owners Association

Canyon Lake Chamber of Commerce

Lake Elsinore Unified School District

PUBLIC SAFETY UPDATES

City of Canyon Lake Code Enforcement

Riverside County Sheriff's Department

City of Canyon Lake Fire Department

PUBLIC COMMENT

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COMMITTEE AND COUNCIL REPORTS/COMMENTS

CONSENT CALENDAR

All items listed on the Consent Calendar are considered to be routine matters, status reports or documents covering previous City Council action. The items listed on the Consent Calendar may be enacted in one motion. With the concurrence of the City Council, a Council Member may request that an item be removed for further discussion. Staff recommends approval of all items.

(1) **Waive Full Reading, Read all Ordinances by Title Only**

(2) **Approve Claims and Demands of the City**

Recommendation: Adopt Resolution No. 2024-09 Approving Claims and Demands of the City.

(3) **Approval of City Council Minutes**

Recommendation: Approve the Minutes of the City Council Meetings of March 13, 2024, and April 1, 2024.

(4) **Adopt a Resolution Amending Section 10, Pay Periods, of the City's Employee Handbook and Personnel Policy Manual**

Recommendation: Adopt Resolution No. 2024-10 amending Section 10, Pay Periods, of the City's Employee Handbook and Personnel Policy Manual to transition from a semi-monthly pay schedule to a biweekly pay schedule.

(5) **Second Reading and Adoption of Ordinance No. 245 – An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning And Zoning), Chapter 9.32 Accessory Dwelling Units and Junior Accessory Dwelling Units, to Ensure Consistency with State Regulations; and Finding the Action to be Exempt From CEQA**

Recommendation: Conduct second reading and adopt Ordinance No. 245 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning and Zoning), Chapter 9.32 Accessory Dwelling Units and Junior Accessory Dwelling Units, to Ensure Consistency with State Regulations; and Finding the Action to be Exempt From CEQA.

(6) **Adopt a Resolution Adopting a Framework for Employer-Employee Relations**

Recommendation: Adopt Resolution No. 2024-11 adopting a framework for Employer-Employee Relations.

PULLED CONSENT CALENDAR ITEMS

PUBLIC HEARINGS

None.

BUSINESS ITEMS

- (7) **Oral Report of a Summary of Compensation and Approval of Employment Agreement for Interim City Manager Setting Compensation and Other Terms of Employment**

Recommendation: Receive the oral report of a summary of compensation and discuss and take possible action to approve an Employment Agreement for Interim City Manager Setting Compensation and Other Terms of Employment.

- (8) **Adopt a Resolution Opposing Initiative 21-0042A1 – the Taxpayer Protection and Government Accountability Act and Joining the “Stop the Taxpayer Deception Act” Coalition**

Recommendation: Adopt Resolution No. 2024-12 opposing Initiative 21-0042A1 - The Taxpayer Protection and Government Accountability Act and Joining the “Stop the Taxpayer Deception Act” Coalition.

- (9) **Introduction and First Reading of Ordinance No. 246 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Various Sections of Chapter 4.20 of the Canyon Lake Municipal Code Regarding Commercial Cannabis Businesses; and Adopt a Resolution Amending the Number of Cannabis Retailers in the City**

Recommendation: Waive full reading and introduce by title only Ordinance No. 246 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Various Sections of Chapter 4.20 of the Canyon Lake Municipal Code Regarding Commercial Cannabis Businesses; and adopt Resolution No. 2024-13 amending the number of cannabis retailers that may operate in the City.

- (10) **Introduction and First Reading of Ordinance No. 247 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code; and Adopt a Resolution Electing to Become Subject to the Uniform Public Construction Cost Accounting Act (Public Contract Code Section 22000 et seq.)**

Recommendation: Waive full reading and introduce by title only Ordinance No. 247 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code; and Adopt Resolution No. 2024-14 Electing to Become Subject to the Uniform Public Construction Cost Accounting Act (Public Contract Code Section 22000 et seq.).

CITY MANAGER COMMENTS

ANNOUNCEMENTS

The next regular City Council meeting will be held on May 8, 2024.

ADJOURNMENT

VISION STATEMENT

The vision of the City of Canyon Lake is to be a City that provides a quality of life that makes Canyon Lake the premier place to live in Southern California.

ATTENTION RESIDENTS:

Unless stated otherwise on the agenda, every item on the agenda is exempt from CEQA Guidelines Sections 15060(c), 15061(b)(3), 15273, 15378, 15301, 15323 and/or Public Resource Code Section 21065. Supporting documents, including staff reports, are available for review at City Hall in the City Clerk's Office or on the City's website at www.canyonlakeca.gov once the agenda has been publicly posted. Any written material relating to an item on this agenda submitted to the City Council after distribution of the agenda packet will be available for public inspection in the City Clerk's Office during normal business hours. In addition, such writings or documents will be made available for public review at the respective public meeting. It is the intention of the City of Canyon Lake to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or participant at this meeting, you will need special assistance beyond what is normally provided, the City of Canyon Lake will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's office at least 48 hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

AFFIDAVID OF POSTING: I, Sheryl L. Garcia, City Clerk of the City of Canyon Lake, California, do hereby declare that the foregoing agenda was posted on April 4, 2024, at least seventy-two (72) hours prior to the meeting per Government Code 54954.2, and as required by Resolution 2019-42 of the Canyon Lake City Council.

**Sheryl L. Garcia, MMC, CPM
City Clerk**



ITEM NO. 2

STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Mike Borja, Acting City Manager

BY: Elizabeth Luna, Executive Assistant and Accounting Technician I

DATE: April 10, 2024

SUBJECT: Approve Claims and Demands of the City

Recommendation

Adopt Resolution No. 2024-09 Approving Claims and Demands of the City.

Background

All claims and demands are reported and summarized for review and approval by the City Council on a routine basis at each City Council meeting. The attached claims represent the paid claims and demands since the City Council meeting of March 13, 2024.

Fiscal Impact

All claims and demands are paid from appropriated funds or authorized resources of the City and have been recorded in accordance with the City's policies.

Attachments

1. Resolution No. 2024-09

ATTACHMENT 1

RESOLUTION NO. 2024-09

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA,
ALLOWING CERTAIN CLAIMS AND DEMANDS AS SET FORTH IN EXHIBIT A**

WHEREAS, the Finance & Planning Committee of the City of Canyon Lake reviewed Exhibit A at their regularly scheduled meeting on April 10, 2024; and

WHEREAS, Exhibit A was presented at the regular meeting of the City Council on April 10, 2024, at which all present, were given an opportunity to comment.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY
RESOLVE AS FOLLOWS:**

Demands are approved as shown on the Demand\Warrant Register of April 10th, in the amount of \$808,824.32 as follows:

Payroll Earnings (Gross)	\$ 171,750.53	(For Month of March)
Payroll Processing Fees	\$ 479.18	(For Month of March)
Payroll Taxes - Employer	4,097.56	(For Month of March)
On-line Retirement	16,334.28	(For Month of March)
On-line Health	27,121.64	(For Month of March)
Principal	394.55	(For Month of March)
Aflac	794.44	(For Month of February)
Nationwide Deferred Comp.	7,166.96	(For Month of March)
Citizens Business Bank Interest	1,949.05	(For the Month of February)
General	\$ 578,736.13	
TOTAL	<u>\$ 808,824.32</u>	

PASSED, APPROVED AND ADOPTED this 10th day of April, 2024.

Dale Welty, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
ABI	Fire Station Background Check-Nunez	41.90
ABILA	Accounting Software 4/1/24-4/30/24	205.69
Allstar Fire	Fire Station SCBA Bottles	5,597.61
	Fire Station Helmet Shields for New FF	141.46
Amazon	Fire Station Computer Monitors & Mount Adapter	440.52
	Fire Station Office Supplies	241.68
AMERICAN FORENSIC	Sheriff's Blood Draw, 2/2/2024	280.00
American Legal	2024 S-15 Supplement Pages	1,650.09
Bankcard	See Credit Card Review 0776	303.53
	See Credit Card Review 0776	65.81
	See Credit Card Review 2637	544.57
	See Credit Card Review 2637	(30.66)
	See Credit Card Review 7227	747.37
	See Credit Card Review 7235	143.62
Boatright	Reserve Stipend for February 2024	100.00
Bratt	PALS Certification Reimbursement	100.00
	Tuition Reimbursement (Combo Class-ACLS/BLS)	200.00
California State Fire Protection	Annual Extinguisher Service for 31520 RRCR Rental	66.00
	Annual Extinguisher Service for Admin 31526 RRCR	60.50
	Annual Extinguisher Service for City Hall 31516 RRCR	126.00
CL PEST	Monthly Rodent For Fire Station February 2024	40.00
	Monthly Pest Control for Fire Station February 2024	45.00
	Bi-Monthly Pest Control for Admin	60.00
CL PROPERTY OWNERS	Firehouse Note Payment 1	9,359.57
Concentra	Physical Exam for New Building Employee-Tricia	198.00
Cory Willis	Reimbursement for Tuition-Riverside City College Winter 2024	349.00
CTAI	Landscape For Fire Station February 2024	250.00
	Landscape Maintenance Fee for Medians & Parkways February 24	4,775.00
	Restocking Fee Charged for 65 Returned Median Lights	1,380.00
Dain	Auto Allowance March 2024-Dain	100.00
DOJ	Sheriff's Blood Analysis, January 2024	105.00
	Sheriff's Blood Analysis, December 2023	35.00
FRIDAY FLYER	Ordinance Co: 243-Council Members Salaries	47.25
	Ordinance#: 244-Single Family Rental Property	49.35
	Full Page Veteran's Day Ad	259.00
Gordon	Reserve Stipend for February 2024	100.00
ICG	CL-001 General Engineering Services 1/1/24-1/31/24	1,845.00
	CL-002 Railroad Canyon Road Project 1/1/24-1/31/24	380.00
	CL-003 Railroad Canyon Road-HSIP Project	12,762.50

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City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
Jake Stouffer	Reserve Stipend for February 2024	100.00
Jeremy Smith	Auto Allowance March 2024-Smith	100.00
John Hancock	EE & ER Contributions for Semi-Monthly Check Date 2/29/24	1,394.11
	EE & ER Contributions for Bi-Weekly Check Date 3/1/24	4,596.32
Kasey Castillo	Auto Allowance March 2024-Castillo	100.00
Koopman	Reserve Stipend for February 2024	50.00
Liebert Cassidy Whitmore	Firefighter Recognition Petition Services through 1/31/24	1,783.50
	General Professional Services through January 31, 2024	1,000.50
Life-Assist	Fire Station Medical Supplies	369.48
Longobardo	Reserve Stipend for February 2024	100.00
Luksch	Reserve Stipend for February 2024	50.00
Mark Terry	Auto Allowance March 2024-Terry	100.00
MES	Fire Station SCBA Flow Testing	1,402.54
	Fire Station SCBA Repair	516.21
Michel	Reserve Stipend for February 2024	100.00
Mijares	Reserve Stipend for February 2024	150.00
PERMA	2023-2024 Q4 Liability and Worker's Comp Trust Acct Deposit	31,893.00
RAMS	Accounting Services for January 2024	7,004.80
Ramsey Backflow	Annual Backflow Testing at Fire Station, 2/29/24	65.00
Rincon	Canyon Lake Housing Element 1/1/24-1/31/24	1,059.00
Riv Co Sheriff Dept Lake Elsinore	Sheriff's Contract Law 10/19/23-11/15/23	157,194.37
	Sheriff's Contract Law 11/16/23-12/13/23	145,461.63
Riv Co TLMA	SLF - Jan 24 Costs	1,755.50
	SLF - Oct 23 Costs	3,949.51
	SLF - Sep 23 Costs	469.15
SanchezJ	Reserve Stipend for February 2024	100.00
SCE	Electricity for Rental Bldg 31520 RRCR Ste B 1/19/24-2/19/24	18.65
	Electricity for Rental Bldg 31520 RRCR Ste A 1/19/24-2/19/24	18.54
Simpler Life	Fire Station City Emergency Backpacks	1,609.91
STAPLES	Office Supplies for Admin, City Hall, & Rental	173.14
	Office Supplies for Admin, City Hall, & Rental	195.14
Stoddart	Reserve Stipend for February 2024	50.00
Syntech	Knowbe4-Procure Security Awareness Training 9/1/23-12/31/24	1,230.00
Time Warner	Digital Converter for City Hall 2/22/24-3/21/24	5.35

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

<u>Vendor ID</u>	<u>Invoice Description</u>	<u>Cash Required</u>
Toshiba Business Solutions, USA	Fire Station B/W & Color Copies 1/25/24-2/24/24	95.92
	Admin B/W & Color Copies 1/26/24-2/25/24	178.72
Welty	Auto Allowance March 2024-Welty	100.00
Report Total		<u>407,705.35</u>

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
Bankcard	See Credit Card Review 3437	7,259.40
	See Credit Card Review 0066	1,841.88
Berg	EMS Subscription Mailings, 3/5/2024	5,413.10
Nate Volk	Video Broadcast Meeting, February 14, 2024	350.00
SDRMA	Dental and Vision Insurance April 2024	3,020.00
The Gas Co	Gas Charges for City Hall 1/29/24-2/28/24	190.04
	Gas Charges for 31520 Railroad Cyn Rd 1/29/24-2/28/24	15.37
Report Total		18,089.79

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
Allstar Fire	Fire Station Cal Fire Piggy Back-Headnet & Bracket	1,491.21
Amazon	Fire Station Office Supplies	139.97
	Fire Station Office Supplies	106.20
	Fire Station Jumper Cables for Command Vehicles	215.40
	Fire Station Computer Cables	24.51
	Fire Station Computer Cables	13.85
	Fire Station Investigation Equipment	824.03
AMERICAN FORENSIC	Sheriff's Blood Draw, 3/6/2024	70.00
American Legal	2024 S-15 Folio/Internet Supplement Pages	136.03
AMP	Utils, HOA Fees, Ins. & Maint. Admin Ste. 4 3/26/23-12/31/23	359.38
	Utils, HOA Fees, Ins. & Maint. Admin Ste. 5 3/26/23-12/31/23	2,772.23
	Rent for April 2024-31526 Railroad Canyon Rd., Suite 4	443.00
	Rent for April 2024-31526 Railroad Canyon Rd., Suite 5	2,919.00
CACEO	Rental Inspection Webinar-Marlon	54.00
CL PROPERTY OWNERS	Firehouse Note Payment 2	9,359.57
Colantuono, Highsmith & Whatley	Attorney Fees for adv. Richard Beck Services thru 2/29/2024	2,664.50
Color New Co	Repaired Damaged Pillar on Railroad Canyon Road	4,800.00
Control Pump	Landscape Booster Station for February 2024	401.25
Corelogic	Database for Code Enforcement February 2024	155.21
Cotter Construction Inc. CR&R	Fire Station Shed Repairs	2,850.00
	Refuse Collections FY 23-24 PY SEC SP1	13,826.70
	Trash Services for Rental Bldg. March 2024	201.12
CTAI	Plant Removal and Planting Services on RRCCR Center Mediums	10,881.00
	Removed Existing Agave on RRCCR Center Mediums	7,511.00
Curtis	Fire Station Annual Hurst Service	915.00
	Fire Station Annual SCBA Compressor Service	1,310.13
DATA TICKET	Monthly EMS Response Fee February 2024	100.00
	Code Enforcement Citation Processing February 2024	100.00
	Monthly Parking Fee February 2024	100.00
Embroidery	City Logo Shirts for Marlon	97.33
	City Logo Shirts for Ruby & Jen	106.03
Fire Smart	Fire Station Pub Ed Supplies	636.81
FRIDAY FLYER	1/8 Page Ad for Volunteers	85.00
Gladwell	Records Retention Legal Review, Update & Advise-FY 23-24	250.00
GREENHALGH	Retiree Health Insurance April 2024	184.72
Harris & Associates	EMS & UUT Levy FY 24-25 Services from 1/28/24-2/24/24	2,750.00

Date: 3/20/24
11:54:42 AM

Page: 1

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
HINDERLITER	Contract Services - Sales Tax (January-March 2024)	1,345.54
John Hancock	EE & ER Contributions for Bi-Weekly Check Date 3/15/24	4,279.49
	EE & ER Contributions for Semi-Monthly Check Date 3/15/24	1,394.11
Johnson Controls	Quarterly Security Services for City Hall 4/1/24-6/30/24	166.12
	Quarterly Security Services for Admin 4/1/24-6/30/24	554.07
MES	Fire Station FIT Testing & SCBA Flow Test	330.00
MR. WINDOW	Window Cleaning Inside and Out (3/7/2024)	230.00
	Window Cleaning Inside and Out (3/7/2024)	210.00
Nate Volk	Video Broadcast Meeting, March 13, 2024	350.00
PARS	Monthly Administrative Fees Ending January 2024	400.00
PERMA	Liability Assessment Payment 3 of 5	10,167.00
PZL, Inc.	Planning Services for February 2024	5,820.00
Rincon	Canyon Lake Housing Element 2/1/24-2/29/24	3,111.25
Riv Co TLMA	SLF - Feb 24 Costs	1,535.51
South Coast Emergency	Fire Station E-201 Repairs	2,769.97
	Fire Station E-1 Biannual Service and Pump Test	9,011.37
	Fire Station Patrol 1 Service and Pump Test	2,321.22
Syntech	Monthly IT Support 3/1/24-3/31/24	2,865.00
	Monthly Subscriptions & Programs 3/1/24-3/31/24	1,474.24
The Code	Plan Check Services for 2/1/24 to 2/29/24	14,858.19
Toshiba	Monthly Copier Lease for Fire Station April 2024	120.83
	Monthly Copier Lease for Admin & City Hall April 2024	799.32
ULINE	Fire Station Investigation Equipment	85.67
US Bank	See Credit Card Review	2,816.97
Willdan	Canyon Lake Golf Cart Study and E&T Survey	9,180.00
Report Total		145,050.05

City of Canyon Lake
 Check/Voucher Register - Checks Prior Month
 From 3/1/2024 Through 3/31/2024

Check Number	Vendor Name	Effective Date	Check Amount
EFT 900	SOUTHERN CALIFORNIA EDISON	3/4/2024	796.24
EFT 901	SOUTHERN CALIFORNIA EDISON	3/4/2024	307.80
EFT 902	SOUTHERN CALIFORNIA EDISON	3/4/2024	695.63
EFT 903	SOUTHERN CALIFORNIA EDISON	3/4/2024	13.11
EFT 904	SOUTHERN CALIFORNIA EDISON	3/4/2024	663.30
EFT 905	SOUTHERN CALIFORNIA EDISON	3/4/2024	61.05
EFT 906	SOUTHERN CALIFORNIA EDISON	3/4/2024	30.03
EFT 907	SOUTHERN CALIFORNIA EDISON	3/4/2024	270.52
EFT 908	SOUTHERN CALIFORNIA EDISON	3/4/2024	136.74
EFT 909	SOUTHERN CALIFORNIA EDISON	3/4/2024	22.14
EFT 910	Sparkletts	3/4/2024	256.31
EFT 911	SOUTHERN CALIFORNIA EDISON	3/18/2024	101.88
EFT 912	SOUTHERN CALIFORNIA EDISON	3/18/2024	3,370.37
EFT 913	ELSINORE VALLEY MUNI WATER DI:	3/18/2024	120.62
EFT 914	ELSINORE VALLEY MUNI WATER DI:	3/18/2024	68.90
EFT 915	ELSINORE VALLEY MUNI WATER DI:	3/18/2024	102.95
EFT 916	ELSINORE VALLEY MUNI WATER DI:	3/18/2024	499.45
EFT 917	ELSINORE VALLEY MUNI WATER DI:	3/18/2024	<u>373.90</u>
Report Total			<u>7,890.94</u>

Credit Card Review

California Bank & Trust Statement dated 2/28/24

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	Sims Share	Simulation Program Annual Renewal	\$ 179.95	10-421-6530
2	Home Depot	Fire Station Exterior Lights	\$ 65.81	27-400-7001
3	Supplyhouse.com	Bio Hazard Clean-Up Formula	\$ 39.77	10-421-6231
4	Canyon Lake Market	Meal for Corona Fire Ventilation Instructors	\$ 83.81	10-421-6710
			\$ 369.34	

Account Breakdown

Fire Station Emergency Response Equipment	10-421-6231	\$ 39.77
Fire Department Software	10-421-6530	\$ 179.95
Fire Station Training & Education	10-421-6710	\$ 83.81
Fire Station Upgrades	27-400-7001	\$ 65.81
		\$ 369.34

\$ -

*Copies for City Council
as directed by
the Finance Committee*

California Bank & Trust Statement dated 2/28/24

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	The Home Depot	Credit for Return	\$ (87.25)	27-400-7001
2	The Home Depot	Credit for Return	\$ (57.22)	27-400-7001
3	Arlo Technologies	Fire Station Security Camera Mounts	\$ 86.16	10-550-8007
4	Apple.com	Monthly iCloud Storage	\$ 0.99	10-421-6310
5	Etsy, Inc.	Fire Station Address	\$ 113.81	27-400-7001
6	Costco	Fire Station Supplies and Annual Renewal	\$ 185.94	A \$120.00 10-421-6510 \$ 65.94 10-421-6220
7	The Home Depot	Training Supplies	\$ 133.80	10-421-6710
8	Roadside Café and Bar	Newworking Lunch Chief King	\$ 46.45	10-421-6220
9	Costco	Fire Station Supplies	\$ 91.23	10-421-6220
			\$ 513.91	

Account Breakdown

Fire Department Departmental Expense	10-421-6220	\$ 203.62
Fire Department Communications	10-421-6310	\$ 0.99
Fire Department Conference/Meeting/Travel	10-421-6510	\$120.00
Fire Department Training & Education	10-421-6710	\$ 133.80
Building & Facilities Maint. Furniture & Equip.	10-550-8007	\$ 86.16
Fire Station Upgrades	27-400-7001	\$ (30.66)
		\$ 513.91

Check Figure \$ -

*Copies for City Council
as directed by
the Finance Committee*

California Bank & Trust Statement dated 2/28/24

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	Hilton Garden Inn Hollywood, CA	Cal Cities City Managers Conference	\$ 747.37	10-310-6510
			<u>\$ 747.37</u>	

Account Breakdown

Conference/Meeting/Travel Expense	10-310-6510	\$ 747.37
		<u>\$ 747.37</u>

Check Figure \$ -

*Copies for City Council
as directed by
the Finance Committee*

California Bank & Trust Statement dated 2/28/24

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	Amazon	Office Supplies	\$ 104.98	10-320-6210
2	Amazon	Office Supplies	\$ 38.94	10-320-6210
			<u>\$ 143.92</u>	

Account Breakdown

City Clerk Office Expense and Supplies	10-320-6210	\$ 143.92
		<u>\$ 143.92</u>

Check Figure \$ -

*Copies for City Council
as directed by
the Finance Committee*

California Bank & Trust Statement dated 2/28/24

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	TRR Wholesale	Custom Ribbons	\$ 1,700.00	10-100-6831
2	Amazon	Audio Recorder for Meetings	\$ 53.86	10-310-6210
3	QPC CA DIR Dosh	Convenience Fee	\$ 5.18	10-550-6610
4	CA Dir Dosh	Elevator Conveyance Invoice	\$ 225.00	10-550-6610
5	Walgreens	Office Supplies	\$ 69.59	10-310-6210
6	CACEO	Membership Dues - Marlon	\$ 100.00	10-520-6520
7	National Stormwater	Illicit Discharge Detection and Elimination	\$ 75.00	10-520-6710
8	Allied Products Corporation	Flags for Memorial Day Event	\$ 4,277.00	10-100-6831
9	Amazon	Prime Membership Fees	\$ 16.15	10-310-6210
10	Amazon	Code Enforcement Apparel	\$ 158.37	10-520-6220
11	Verizon Wireless	Ipads & Sim Card Devices	\$ 212.80	A
12	Verizon Wireless	Cell Phones (City Hall & Fire Station)	\$ 366.45	A
			\$ 7,259.40	

\$23.92	10-360-6310	\$107.46	10-421-6310	\$ 47.80	10-520-6310	\$33.62	10-550-6320
\$51.51	10-360-6310	\$160.41	10-421-6310	\$154.53	10-520-6310		

Account Breakdown

City Council City Events	10-100-6831	\$ 5,977.00
City Manager Office Expense	10-310-6210	\$139.60
Building Dept Communications	10-360-6310	\$75.43
Fire Department Communications	10-421-6310	\$757.87
Code Enforcement Departmental Expense	10-520-6220	\$ 158.37
Code Enforcement Communications	10-520-6310	\$ 202.33
Code Enforcement Membership Dues	10-520-6520	\$ 100.00
Code Enforcement Training	10-520-6710	\$ 75.00
Building & Facilities Utilities	10-550-6320	\$33.62
Building & Facilities Professional/Specialized Ser	10-550-6610	\$ 780.18
		\$ 7,259.40

Check Figure \$

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California Bank & Trust Statement dated 2/28/24

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	Disneyland	CSFMO Conference	\$ 8.96	10-330-6710
2	Disneyland	CSFMO Conference	\$ 4.38	10-330-6710
3	Disneyland	CSFMO Conference	\$ 3.96	10-330-6710
4	Disneyland-Bengal Barbeque	CSFMO Conference	\$ 41.45	10-330-6710
5	Disneyland	CSFMO Conference	\$ 25.27	10-330-6710
6	Disneyland	CSFMO Conference Hotel	\$ 705.51	10-330-6710
7	Disneyland	CSFMO Conference Hotel	\$ 705.51	10-330-6710
8	Disneyland	CSFMO Conference Hotel	\$ 705.51	10-330-6710
9	Canyon Lake Country Club	2024 City Council Goal Meeting	\$ 213.88	10-310-6220
10	CSFMO	CSFMO Conference Credit	\$ (20.00)	10-330-6710
11	CSFMO	CSFMO Conference Credit	\$ (20.00)	10-330-6710
12	CSFMO	CSFMO	\$ 75.00	10-330-6520
13	Tommy's Express	Car Wash - February 2024	\$ 10.00	10-310-6415
14	Disneyland	CSFMO Conference Hotel Credit	\$ (705.51)	10-330-6710
15	Tommy's Express	Car Wash - February 2024	\$ 87.96	A \$ 43.98 10-520-6415 \$ 21.99 10-360-6415 \$ 21.99 10-310-6415
			<u>\$ 1,841.88</u>	

Account Breakdown

City Manager Dept. Expense	10-310-6220	\$ 213.88
City Manager Vehicle Maintenance	10-310-6415	\$ 31.99
Finance Membership/Dues/Publications	10-330-6520	\$ 75.00
Finance Training and Education	10-330-6710	\$ 1,455.04
Building & Safety Vehicle Maintenance	10-360-6415	\$ 21.99
Vehicle Maintenance	10-520-6415	\$ 43.98
		<u>\$ 1,841.88</u>

Check Figure \$

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US BANK Statement dated 3/6/24

ITEM #	CREDITOR	DESCRIPTION	AMOUNT	ACCOUNT
1	Downs Energy	Fuel for Fire 1 & 2	\$ 441.83	10-421-6425
2	Arlo Technologies	City Hall Security Cameras	\$ 12.99	10-550-6610
3	Downs Energy	Fuel for Fire 1 & 2	\$ 459.39	10-421-6425
4	Go Datsy	Premium DNS Renewal	\$ 119.76	10-310-6610
5	Zoom US	Zoom Subscription for Meetings	\$ 16.62	10-310-6210
6	Arlo Technologies	Admin Office Security Cameras	\$ 17.99	10-550-6610
7	Adobe	Acrobat Pro Subscriptions	\$ 311.87	A
8	Downs Energy	Fuel for Fire 1, 2, & 3	\$ 280.16	10-421-6425
9	Adobe	Creative Cloud All Apps 100GB	\$ 29.99	10-310-6210
10	Frontier Comm	Internet for City Hall & Admin Office	\$ 205.35	10-550-6320
11	Amazon	Office Supplies	\$ 24.57	10-310-6210
12	League of California Cities	Registration - Welty	\$ 45.00	10-100-6510
13	League of California Cities	Registration - Dan	\$ 45.00	10-100-6510
14	League of California Cities	Registration - Nicole	\$ 45.00	10-310-6510
15	Red Robin	Closed Session Meal - 2/14/24	\$ 197.23	10-100-6225
16	CCMF	Membership Fee	\$ 400.00	10-310-6520
17	League of California Cities	Registration-Welty	\$ 45.00	10-100-6510
18	League of California Cities	Registration-Nicole	\$ 45.00	10-310-6510
19	Starb Brothers	Drinking Water and Sodas for Admin	\$ 56.61	10-310-6210
20	Dollar Tree	Office Supplies	\$ 17.61	10-310-6210
			\$ 2,816.97	

Account Breakdown

City Council Meeting Expense	10-100-6225	\$ 197.23
Conference/Meeting/Travel Expense	10-100-6510	\$ 135.00
City Manager Office Expense and Supplies	10-310-6210	\$ 127.79
City Manager Conference/Meeting/Travel Expense	10-310-6510	\$ 90.00
City Manager Dept. Expense	10-310-6220	\$ 47.98
City Manager Membership	10-310-6520	\$ 400.00
Professional/Specialized Services	10-310-6610	\$ 119.76
Office Expense and Supplies	10-320-6210	\$ 17.61
City Clerk Departmental Expense	10-320-6220	\$ 47.98
Building Dept Expense	10-360-6220	\$ 47.98
Finance Office Expense and Supplies	10-330-6210	\$ 47.98
Fire Department Fuel & Lubricants	10-421-6425	\$ 1,181.38
Fire Department Expense	10-421-6220	\$ 571.97
Special Enforcement Misc. Expense	10-520-6220	\$ 47.98
Building & Facilities Utilities	10-550-6320	\$ 205.35
Building & Facilities Professional/Specialized Services	10-550-6610	\$ 30.98
		\$ 2,816.97

Check Page 5

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as directed by
the Finance Committee

**MINUTES
REGULAR MEETING OF THE
CANYON LAKE CITY COUNCIL
Wednesday, March 13, 2024**

**Closed Session – 4:30 p.m.
City Hall Administration Building
31526 Railroad Canyon Road, Suite 5
Canyon Lake, CA 92587**

CALL TO ORDER

Mayor Welty called the meeting to order at 4:33 p.m.

ROLL CALL

Present: Council Member Castillo, Council Member Dain, Council Member Smith,
Mayor Pro Tem Terry and Mayor Welty.

Absent: None.

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:
Three Cases
2. CONFERENCE WITH LABOR NEGOTIATORS: Pursuant to Government Code
Section 54957.6
Agency Designated Representative: City Manager
Canyon Lake Firefighters Association
3. PUBLIC EMPLOYEE ANNUAL PERFORMANCE EVALUATION - Pursuant to
Section 54957:
Title: City Manager

The City Council entered Closed Session at 4:33 p.m.

**Open Session – 6:30 p.m.
City Hall Council Chamber
31516 Railroad Canyon Road
Canyon Lake, CA 92587**

CALL OPEN SESSION TO ORDER

Mayor Welty called the meeting to order at 6:33 p.m.

INVOCATION

Council Member Smith called for a moment of silence in honor of the men and women who gave the ultimate sacrifice.

The Invocation was led by Council Member Smith.

FLAG SALUTE

The Flag Salute was led by John Grande and John Zaitz.

ROLL CALL

Present: Council Member Castillo, Council Member Dain, Council Member Smith, Mayor Pro Tem Terry and Mayor Welty.

Absent: None.

CLOSED SESSION REPORT

City Attorney Graham reported that direction was given by consensus for one item.

CEREMONIAL MATTERS

Mayor Welty recognized Bobby Kielty as Citizen of the Month.

COMMUNITY REPORTS

Director Darcy Burke provided an update on behalf of the Elsinore Valley Municipal Water District.

Greg Doherty provided an update on behalf of the Canyon Lake Private Owner's Association.

President John Grande provided an update on behalf of the Chamber of Commerce.

Council Member Castillo provided an update on behalf of Lake Elsinore Unified School District.

PUBLIC SAFETY UPDATE

Administrative Services Director Mike Borja provided an update on code enforcement statistics.

Sheriff's Department Lieutenant Edwards provided an update on public safety statistics.

Fire Chief LaTendresse provided an update on fire statistics.

PUBLIC COMMENT

John Zaitz spoke on the engineering and traffic survey on Railroad Canyon Road. He expressed he was glad to see the Riverside County Sheriff's Office enforcing speed laws.

COMMITTEE AND COUNCIL REPORTS/COMMENTS

Council Member Castillo stated he attended a neighborhood watch meeting and had an exciting time and hoped these meetings will reoccur. She also stated that she is looking forward to City events for this year.

Council Member Dain shared information about the the 2024 City scholarship contest for high school seniors. She also spoke about the City's Volunteer Program and how the City is actively looking for volunteers for Memorial Day and more. She noted that the Southwest Riverside Higher Education Coalition is exploring opportunities to fund Cal State San Marcos building expansion in Temecula, keeping our talent in this County.

Council Member Smith shared that Brian Nestande, former state Assemblymember of Palm Desert, passed away and requested the meeting be adjourned in his honor and memory.

Mayor Pro Tem Terry attended the Regional Conservation Authority and Western Riverside Council of Governments' meetings. He also discussed that the Governor's budget proposal takes money from wildlife conservation. He attended the roundtable meeting and had great discussion, acknowledging a program which gives a business owner the opportunity to hire for free reservists for 6 months. He noted that the Family Golf Spring Kick Off Tournament was a remarkable success. He also was able to attend the Mermaids St. Patrick's casino night which was a great night.

Mayor Welty announced the Lake Elsinore Watershed Authority Water Summit being held on April 30, 2024. He attended the Southern California Association of Government's meeting which discussed moving forward with a Draft Plan Connect program.

CONSENT CALENDAR

Council Member Castillo pulled Item 7 for further discussion.

Council Member Smith stated his recusal on Item 5, due to a potential conflict of interest.

Motion and second by Council Member Smith/Mayor Pro Tem Terry to approve Consent Calendar Items 1-6.

Motion carried 5-0, with Council Member Castillo, Council Member Dain, Council Member Smith, Mayor Pro Tem Terry, and Mayor Welty voting aye and Council Member Smith recusing himself from Item 5.

(1) Waive Full Reading, Read all Ordinances by Title Only

(2) Approve Claims and Demands of the City

Action Taken: The City Council adopted Resolution No. 2024-06 Approving Claims and Demands of the City.

(3) Approval of City Council Minutes

Action Taken: The City Council approved the Minutes of the City Council meeting of February 6, 2024 and February 14, 2024.

(4) Receive and File the City's Housing Element Annual Progress Report

Action Taken: The City Council received and filed the City's Housing Element Annual Progress Report.

(5) Second Reading and Adoption of Ordinance No. 244 - An Ordinance of the City Council of Canyon Lake, California, Amending Title 5, Chapter 5.22 (Single-Family Rental Property Registration, Inspection, and Crime-Free Rental Housing Program) of the Canyon Lake Municipal Code

Action Taken: The City Council conducted second reading and adopted Ordinance No. 244 - An Ordinance of the City Council of Canyon Lake, California, Amending Title 5, Chapter 5.22 (Single-Family Rental Property Registration, Inspection, and Crime-Free Rental Housing Program) of the Canyon Lake Municipal Code.

(6) Adopt a Resolution Designating the Authorized Agent for Federal Disaster Assistance and Grant Assistance with the California Governor's Office of Emergency Services (Cal OES)

Action Taken: The City Council adopted Resolution No. 2024-07 authorizing the designation of the City Manager to act as Authorized Agent on behalf of the City of Canyon Lake with the California Governor's Office of Emergency Services (Cal OES) for a period of three years from the date of approval.

PULLED CONSENT CALENDAR ITEMS

(7) Adoption of 2024 City Council Goals

Pulled by Council Member Castillo for further discussion.

Council Member Castillo noted that the list of 2024 Goals was not a true reflection of the goal setting meeting that took place.

Motion and second by Council Member Smith/Mayor Pro Tem Terry to table this item and to revise the City's 2024 goals for a future meeting.

Motion carried 5-0, with Council Member Castillo, Council Member Dain, Council Member Smith, Mayor Pro Tem Terry, and Mayor Welty voting aye.

PUBLIC HEARINGS

(8) Introduction and First Reading of Ordinance No. 245 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning And Zoning), Chapter 9.32 Accessory Dwelling Units And Junior Accessory Dwelling Units, To Ensure Consistency With State Regulations; And Finding The Action To Be Exempt From CEQA

Mayor Welty announced the public hearing opened at 7:48 p.m.

City Attorney Graham provided a presentation.

There were no public comments.

Mayor Welty announced the public hearing session closed at 7:51 p.m.

Motion and second by Council Member Smith/Council Member Dain to approve the introduction and first reading of Ordinance No. 245 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning And Zoning), Chapter 9.32 Accessory Dwelling Units and Junior Accessory Dwelling Units, to Ensure Consistency with State Regulations; and Finding the Action to be Exempt From CEQA.

Motion carried 5-0, with Council Member Castillo, Council Member Dain, Council Member Smith, Mayor Pro Tem Terry, and Mayor Welty voting aye.

BUSINESS ITEMS

(9) Discussion Regarding the Draft Golf Cart Crossing Traffic Safety Study and Engineering and Traffic Study for Railroad Canyon Road

City Manager Dailey and Steve Libring of Willdan Engineering provided a presentation.

Discussion ensued between the City Council regarding their top priority, public safety. As it is a critical issue, they would like to see residents have a safety corridor and how the public should be educated on what is street legal.

John Zaitz spoke on this item explaining how Railroad Canyon Road is a speed trap.

City Attorney Graham acknowledged the new NEV plans, stating Los Angeles and Orange County are the only counties that can have these plans. He also stated a critical factor is having an enforceable 45 mph zone, which will contribute to having a golf course crossing and public road operating in a safe manner. He stated that ordinance changes and a striping plan would be brought forward for City Council consideration at a future meeting.

(10) Review of the Fiscal Year 2023-24 Mid-Year Budget and Projections and Approval of Proposed Budget Adjustments.

Finance Director Terry Shea provided a presentation.

Motion and second by Council Member Smith/Mayor Pro Tem Terry to approve the recommended budget adjustments.

Motion carried 5-0, with Council Member Castillo, Council Member Dain, Council Member Smith, Mayor Pro Tem Terry, and Mayor Welty voting aye.

(11) Adopt a Resolution Approving a New Capital Projects Fund for the City's Vehicle & Equipment Replacement Reserve

Finance Director Terry Shea provided a presentation.

Motion and second by Council Member Smith/Council Member Castillo to adopt Resolution No. 2024-08 approving a new Capital Projects Fund for the City's Vehicle & Equipment Replacement Reserve.

Motion carried by 5-0, with Council Member Castillo, Council Member Dain, Council Member Smith, Mayor Pro Tem Terry, and Mayor Welty voting aye.

CITY MANAGER COMMENTS

City Manager Dailey provided a presentation on City fees which included business licenses and the EMS Subscription Program.

ANNOUNCEMENTS

Mayor Welty announced that the next regular City Council meeting will be held on Wednesday, April 10, 2024.

ADJOURNMENT

At 8:39 p.m., Mayor Welty adjourned the meeting in honor of Former State Assemblymember of Palm Desert, Brian Nestande.

Attorney Graham stated that the City Council would adjourn back into Closed Session.

Respectfully submitted,

Sheryl L. Garcia, MMC, CPM
City Clerk

**MINUTES
SPECIAL MEETING OF THE
CANYON LAKE CITY COUNCIL
Monday, April 1, 2024**

**Closed Session – 4:00 p.m.
City Hall Administration Building
31526 Railroad Canyon Road, Suite 5
Canyon Lake, CA 92587**

CALL TO ORDER

Mayor Welty called the meeting to order at 4:01 p.m.

ROLL CALL

Present: Council Member Castillo, Council Member Dain, Council Member Smith,
Mayor Pro Tem Terry and Mayor Welty.

Absent: None.

PUBLIC COMMENT

There were no public comments.

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION - Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: One Case
2. PUBLIC EMPLOYMENT - Appointment Pursuant to Section 54957: Title: Interim City Manager

The City Council entered closed session at 4:01 p.m.

ADJOURNMENT

At 7:43 p.m., Mayor Welty adjourned the meeting.

Respectfully submitted,

Sheryl L. Garcia, MMC, CPM
City Clerk



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Mike Borja, Acting City Manager

BY: Kayla Malin, Accountant and Human Resources Specialist

DATE: April 10, 2024

SUBJECT: Adopt a Resolution Amending Section 10, Pay Periods, of the City's Employee Handbook and Personnel Policy Manual

Recommendation

Adopt Resolution No. 2024-10 amending Section 10, Pay Periods, of the City's Employee Handbook and Personnel Policy Manual to transition from a semi-monthly pay schedule to a biweekly pay schedule.

Background

For many years, the City has been following a semi-monthly pay schedule, wherein employees receive their pay on the 15th and 30th/31st day of each month. While this system has been in place for some time, it has become increasingly evident that transitioning to a biweekly pay schedule would offer numerous benefits to both the City and its employees. This transition is aimed at streamlining payroll processes, improving financial management, and ensuring consistency in payment schedules across different departments. Moving to biweekly payroll will standardize and simplify the payroll procedures across all departments. This shift in the payment schedule will reduce overpayments and manual adjustments in pay as the pay periods will be true to hours worked. With the biweekly payroll schedule, all employees will be paid every other Friday instead of twice per month.

Advantages of biweekly pay:

- Standardized pay frequency for all employees
- More efficient and effective time reporting
- Reduction in manual adjustments needed
- Employees are paid consistently every other week
- Overtime hours worked are paid during the pay cycle in which they are worked
- Vacation and sick leave balances are current

It is important to note that there is no change in the amount of pay employees will receive. Employees will continue to earn the same salary and will receive their earnings more frequently, on a consistent schedule, for the same number of days of work, every two weeks.

This change also aligns with industry standards. Staff surveyed surrounding cities and each city surveyed has transitioned to biweekly pay schedules due to their effectiveness in managing payroll and improving employee satisfaction. These cities include: City of Murrieta, City of Temecula and City of Wildomar.

Currently our Fire Department is on a biweekly pay schedule. Another reason to move from a semi-monthly to biweekly pay schedule is to condense and simplify the payroll procedures every month. The payroll process takes place every single week and moving the pay schedule to biweekly will allow payroll to be processed twice a month instead of four times a month.

The decision to shift to a biweekly pay schedule was communicated to all employees on March 2023, providing them with the necessary information and resources to adjust their financial arrangements accordingly and allow ample time for preparation.

In conclusion, the transition to a biweekly pay schedule offers numerous advantages for the City, its employees, and its financial management processes. By providing more frequent pay disbursements, simplifying payroll processing, and ensuring consistency across departments, this change will contribute to the overall efficiency and effectiveness of city operations.

Fiscal Impact

The transition to a biweekly payroll schedule will result in two additional payrolls annually through the City's payroll company, which costs are anticipated to be \$130 per year. There are no changes to employee annual compensation.

Attachments

1. Resolution No. 2024-10

ATTACHMENT 1

RESOLUTION NO. 2024-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING SECTION 10, PAY PERIODS, OF THE EMPLOYEE HANDBOOK AND PERSONNEL POLICY MANUAL TO TRANSITION TO BIWEEKLY PAYROLL

WHEREAS, on April 7, 2021, the City of Canyon Lake adopted its Employee Handbook and Personnel Policy Manual; and

WHEREAS, it is necessary from time to time to review and adjust the City’s personnel policies and procedures to ensure efficient, equitable and economical operation of various City Departments; and

WHEREAS, Section 10 of the Personnel Policy Manual currently calls for payroll to be semi-monthly; and

WHEREAS, in order to streamline payroll processes, improve financial management, and ensure consistency in payment schedules across different departments, the City wishes to move to bi-weekly payroll effective June 16, 2024, with a check date of July 5, 2024; and

WHEREAS, the new biweekly payroll schedule will standardize and simplify the payroll procedures, reduce overpayments and manual adjustments in pay as the pay periods will be true to hours worked.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The City Council does hereby approve and adopt an amendment to Section 10 of the Employee Handbook and Personnel Policy Manual to transition to biweekly payroll for all City employees, effective June 16, 2024, as set forth in Exhibit “A” attached hereto.

Section 3. That the City Clerk shall certify the adoption of this Resolution and that the same shall be in full force and effect.

Section 4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 10th day of April, 2024.

Dale Welty, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk

EXHIBIT "A"

SECTION 10, PAY PERIODS, OF THE
EMPLOYEE HANDBOOK AND PERSONNEL POLICY MANUAL

- (a) If the new position title maintains the same salary range, the salary will not change.
- (b) If the new position title has a higher salary range, the salary adjustment will be determined at the discretion of the City Manager.
- (c) If the new position title has a lower salary range, the employee will be Y-rated.

Section 10. Pay Periods: Employees shall be compensated by paycheck or electronic transfer biweekly. Checks or electronic transfers in payment for compensation will be made available by the City to employees.

Section 11. Bilingual Pay: The City does not provide a bilingual premium pay differential in addition to regular pay for employees who are requested by the City to use bilingual skills during their scheduled work hours on a recurring basis.

Section 12. Overtime:

- (a) As a matter of general policy, the City does not permit employees to work overtime and will provide adequate staff to handle normal operations. However, non-exempt employees may be required to work overtime at the discretion of the City Manager.
- (b) Overtime for non-exempt employees is defined as hours assigned to be worked and actually worked in excess of forty (40) hours in the designated work week.
- (c) Non-exempt employees working overtime when not expressly authorized to do so shall be subject to discipline.
- (d) Overtime assigned and worked by non-exempt employees shall be compensated at time and one half their regular rate of pay. The employee may request, and the City Manager shall have the unrestricted discretion to approve or not approve, compensation in the form of accrued compensatory time at time and one-half pay, except an employee may not accrue more than forty (40) hours compensatory time at any time.
- (e) Employees who are exempt from the Fair Labor Standards Act (FLSA) are compensated on a salary basis and are not eligible for overtime.

Section 13. Call-Back Pay: In the event of an emergency or disaster, all City employees may be required to report to work.

Section 14. Acting Pay: An employee who is provisionally appointed to an acting or interim position that is in a higher salary range than that of the position title



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Mike Borja, Acting City Manager

BY: Steven Graham, City Attorney

DATE: April 10, 2024

SUBJECT: Second Reading and Adoption of Ordinance No. 245 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning And Zoning), Chapter 9.32 Accessory Dwelling Units and Junior Accessory Dwelling Units, to Ensure Consistency with State Regulations; and Finding the Action to be Exempt From CEQA

Recommendation

Conduct second reading and adopt Ordinance No. 245 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning And Zoning), Chapter 9.32 Accessory Dwelling Units and Junior Accessory Dwelling Units, to Ensure Consistency with State Regulations; and Finding the Action to be Exempt From CEQA.

Background/Discussion

At the March 13, 2024, City Council meeting, the City Council held a public hearing and approved the first reading of Ordinance No. 245, amending Title 9 (Planning And Zoning), Chapter 9.32 of the City's Municipal Code, related to accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs).

The ordinance has been drafted to reflect changes in State law ensuring that local regulations do not unduly inhibit the creation of ADUs and JADUs. Key provisions of the ordinance include defining ADUs and JADUs, specifying zones where ADUs and JADUs are permitted, outlining parking requirements and exceptions, setting standards for size, height, setbacks, and design. It also introduces streamlined permit processes for certain ADUs and JADUs, aiming to reduce barriers to their development. The ordinance is designed to comply with state mandates while considering local context and needs, promoting the efficient use of residentially zoned land and supporting the city's housing goals.

Fiscal Impact

None.

Attachments

1. Ordinance No. 245

ATTACHMENT 1

ORDINANCE NO. 245

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING TITLE 9 (PLANNING AND ZONING), CHAPTER 9.32 ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS, TO ENSURE CONSISTENCY WITH STATE REGULATIONS; AND FINDING THE ACTION TO BE EXEMPT FROM CEQA

WHEREAS, the City of Canyon Lake, California (“City”) is a municipal corporation, duly organized under the constitution and law of the State of California; and

WHEREAS, the Planning and Zoning Laws authorizes cities to act by ordinance to provide for the creation and regulation of accessory dwelling units and junior accessory dwelling units; and

WHEREAS, in recent years, the California Legislature has approved, and the Governor has signed into law, several bills that, among other things, amended Government Code sections 65852.2 and 65852.22 to impose new limits on local authority to regulate accessory dwelling units and junior accessory dwelling units; and

WHEREAS, in 2022, the California Legislature approved, and Governor Gavin Newsome signed new housing laws including Assembly Bill (AB 2221) and Senate Bill 897 (SB 897) that further amend Government Code sections 65852.2 and 65852.22; and

WHEREAS, on February 8, 2023, the City adopted an accessory dwelling unit (ADU) Ordinance No. 229 (Ordinance) and provided a copy to the California Department of Housing and Community Development (HCD), which was received on March 3, 2023; and

WHEREAS, on January 17, 2024, HCD sent the City its findings and recommended amendments to bring the City’s accessory unit ordinance into full compliance with State ADU Law; and

WHEREAS, pursuant to Government Code section 65852.2, subdivision (h)(2)(B), the City desires to amend its Ordinance to comply with State ADU Law; and

WHEREAS, this ordinance is exempt from review under the California Environmental Quality Act (CEQA; California Public Resources Code Section 2100, et seq.) and CEQA regulations (Title 14, California Code of Regulations Section 15000, et seq.) pursuant to Government Code Sections 65852.2 of the Government Code, which is California’s accessory dwelling unit law and which also regulates junior accessory dwelling units, as defined by section 65852.22. Therefore, the proposed ordinance is statutorily exempt from CEQA in that the proposed ordinance implements the State’s accessory dwelling unit law.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. **Recitals.** The recitals above are each incorporated by reference and adopted as findings by the City Council.

Section 2. **CEQA Findings.** Under the California Public Resources Code section 21080.17, the California Environmental Quality Act (“CEQA”) does not apply to the adoption of an ordinance by a city or county implementing the provisions of section 65852.2 of the Government Code, which is California’s accessory dwelling unit law, and which also regulates junior accessory dwelling units, as defined by section 65852.22. Therefore, the proposed ordinance implements the State’s accessory dwelling unit law.

Section 3. **Municipal Code Amendment.** Section 9.32 of the City of Canyon Lake Municipal Code is hereby amended as provided in Exhibit “A”, attached hereto and incorporated herein by reference.

Section 4. **Notice of Exemption.** The City Manager, or designee, is directed to file a Notice of Exemption with the County Clerk of the County of Riverside.

Section 5. **Clerical Errors.** The City Council directs the City Clerk to correct any clerical errors found in this Ordinance including, but not limited to, typographical errors, irregular numbering, and incorrect section references.

Section 6. **Severability.** Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

Section 7. **Effective Date.** In accordance with California Government Code section 36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

Section 8. **Publication.** The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause the ordinance or a summary thereof to be published in accordance with state law.

Section 9. The City Manager, or their designee, is directed to submit a copy of this ordinance to the Department of Housing and Community Development upon adoption.

PASSED APPROVED AND ADOPTED this 10th day of April, 2024.

Dale Welty, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl L. Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney

EXHIBIT "A"

Chapter 9.32 Accessory Dwelling Units

Section

- 9.32.010 Definitions.
- 9.32.020 General provisions.
- 9.32.030 Permitted zones.
- 9.32.040 On-site parking.
- 9.32.050 On-site parking, exceptions.
- 9.32.060 Parking location.
- 9.32.070 Square footage.
- 9.32.080 Height.
- 9.32.090 Setback.
- 9.32.100 Design and development standards.
- 9.32.110 Multifamily zones.
- 9.32.120 Junior ADU standards.
- 9.32.130 Short-term rentals.
- 9.32.140 Conveyance.
- 9.32.150 By Right Units – Building permit approval only.

9.32.010 Definitions.

(a) "Accessory dwelling unit (ADU)" has the same meaning ascribed in Government Code Section 65852.2, as the same may be amended from time to time. An ADU means an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family dwelling is situated. An accessory dwelling unit also includes the following: (1) an efficiency unit, as defined in Section 17.958.1 of Health and Safety Code; and (2) a manufactured home, as defined in Section 18007 of the Health and Safety Code.

(b) "Junior accessory dwelling unit (junior ADU or JADU)" means a residential dwelling unit that is no more than 500 square feet in size and contained entirely within an existing single-family structure. A junior accessory dwelling unit may include separate sanitation facilities or may share sanitation facilities with the existing structure.

(c) "Efficiency unit," as defined in Section 17.958.1 of the Health and Safety Code, may be permitted for occupancy by no more than two persons and shall not be less than 150 square feet in size. The efficiency unit shall have a bathroom facility and a partial kitchen, with a kitchen sink, cooking appliance, and refrigerator.

(d) Collectively, ADUs and junior ADUs may be referred to in this Chapter as accessory dwelling units.

9.32.020 General provisions.

Unless otherwise preempted by state law, the design and construction of all newly constructed accessory dwelling units shall comply with all applicable building, housing, zoning and site development standards of this Chapter, including but not limited to standards regarding setbacks, floor area ratio standards, height, and lot coverage. Applicants shall also comply with all applicable fee and charge requirements, and other applicable zoning requirements. Applications deemed complete for accessory dwelling units shall be approved ministerially with the applicable 60-day review period consistent with state law.

9.32.030 Permitted zones.

Accessory dwelling units shall be a permitted use within the City's single-family and multiple-family residential zones.

9.32.040 On-site parking.

(a) Required parking for accessory dwelling units shall not exceed one parking space per accessory dwelling unit or per bedroom, whichever is less.

(b) When an existing garage, carport, or covered parking structure is demolished in conjunction with the construction of an accessory dwelling unit or is converted into an accessory dwelling unit, replacement parking for the primary dwelling unit shall not be required.

(c) When required, on-site parking can be covered, uncovered, tandem or provided through the use of a mechanical automobile parking lift. Tandem parking as defined in this division means that two or more automobiles are parked in a driveway or in any other location on a lot, lined up behind one another.

9.32.050 On-site parking, exceptions.

Notwithstanding the parking development standards for accessory dwelling units, accessory dwelling units that meet the following State provisions (consistent with AB 68, AB 881, and SB 13) shall not be required to provide on-site parking in any of the following instances if:

(a) The accessory dwelling unit is located within one-half mile walking distance of "public transit" within the meaning of Government Code Section 65852.2;

(b) The accessory dwelling unit is located within an architecturally and historic significant historic district;

(c) The accessory dwelling unit is part of the existing primary dwelling unit or an existing accessory structure;

(d) When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit; or

(e) When there is a car share vehicle located within one block of the accessory dwelling unit.

(f) When a permit application for an accessory dwelling unit is submitted with a permit application to create a new single-family dwelling or a new multifamily dwelling on the same lot,

provided that the accessory dwelling unit or the parcel satisfies any other criteria listed in this paragraph.

9.32.060 Parking location.

The parking provided on-site can be tandem and in an existing driveway or within any existing setback area, unless specific findings are made that parking in setback areas or tandem parking is not feasible based upon specific site, topographical or fire and life safety conditions. When a designated parking area is provided and is not located in the driveway as tandem, the parking space must meet the minimum required turning radius and backup distance according to the requirements of the California Building Code and California Residential Code .

9.32.070 Square footage; Objective Standards.

(a) All new accessory dwelling units and additions to existing and permitted accessory dwelling units are exempt from compliance with the Floor Area Ratio (FAR), lot coverage, open space, or minimum lot size requirements noted in the Municipal Code unless otherwise specified herein.

(b) All new detached accessory dwelling units shall not exceed 1,200 square feet.

(c) When an accessory dwelling unit is attached to the existing primary dwelling unit, the maximum allowed size of that accessory dwelling unit shall be no more than 50% of the main dwelling size, or 850 or 1,000 square feet based on number of bedrooms as noted in preceding Subsection (b), whichever is less.

(d) When a balcony, porch or patio is provided in conjunction with an accessory dwelling unit, if said structure is covered, it shall count towards the total accessory dwelling unit square footage allowance.

(e) Pursuant to Government Code section 65852.2 (a)(1)(B)(i), the city shall impose objective standards on accessory units that include landing or a balcony, porch or patio for the purposes of square footage requirements.

(f) If a cover such as a porch or similar type structure is provided over the main entrance of the accessory dwelling unit, and is supported by posts, 25 square feet of the said cover will not count towards the maximum allowable square footage of the accessory dwelling unit.

(g) Accessory dwelling units may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.

9.32.080 Height.

(a) All new accessory dwelling units, attached to the main dwelling unit must comply with the height requirements, allowing up to 16 feet.

(b) When an accessory dwelling unit is constructed on top of a detached garage, accessory structure, or above another accessory dwelling unit when applicable under this Code, shall have a minimum allowable height of 18 feet.

(c) All new detached accessory dwelling units on a lot with an existing or proposed multifamily, multistory dwelling shall have a minimum allowable height of 18 feet.

(d) When an accessory dwelling unit is constructed on top of a garage or accessory structure, the accessory dwelling unit cannot touch grade level, except through support posts. The bottom of the finished floor of the accessory dwelling unit must be above the top of plate of the garage or accessory structure.

9.32.090 Setback.

(a) Unless otherwise provided in this Chapter, any new accessory dwelling units must have a minimum setback of four feet to the rear property line and four feet to the side-yard property line with the exception that accessory dwelling units on top of a garage shall maintain a minimum five feet setback from side and rear property lines.

(b) Any new accessory dwelling unit cannot be located closer to the front property line than the prevailing front yard setback for a single family residential zoned lot or minimum required front setback for a multifamily residential zoned lot.

(c) No setback shall be required for an accessory dwelling unit that is within an existing structure or new accessory dwelling unit that is constructed in the same location and with the same dimensions as an existing structure.

(d) New accessory dwelling units must maintain a five-foot separation from building face to building face, and a four foot separation from eave to eave of any adjacent structure.

(e) No accessory dwelling unit may be located in a way that would prohibit access to a designated parking area or impede safe ingress and egress from a required side, rear, or front setback.

(f) No setback shall be required when an accessory dwelling unit is constructed in the same location and to the same dimensions as an existing legal structure that is converted into an accessory dwelling unit or to a portion of an accessory dwelling unit, even when that structure has been demolished.

(g) When a balcony, porch or patio is provided in conjunction with the accessory dwelling unit and is seven inches above grade level, the balcony, porch or patio must be setback from the rear and side property lines a minimum of four feet.

(h) When a staircase or landing is provided for a new or existing second story accessory dwelling unit, whether attached or detached to the primary dwelling unit, that staircase or landing must provide a minimum four foot setback to the rear and side property line.

9.32.100 Design and development standards.

(a) The exterior design of the accessory dwelling unit shall match that of the main dwelling in terms of building forms, materials, colors, exterior finishes, roof forms and style of doors and windows. The structure(s) shall retain the appearance of a single-family dwelling, and the accessory dwelling unit shall be integrated into the design of the existing primary dwelling unit on the property or as determined objectively and approved ministerially.

(b) The accessory dwelling unit shall have the same design, architecture, colors and materials of the primary dwelling, and shall comply with any objective design standards adopted by the city, regardless of whether the use of the accessory dwelling unit is continued or terminated. If a separate entrance is provided, it shall be located on the side or rear of the structure and whenever possible located toward interior yard areas. The additional entrance is prohibited from

being located on the front of the primary dwelling unit. The second entrance shall be well lit and free of concealment from landscaping to assure safe entrance and exit by the occupants.

(c) Consistent with Government Code Section 65852.2(a)(1)(B)(i), all visible façade elevations of accessory dwelling units from any public right of way shall comply with the objective design standards adopted by the city.

(d) When a garage is converted into an accessory dwelling unit, the garage door must be removed and replaced with windows, door, or other design treatments that are compatible with the structure and the primary dwelling unit that can be uniformly verifiable by reference to an external and uniform benchmark

(e) The accessory dwelling unit shall comply with the requirements under the Code pertaining to the adequacy of water, sewer, electrical, drainage, and fire and emergency services to the property on which the accessory dwelling unit will be located as well as all applicable codes pertaining to building, fire, health, and/or safety.

(f) The main entrance of a detached accessory dwelling unit (ADU) shall align with the main entrance of the primary dwelling unit or face the side property lines, based on objective standards that prioritize compatibility with the neighborhood character. . If an ADU entrance is proposed to face an alley or rear property line, it shall be subject to review based on an objective standard and ministerial process.

9.32.110 Multifamily zones.

All of the provisions of this section shall apply to accessory dwelling units in the Multifamily Zones, unless otherwise stated in the following:

(a) No more than two accessory dwelling units can be constructed on a Multifamily zoned lot or on a lot with a multiple- family dwelling. These accessory dwelling units must be detached from the primary structure and may be attached or detached from each other.

(b) Accessory dwelling units may be created within a multifamily dwelling structure in areas not used as livable space, such as storage rooms, boiler rooms, passageways, attics, basements, common areas or garages, so long as the converted space complies with state building standards for dwellings..

(c) A minimum of one accessory dwelling unit or up to 25% of the existing multifamily unit total on the subject property, is permitted within an existing multifamily dwelling unit.

9.32.120 Junior ADU standards.

All of the provisions of this section shall apply to a junior ADU unless otherwise stated in the following:

(a) A junior ADU is limited to 500 square feet.

(b) One junior ADU is allowed only within single-family residential zones.

(c) A deed restriction must be recorded and will run with the land prohibiting the sale of the junior ADU separate from the sale of the single-family residence, including a statement that the deed restriction may be enforced against future purchasers.

(d) The deed restriction must include the size and attributes of the junior ADU that conforms to this Section.

(e) The junior ADU shall be constructed within the walls of the proposed or existing single-family residence, as well as any enclosed uses within the residence. This area also includes enclosed, nonhabitable rooms and uses, including but not limited to attached garages and storage rooms.

(f) The junior ADU must include a separate entrance from the main entrance to the single-family residence and an interior entry to the main living area. A second interior doorway may be provided for sound attenuation. If a junior ADU shares a bathroom with the primary dwelling, the junior ADU is required to have an interior entry to the primary dwelling's "main living area," independent of the exterior entrances of the junior ADU and primary dwelling.

(g) The junior ADU must include an efficiency kitchen, which shall include all the following:

(1) A cooking facility with appliances.

(2) A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the Junior ADU.

(h) Additional parking may not be required as a condition to grant a permit for a junior ADU.

(i) An inspection, including the imposition of a fee for that inspection to determine whether the junior ADU is in compliance with applicable building standards may be required at any time after the junior ADU has been built.

(j) For the purposes of any fire or life protection ordinance or regulation, a junior ADU shall not be considered a separate or new dwelling unit. This Section shall not preclude the City from adopting an ordinance or regulation relating to fire and life protection requirements within a single-family residence that contains a junior ADU so long as the ordinance or regulation applies uniformly to all single-family residences within the zone regardless of whether the single-family residence includes a junior ADU or not.

(k) For the purposes of providing service for water, sewer, or power, including a connection fee, a junior ADU shall not be considered a separate or new dwelling unit.

(l) A junior ADU requires owner-occupancy as follows: The owner shall reside in either the remaining portion of the single-family residence or the newly created junior ADU. This provision does not apply if the owner is a governmental entity, land trust or housing organization..

(m) A recorded deed restriction is required, that shall run with the land, and shall be filed with the permitting agency, and shall include both of the following:

(1) A prohibition on the sale of the junior accessory dwelling unit separate from the sale of the single-family residence, including a statement that the deed restriction may be enforced against future purchasers.

(2) A restriction on the size and attributes of the junior accessory dwelling unit that conforms to this section.

9.32.130 Short-term rentals.

Unless otherwise provided for in the Canyon Lake Municipal Code, accessory dwelling units, which are rented, shall be rented for terms longer than 30 days.

9.32.140 Conveyance.

Any accessory dwelling unit may be rented separate from the primary residence and may be sold or otherwise conveyed separate from the primary residence to a qualified buyer.

9.32.150 By Rights Units – Building permit approval only.

(a) An applicant shall not be required to submit an application for an ADU or JADU permit under this chapter and may instead seek building permit approval for an ADU or JADU that satisfies the requirements of Government Code Section 65852.2(e)(1), as the same may be amended from time to time, and the California Building Standards Code, as amended by the city.

(b) Pursuant to Government Code Section 65852.2(e), the city shall ministerially approve an application for a building permit within a residential or mixed-use zone to create any of the following:

(1) One ADU or JADU per lot with a proposed or existing single-family dwelling if all of the following apply:

(A) The ADU or JADU is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure and may include an expansion of not more than one hundred fifty square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.

(B) The space has exterior access from the proposed or existing single-family dwelling.

(C) The side and rear setbacks are sufficient for fire and safety.

(D) The JADU complies with the requirements of Section 65852.22 and with the requirements set forth in Section 9.32.120 above.

(2) One detached, new construction ADU that does not exceed four-foot side and rear yard setbacks for a lot with a proposed or existing single-family dwelling. The ADU may be combined with a JADU described in subsection (b)(1) above. The ADU shall be no more than eight hundred square feet in size, with a height limit of sixteen feet.

(3) One ADU within the portions of existing multifamily dwelling structures that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings. If requested, multiple ADUs shall be allowed, up to the number of ADUs that equals twenty-five percent of the existing multifamily dwelling units in the structure.

(4) Not more than two detached ADUs located on a lot that has an existing multifamily dwelling, subject to a height limit of sixteen feet and four-foot rear yard and side setbacks.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Mike Borja, Acting City Manager

BY: Jeff LaTendresse, Fire Chief

DATE: April 10, 2024

SUBJECT: Adopt a Resolution Adopting a Framework for Employer-Employee Relations

Recommendation

Adopt Resolution No. 2024-11 adopting a framework for Employer-Employee Relations.

Background

On December 7, 2023, the City of Canyon Lake received correspondence from the California Public Employment Relations Board (PERB) that the Canyon Lake Firefighters Association (CLFA) requested to be the recognized Collective Bargaining Unit (CBU) representing the positions of Fire Captain, Fire Engineer, and Firefighter/Paramedic. The CLFA went directly to PERB as the City did not have in place a resolution, or adopted rules, that provide the framework for an employee group to form a CBU. Since the City was notified by PERB, they have worked through the mandated process for recognition of the CLFA as a CBU effective on January 23, 2024.

Discussion

It is common for cities in California to adopt resolutions creating a framework for employee groups to follow for becoming recognized as a bargaining unit and to outline the process to meet and confer with management. This resolution will not only provide that framework but identify the process for handling Employer-Employee relations and items dealing with the Meyers Milias Brown Act of 1968. By adopting this resolution, the City will have place the required process for forming, dissolving, and meeting with employee groups.

Fiscal Impact

None.

Attachments

1. Resolution No. 2024-11

ATTACHMENT 1

RESOLUTION NO. 2024-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ADOPTING A FRAMEWORK FOR EMPLOYER-EMPLOYEE RELATIONS

WHEREAS, the City of Canyon Lake recognizes the needs of employees for meaningful work, personal freedom, esteem, creative expression, and economic security; and

WHEREAS, a positive employee relations program which anticipates and addresses employee concerns results in increased job satisfaction and service to the community; and

WHEREAS, the City of Canyon Lake is committed to undertaking reasonable policies and practices for sustaining fair compensation and positive work environments in order to maximize employee job satisfaction; and

WHEREAS, the City of Canyon Lake is desirous of maintaining an employee relations atmosphere which is conducive to the timely and effective resolution of employee concerns through the interaction of management and employees; and

WHEREAS, the authority of California law, the City Employer-Employee Relations program may incorporate provisions for dealing with representative of employee organizations; and

WHEREAS, it is the desire of the City of Canyon Lake to protect the right of all employees to present their individual or collective interests to the City Management.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

ARTICLE 1 – GENERAL PROVISIONS

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. **Statement of Purpose.** This Resolution implements Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Sections 3500 *et seq.*) captioned “Meyers-Milias-Brown Act” [“MMBA”] (Local Public Employee Organizations),” by providing orderly procedures for the administration of employer-employee relations between the City and its employee organizations. Nothing contained herein, however, shall be deemed to supersede the provisions of state law, the City Municipal Code, ordinances, resolutions, and rules which establish and regulate the civil service system, or which provide for other methods of administering employer-employee relations. This Resolution is intended, instead, to strengthen civil service and other methods of administering employer-employee relations through the establishment of uniform and orderly methods of communications between employees, employee organizations, and the City.

It is the purpose of this Resolution to provide procedures for meeting and conferring in good faith with Recognized Employee Organizations regarding matters that directly and significantly affect and primarily involve the wages, hours, and other terms and conditions of employment of employees in appropriate units, and that are not preempted by federal or state law, or the City Municipal Code. The City shall not be required to meet and confer over the merit, necessity, or organization of any service or activity provided by law or executive order.

Nothing contained in this Resolution shall be construed to restrict any legal or inherent exclusive City rights with respect to matters of general legislative or managerial policy. Unless specifically in conflict with any Memorandum of Understanding (MOU), the City retains all management rights, which include, but are not limited to: The sole and exclusive right to determine the City's mission, including that of its constituent departments, commissions, and boards; the sole and exclusive right to direct the affairs of, manage, and maintain the efficiency of the City, to set standards of service, and to control the organization and operation of the City. The City also has the sole and exclusive right to take any actions which the City deems desirable to conduct its affairs, including, but not limited to, determining the procedures and standards of selection for employment, directing its work force (including scheduling and assigning work and overtime), hiring, firing, discharges, promotions, demotions, transfers, taking disciplinary action, determining the methods, means and personnel by which City operations are to be conducted, relieving employees from duty because of budgetary considerations, lack of work, or other lawful reasons, subcontracting, maintaining discipline and efficiency of employees, determining the content of job classifications, taking all necessary actions to carry out its mission in emergencies, and exercising complete control and discretion over its organization and the technology of performing its work consistent with the provisions of this Resolution and the MMBA. The foregoing is meant to be descriptive of the City's rights, and not exhaustive.

Section 3. **Definitions.** As used in this Resolution, the following terms shall have the meanings indicated:

a. **Appropriate unit:** means a unit of employee classes or positions, established pursuant to Article II of this Resolution.

b. **City:** The City of Canyon Lake, and, where appropriate herein, refers to the City Council or any duly authorized City representative as herein defined.

c. **Confidential Employee:** An employee who, in the course of his or her duties, has access to confidential information relating to the City's administration of employer-employee relations. Confidential employees include, but are not limited to the City Manager, Director of Administrative Services, Fire Chief, City Clerk, Management Analyst, Executive Assistant/Analyst, and the Accountant/Human Resources Specialist. The City Council shall designate other confidential employees by resolution.

d. **Consult/Consultation in Good Faith:** To meet and discuss issues with all affected recognized employee organizations, in good faith, for the purpose of presenting and obtaining views or advising of proposed actions in an effort to reach a consensus; and, as distinguished from meeting and conferring in good faith regarding matters within the required scope of representation

(as defined in California Government Code section 3504), does not involve an endeavor to reach a binding agreement, nor is it subject to the impasse resolution procedures set forth in Article IV of this Resolution.

e. Day: Calendar day unless expressly stated otherwise.

f. Employee: Any person regularly employed by the City except those person elected by popular vote.

g. Employee Organization: Any organization that includes employees of the City and has as one of it primary purposes representing such employees in their employment relations with the City or any organization that seeks to represent employees in their relations with the City.

h. Employee Relations Officer: The City Manager or his/her duly authorized representative.

i. Exclusively Recognized Employee Organization: means an employee organization which has been formally acknowledged by the City as the sole employee organization representing the employees in an appropriate representation unit determined pursuant to Article II of this Resolution, having the exclusive right to meet and confer in good faith concerning matters within the scope of representation pertaining to unit employees, and thereby assuming the corresponding obligation of fairly representing such employees.

j. Impasse: The representatives of the City and a Recognized Employee Organization have reached a point in their good faith negotiations where their differences on matters to be included in a Memorandum of Understanding, and/or concerning matters over which they are required to meet and confer, remain so substantial and prolonged that further meeting and conferring would be futile.

k. Management Employee: An employee having responsibility for formulating, administering, or managing the implementation of City policies and programs. Management employees include, but are not limited to, the City Manager, the Director of Administrative Services, Fire Chief, City Clerk, Management Analyst, Executive Assistant/Analyst, and the Accountant/Human Resources Specialist. The City Council shall designate other such management employees by resolution.

l. Proof of Employee Support: Any of the following:

(1) an authorization card recently signed and personally dated by an employee, provided that the card has not been subsequently revoked in writing by the employee.

(2) a verified authorization petition or petitions recently signed and personally dated by an employee.

(3) employee dues deduction authorizations, using the payroll register for the period immediately prior to the date a petition is filed hereunder, except that dues deduction authorizations for more than one employee organization for the account of any one employee shall not be considered as proof of employee support for any employee organization.

The only authorization which shall be considered as proof of employee support hereunder shall be the authorization last signed by an employee. The words “recently signed” shall mean within ninety (90) days prior to the filing of such proof of support.

m. Supervisory Employee: Any employee having authority, in the interest of the City, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibly to direct them, or to adjust their grievances, or effectively to recommend such action if, in connection with the foregoing, the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

n. Terms not defined herein shall have the meanings as set forth in the MMBA.

ARTICLE II – REPRESENTATION PROCEEDINGS

Section 4. Filing of Recognition Petition by Employee Organization. An employee organization which seeks to be formally acknowledged as the Exclusively Recognized Employee Organization representing the employees in an appropriate unit shall file a petition with the Employee Relations Officer containing the following information and documentation:

- a. Name and address of the employee organization.
- b. Names and titles of its officers, and mailing addresses.
- c. Names and telephone numbers of employee organization representatives who are authorized to speak on behalf of the organization in any communication with the City.
- d. A statement that the employee organization has, as one of its primary purposes, the responsibility of representing employees in their employment relations with the City.
- e. A statement whether the employee organization is a chapter of, or affiliated directly or indirectly in any manner, with a local, regional, state, national or international organization, and, if so, the name and address of each such other organization.
- f. Certified copies of the employee organization’s constitution and bylaws.
- g. A designation of those persons, not exceeding two in number, and their addresses, and/or email addresses, to whom notice sent by regular United States mail and/or email will be deemed sufficient notice on the employee organization for any purpose.

h. A statement that the employee organization has no restriction on membership based on race, color, religion, creed, sex, national origin, age, marital status, sexual orientation, mental or physical disability, medical condition, military or veteran status, gender identity or expression, genetic information, or any other legally protected classification.

i. The job classifications or position titles of employees in the unit claimed to be appropriate and the approximate number of member employees therein.

j. A statement that the employee organization has in its possession proof of employee support as herein defined to establish that a majority of the employees in the unit claimed to be appropriate have designated the employee organization to represent them in their employment relations with the City. Such written proof shall be submitted for confirmation to the Employee Relations Officer or to a mutually agreed upon disinterested third party.

k. A request that the Employee Relations Officer formally acknowledge the petitioner as the Exclusively Recognized Employee Organization representing the employees in the unit claimed to be appropriate for the purpose of meeting and conferring in good faith.

The Petition, including the proof of employee support and all accompanying documentation, shall be declared to be true, correct and complete, under penalty of perjury, by the duly authorized officer(s) of the employee organization executing it.

Section 5. City Response to Recognition Petition. Upon receipt of the Petition, the Employee Relations Officer shall determine whether:

a. There has been compliance with the requirements for the filing of a Recognition Petition as set forth in Section 4 hereof, and

b. The proposed representation unit is an appropriate unit in accordance with Section 10 of this Article II.

If an affirmative determination is made by the Employee Relations Officer on the foregoing two matters, he/she shall so inform the petitioning employee organization, shall give written notice of such request for recognition to the employees in the unit and shall take no action on said request for thirty (30) days thereafter.

If either of the foregoing matters are not affirmatively determined, the Employee Relations Officer shall offer to consult thereon with such petitioning employee organization and, if such determination thereafter remains unchanged, shall inform that organization of the reasons therefore in writing.

The petitioning employee organization may appeal such determination in accordance with Section 12 of this Resolution.

Section 6. **Open Period for Filing Challenging Petition.** Within thirty (30) days of the date written notice was given to affected employees that a valid recognition petition for an appropriate unit has been filed, any other employee organization may file a competing request to be formally acknowledged as the exclusively recognized employee organization of the employees in the same or in an overlapping unit (one which corresponds with respect to some, but not all the classifications or positions set forth in the recognition petition being challenged), by filing a petition evidencing proof of employee support in the unit claimed to be appropriate of at least thirty percent (30%) and otherwise in the same form and manner as set forth in Article II, Section 4 of this Resolution. If such challenging petition seeks establishment of an overlapping unit, the Employee Relations Officer shall call for a hearing on such overlapping petitions for the purpose of ascertaining the appropriate unit, at which time the petitioning employee organizations shall be heard. Thereafter, the Employee Relations Officer shall determine the appropriate unit or units in accordance with the standards in Article II, Section 10 of this Resolution, and shall provide written notice of his/her determination to each petitioning employee organization.

If the petitioning employee organizations do not agree with the decision rendered by the Employee Relations Officer, the petitioning employee organizations shall have fifteen (15) days from the date the Employee Relations Officer notified them of his/her unit determination to amend their petitions to conform to such determination or to appeal such determination pursuant to Article II, Section 12 of this Resolution.

Section 7. **Granting Recognition Without an Election.** If the Petition is in order, and the proof of support shows that a majority of the employees in the unit deemed to be appropriate have designated the petitioning employee organization to represent them, and if no other employee organization filed a challenging petition, the petitioning employee organization and the Employee Relations Officer shall request the California State Mediation and Conciliation Service, or another agreed-upon neutral third party, review the count, form, accuracy, and propriety of the proof of support. If the neutral third party makes an affirmative determination, the Employee Relations Officer shall formally acknowledge the petitioning employee organization as the Exclusive Recognized Employee Organization for the designated unit.

Section 8. **Election Procedure.** Where recognition is not granted pursuant to Section 7 of this Resolution, then, upon determination of an appropriate unit in accordance with Sections 5 and 10 of this Resolution, the Employee Relations Officer shall arrange for a secret ballot election to be conducted by a party agreed to by the Employee Relations Officer and the concerned employee organization(s), in accordance with such party's rules and procedures subject to the provisions of this Resolution. All employee organizations who have duly submitted petitions which have been determined to be in conformance with this Article II shall be included on the ballot. The choice of "no organization" shall also be included on the ballot thereby allowing employees the choice of representing themselves individually in their employment relations with the City.

Employees entitled to vote in such election shall be those persons employed in regular permanent positions within the designated appropriate unit who were employed during the pay period immediately prior to the date which ended at least fifteen (15) days before the date the election commences, including those who did not work during such period because of illness,

vacation or other authorized leaves of absence, and who are employed by the City in the same unit on the date of the election.

An employee organization shall be formally acknowledged as the Exclusively Recognized Employee Organization for the designated appropriate unit following an election or run-off election if it received a numerical majority of all valid votes cast in the election. In an election involving three or more choices, where none of the choices receives a majority of the valid votes cast, a run-off election shall be conducted between the two choices receiving the largest number of valid votes cast. The rules governing an initial election shall also apply to a run-off election.

There shall be no more than one valid election under this Resolution pursuant to any petition in a 12-month period affecting the same unit.

In the event that the parties are unable to agree on a third party to conduct an election, the election shall be conducted by the California State Mediation and Conciliation Service (“CSMCS”). In the event that CSMCS declines to conduct the election, for any reason, then the election shall be conducted by the American Arbitration Association or, alternatively, another neutral third party appointed by the City.

If, once the alternate election monitor is appointed, the parties cannot agree as to the time, place, and manner of the election, the parties shall authorize the election monitor to unilaterally determine such issues and carry out the election accordingly.

Costs of conducting elections shall be borne in equal shares by the City and by each employee organization appearing on the ballot.

Section 9. Procedure for Decertification of Exclusively Recognized Employee Organization. A Decertification Petition alleging that the incumbent Exclusively Recognized Employee Organization no longer represents a majority of the employees in an established appropriate unit may be filed with the Employee Relations Officer only during the month of March of any year following the first full year of recognition or during the thirty (30) day period commencing one hundred twenty (120) days prior to the termination date of a Memorandum of Understanding then having been in effect less than three (3) years, whichever occurs later. A Decertification Petition may be filed by two or more employees or their representative, or an employee organization, and shall contain the following information and documentation declared by the duly authorized signatory under penalty of perjury to be true, correct and complete:

a. The name, address and telephone number of the petitioner and a designated representative authorized to receive notices or requests for further information.

b. The name of the established appropriate unit and of the incumbent Exclusively Recognized Employee Organization sought to be decertified as a representative of that unit.

c. An allegation that the incumbent Exclusively Recognized Employee Organization no longer represents a majority of the employees in the appropriate unit, and any other relevant and material facts relating thereto.

d. Proof of employee support that at least thirty percent (30%) of the employees in the established appropriate unit no longer desire to be represented by the incumbent Exclusively Recognized Employee Organization. Such proof shall be submitted for confirmation to the Employee Relations Officer or to a mutually agreed upon disinterested third party within the time limits specified in the first paragraph of this Section 9.

An employee organization may, in satisfaction of the Decertification Petition requirements set forth in this Resolution, file a Petition under this Section in the form of a Recognition Petition that evidences proof of employee support of at least thirty percent (30%) percent, that includes the allegation and information required under this Section 9, and otherwise conforms to the requirements of Section 4 of this Resolution.

The Employee Relations Officer shall initially determine whether the Petition has been filed in compliance with the applicable provisions of this Resolution. If his/her determination is in the negative, he/she shall offer to consult thereon with the representative(s) of such petitioning employees or employee organization and, if such determination thereafter remains unchanged, shall return such Petition to the employees or employee organization with a statement of the reasons therefore in writing. The petitioning employees or employee organization may appeal such determination in accordance with Section 14 of this Resolution. If the determination of the Employee Relations Officer is in the affirmative, or if his/her negative determination is reversed on appeal, he/she shall give written notice of such Decertification or Recognition Petition to the incumbent Exclusively Recognized Employee Organization and to unit employees. Upon request, the Employee Relations Officer shall provide a copy of the petition with names and all other identifying information redacted.

The Employee Relations Officer shall thereupon arrange for a secret ballot election to be held on or about thirty (30) days after such notice to determine the wishes of unit employees as to the question of decertification and, if a Recognition Petition was duly filed hereunder, the question of representation. Such election shall be conducted in conformance with Section 8 of this Resolution.

During the "open period" specified in the first paragraph of this Section 9, the Employee Relations Officer may on his/her own motion, when he/she has reason to believe that a majority of unit employees no longer wish to be represented by the incumbent Exclusively Recognized Employee Organization, give notice to that organization and all unit employees that he/she will arrange for an election to determine that issue. In such event any other employee organization may within fifteen (15) days of such notice file a Recognition Petition in accordance with Section 4, which the Employee Relations Officer shall act on in accordance with this Section 9.

If, pursuant to this Section 9, a different employee organization is formally acknowledged as the Exclusively Recognized Employee Organization, such organization shall be bound by all the terms and conditions of any Memorandum of Understanding then in effect for its remaining term.

Section 10. Policy and Standards for Determination of Appropriate Units. The Employee Relations Officer shall maintain a list of all current bargaining units in the City and shall have the management discretion to form and define reasonable bargaining unit, based on the procedures specified in this Resolution. The policy objectives in determining the appropriateness of units shall be the effect of a proposed unit on (1) the efficient operations of the City and its compatibility with the primary responsibility of the City and its employees to effectively and economically serve the public, and (2) providing employees with effective representation based on recognized community of interest considerations. These policy objectives require that the appropriate unit shall be the broadest feasible grouping of positions that share an identifiable community of interest.

In considering whether classifications share an identifiable community of interest, the following factors shall be considered:

- a. Similarity of the work performed, required qualifications, levels of responsibility, and the general working conditions.
- b. History of representation in the City; except that no unit shall be deemed appropriate solely on the basis of the extent to which employees in the proposed unit have organized.
- c. Consistency with the organizational patterns and structure of the City.
- d. Effect of differing legally mandated impasse resolution procedures.
- e. Number of employees and classifications, and the effect on the administration of employer-employee relations created by the fragmentation of classifications and proliferation of units.
- f. Effect on the classification structure and impact on the stability of the employer-employee relationship of dividing a single or related classifications among two or more bargaining units.

Peace Officers have the right to be represented in separate units composed solely of such peace officers. In addition, professional employees have the right to be represented separately from non-professional employees.

The Employee Relations Officer shall, after notice to and consultation with affected employee organizations, allocate new classifications or positions, delete eliminated classifications or positions, and retain, reallocate or delete classifications or positions from units in accordance with the provisions of this Section. The decision of the Employee Relations Officer shall be final.

Section 11. Procedure for Modification of Established Appropriate Units. Requests by employee organizations for modifications of established appropriate units may be considered by the Employee Relations Officer only during the period specified in Section 9 of this Article II. Such requests shall be submitted in the form of a Recognition Petition and, in addition to the requirements set forth in Section 4 of this Resolution, shall contain a complete statement of all

relevant facts and citations in support of the proposed modified unit in terms of the policies and standards set forth in Section 10 of this Resolution. The Employee Relations Officer shall process such petitions as other Recognition Petitions under this Article II.

When new classifications are adopted, existing classifications abolished, or when a classification is no longer compatible with the existing bargaining unit under the factors of Section 10 of this Article II, the Employee Relations Officer may, by his or her own motion, at any time propose that an established unit be modified. The Employee Relations Officer shall give written notice of the proposed modification(s) to any affected employee organization and shall hold a meeting concerning the proposed modification(s), at which time all affected employee organizations shall be heard.

Thereafter the Employee Relations Officer shall determine the composition of the appropriate unit or units in accordance with Section 10 of this Resolution, and shall give written notice of such determination to the affected employee organizations. The Employee Relations Officer's determination may be appealed as provided in Section 13 of this Resolution. If a unit is modified pursuant to the motion of the Employee Relations Officer hereunder, employee organizations may thereafter file Recognition Petitions seeking to become the Exclusively Recognized Employee Organization for such new appropriate unit or units pursuant to Section 4 of this Resolution.

Section 12. **Procedure for Processing Severance Requests.** An employee organization may file a request to become the exclusively recognized employee organization of a unit alleged to be appropriate that consists of a group of employees who are already a part of a larger established unit represented by another exclusively recognized employee organization. The timing, form and processing of such request shall be as specified in Section 11 of Resolution for modification requests.

Section 13. **Appeals.** An employee organization aggrieved by a determination of the Employee Relations Officer that a Recognition Petition (Sec. 4), Challenging Petition (Sec. 6), Decertification Petition (Sec. 9), Determination of an Appropriate Unit (Sec. 10), Unit Modification Petition (Sec. 11) or Severance Request (Sec. 12) has not been filed in compliance with the applicable provisions of this Article II, may, within ten (10) days of notice of the Employee Relations Officer's determination, appeal such determination to the City Council for final decision.

Appeals to the City Council shall be filed in writing with the City Clerk, and a copy thereof served on the Employee Relations Officer. The City Council shall commence to consider the matter within thirty (30) days of the filing of the appeal. The City Council may, in its discretion, refer the dispute to a non-binding third party hearing process.

Any decision of the City Council on the use of such procedure, and/or any decision of the City Council determining the substance of the dispute shall be final and binding.

Section 14. **Abandonment of Unit or Good Faith Doubt of Majority Representative.** In the event a bargaining unit appears to have been abandoned by its Exclusively Recognized Employee Organization, or in the event that the Employee Relations Officer has a good faith doubt that the Exclusively Recognized Employee Organization represents a majority of the members of the unit, the Employee Relations Officer shall serve notice to the affected employee organization(s) stating the evidence leading him or her to the belief of abandonment or doubt of majority representational status. Such affected employee organization shall have twenty (20) days to present written evidence and argument to the contrary.

If, after the twenty-day (21) period expires, the Employee Relations Officer still believes the unit has been abandoned or still has a good faith doubt of majority representation, the Employee Relations Officer shall thereupon arrange for a secret ballot election to be held on or about fifteen (15) days after notice thereof to determine the wishes of unit members. The question before the electorate shall be, “Do you wish to continue to be represented by (name of association or union) in your formal bargaining relationship with the City?” If the answer by a majority of valid votes cast is in the affirmative, there shall be no change in representational status. If the answer by a majority of valid votes cast is in the negative, then the organization’s representational status as bargaining representative for the unit in question shall be terminated.

Details of such election shall be handled in accordance with applicable provisions of Section 7 of this Resolution.

ARTICLE III – ADMINISTRATION

Section 15. **Submission of Current Information by Recognized Employee Organizations.** All changes in the information filed with the City by an Exclusively Recognized Employee Organization under items (a) through (k) of its Recognition Petition under Section 4 of this Resolution shall be submitted in writing to the Employee Relations Officer within fourteen (14) days of such change.

Section 16. **Employee Organization Activities – Use of City Resources.** Access to City work locations and the use of City paid time, facilities, equipment and other resources by employee organizations and those representing them shall be authorized only to the extent provided for in Memoranda of Understanding and/or administrative procedures, and shall be limited to lawful activities consistent with the provisions of this Resolution that pertain directly to the employer-employee relationship and not such internal employee organization business as soliciting membership, campaigning for office, or organization meetings and elections, and shall not interfere with the efficiency, safety and security of City operations.

Section 17. **Administrative Rules and Procedures.** The City Manager is hereby authorized to establish such rules and procedures as appropriate to implement and administer the provisions of this Resolution after consultation with affected employee organizations.

ARTICLE IV – IMPASSE PROCEDURES

Section 18. **Initiation of Impasse Procedures.** If the meet and confer process has reached impasse as defined in Article 1, Section 3 of this Resolution, either party may initiate the impasse procedures by filing with the other party a written request for an impasse meeting, together with a statement of its position on all issues. An impasse meeting shall then be scheduled promptly by the Employee Relations Officer. The purpose of such meeting shall be:

- a. To identify and specify in writing the issue or issues that remain in dispute;
- b. To review the position of the parties in a final effort to reach agreement on a Memorandum of Understanding; and
- c. If the impasse is not resolved, to discuss arrangements for the utilization of the impasse procedures provided herein.

Section 19. **Impasse Procedures.** Impasse procedures are as follows:

- a. If the parties agree to submit the impasse to mediation, and agree on the selection of a mediator, the impasse shall be submitted to mediation. All mediation proceedings shall be private. The mediator shall make no public recommendation, nor take any public position at any time concerning the issues.
- b. Otherwise, the parties can utilize any other impasse procedures provided in accordance with the MMBA.
- c. After any applicable impasse procedures have been exhausted, the City Council may hold a public hearing regarding the impasse and take such action regarding the impasse as it in its discretion deems appropriate as in the public interest, including implementation of the City's last, best and final offer. Any legislative action by the City Council on the impasse shall be final and binding.

ARTICLE V – MISCELLANEOUS PROVISIONS

Section 20. **Construction.** This Resolution shall be administered and construed as follows:

- a. Nothing in this Resolution shall be construed to deny to any person, employee, organization, the City, or any authorized officer, body or other representative of the City, the rights, powers, and authority granted by federal or state law (or City Municipal Code provisions).
- b. This Resolution shall be interpreted so as to carry out its purpose as set forth in Article I.
- c. Nothing in this Resolution shall be construed as making the provisions of California Labor Code Section 923 applicable to City employees or employee organizations, or of giving employees or employee organizations the right to participate in, support, cooperate or encourage,

directly or indirectly, any strike, sickout or other total or partial stoppage or slowdown of work. In consideration of and as a condition of initial and continued employment by the City, employees recognize that any such actions by them are in violation of their conditions of employment, except as expressly otherwise provided by legally preemptive state or City local code. In the event employees engage in such actions, they shall subject themselves to discipline up to and including termination, and may be replaced, to the extent such actions are not prohibited by preemptive law; and employee organizations may thereby forfeit all rights accorded them under this Resolution and other City law for a period of up to one (1) year from commencement of such activity.

d. Nothing in this Resolution shall be construed as a waiver of any rights unless expressly and specifically stated.

Section 21. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 22. That the City Clerk shall certify the adoption of this Resolution and that the same shall be in full force and effect.

Section 23. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 10th day of April, 2024.

Dale Welty, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Steven Graham, City Attorney

DATE: April 10, 2024

SUBJECT: Oral Report of a Summary of Compensation and Approval of Employment Agreement for Interim City Manager Setting Compensation and Other Terms of Employment

Recommendation

Receive the oral report of a summary of compensation and discuss and take possible action to approve an Employment Agreement for Interim City Manager Setting Compensation and Other Terms of Employment.

Attachments

1. Employment Agreement Draft

ATTACHMENT 1

**INTERIM CITY MANAGER EMPLOYMENT AGREEMENT
BY AND BETWEEN
THE CITY OF CANYON LAKE AND [***NAME***]**

1. EMPLOYMENT.

This City Manager Employment Agreement (“Agreement”) is entered into by and between the City of Canyon Lake ("City"), a general law city, and [***NAME***] (“City Manager”). Under this Agreement, the City offers, and City Manager accepts, employment as Interim City Manager of the City. This Agreement has been approved by the City Council on the date noted below and shall be considered effective [***DATE***], 2024.

2. DUTIES.

The City Manager shall be the chief executive officer of the City and be responsible to the City Council for the proper administration of all affairs of the City, except those duties imposed on another officer of the City by state law or the Canyon Lake Municipal Code. The City Manager shall administer and enforce policies established by the City Council and promulgate rules and regulations as necessary to implement City Council policies. The City Manager shall perform those duties and have those responsibilities that are commonly assigned to a city manager of a general law city in California, and as may be further set forth in the Canyon Lake Municipal Code. The City Manager shall perform such other legally permissible and proper duties and functions consistent with the office of City Manager, as the City Council shall from time to time assign.

3. DEVOTION TO CITY BUSINESS.

The position of city manager is a full-time position, and as such, the City Manager agrees to devote the necessary productive time, ability and attention to the City's business during the term of this Agreement. The City Manager may, without the prior approval of the City Council, undertake limited outside activities in teaching, writing, consulting, or other business pursuits, provided that such activities do not in any way interfere with or adversely affect his employment with the City or the performance of his duties as provided herein. The parties recognize that the City Manager must devote a great deal of time to the business of the City outside of the City’s customary office hours. In consideration of the above, the City Manager’s schedule of work each day and week may vary in accordance with the work required to be performed, so long as the City Manager is reasonably available to City staff, officers, and members of the City Council. The City Manager shall spend sufficient hours on site Monday through Friday to perform the City Manager’s duties; however, City Manager has discretion over the City Manager’s work schedule.

4. TERM.

The City Manager’s at will employment under this Agreement will commence [***DATE***], 2024, and shall continue until [***DATE***], or the date of earlier termination in accordance with provisions in this Agreement.

5. CITY COUNCIL COMMITMENTS.

5.1 Subordinates.

Except for the purpose of inquiry, members of the City Council shall deal with all subordinate City employees, officers, contractors, and consultants solely through the City Manager or the City Manager's designee, and no member of the City Council shall give direction to any subordinate of the City Manager, either publicly or privately.

5.2 Appointment/Removal.

No member of the City Council will order the appointment or removal of any person to any office or employment under the supervision and control of the City Manager.

5.3 Interference.

No members of the City Council shall interfere with the execution of the powers and duties of the City Manager, as specified in the City's Municipal Code, this Agreement, or any other lawfully adopted and authorized document.

5.4 Direction and Authority.

The City Manager shall take orders and instructions from the City Council only when it is sitting as a body in a lawfully held meeting. Nothing above shall be construed as restricting the ability of the City Council, when sitting as a body in a lawfully held meeting, from exercising any power or authority granted to it under state law or the City's Municipal Code.

6. TERMINATION; GENERAL RELEASE; SEVERANCE.

6.1 Termination Without Cause.

Upon thirty (30) days written notice, the City Council may terminate this Agreement, and thereby terminate City Manager's at will employment, without cause by the affirmative votes of a majority of the members of the City Council at a regular or special meeting of the City Council. In lieu of the thirty (30) day written notice, the City may instead immediately terminate the employment of the City Manager, and in such case, shall pay City Manager a cash payment equal to one (1) month of the City Manager's then Base Salary, and shall provide one (1) month of health (medical, dental, and vision) benefits continuing under the benefit plans in which City Manager and his dependents are then enrolled.

Termination, as used in this section, shall also include request that the City Manager resign, a reduction in salary or other financial benefits of the City Manager (unless voluntary, or as part of a general City employee salary reduction, or by mutual agreement by City Manager and City Council), a material reduction in the powers and authority of the

City Manager, or the elimination of the City Manager position. Any such notice of termination or act constituting termination shall be given at or effectuated at a meeting of the City Council.

6.2 Termination With Cause.

The City Council may terminate this Agreement, and thereby terminate City Manager's employment, with cause, by the affirmative votes of a majority of the members of the City Council at a regular or special meeting of the City Council. City Manager shall not be entitled to any additional compensation or payment, including Severance, but shall be entitled only to accrued Base Salary and vacation pay, and any other accrued and unused benefit allowances according to their terms ("Accrued Salary and Benefits"). As used in this Agreement, Cause shall only mean any of the following:

- A. Conviction of, or plea of guilty or nolo contendere to, any crime or offense (other than minor traffic violations or similar offenses) which is likely to have a material adverse impact on the City or on the City Manager's reputation;
- B. Failure of the City Manager to observe or perform any of his duties and obligations, or failure to carry out a directive of the City Council, if that failure continues for a period of thirty (30) days from the date of his receipt of notice from the City Council specifying the acts or omissions deemed to amount to that failure;
- C. Conviction of any crime involving an "abuse of office or position," as that term is defined in Government Code Section 53243.4;
- D. Any negligent action or inaction by City Manager that materially and adversely: (a) impedes or disrupts the operations of City or its organizational units; (b) is detrimental to employees or public safety; or (c) violates City's properly established rules or procedures.

6.3 Reserved.

6.4 Death.

If, during the Term or any extended Term, City Manager dies, City Manager's estate shall receive Accrued Salary and Benefits, but shall not be entitled to any additional compensation or payment, including Severance.

6.5 Disability.

In the event City Manager is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, or mental incapacity for a period of three

consecutive months beyond any provided sick leave, the City may terminate City Manager's employment and this Agreement.

6.6 Resignation.

City Manager may resign from his employment at any time, upon giving forty-five (45) days written notice to the City Council.

7. COMPENSATION AND ANNUAL EVALUATION.

7.1 Initial Salary.

The City Manager's initial annual Base Salary shall be set at [***AMOUNT***] per year. Said amount shall be payable in monthly or bi-weekly installments at the same time and in the same manner as other employees of the City are paid.

7.2 Reserved.

7.3 Performance and Longevity Bonus.

The City Council and City Manager may set mutually-agreed-upon objectives for each year under this Agreement. The City Council shall evaluate City Manager's performance at least once a year during the months of February or March ("Annual Evaluation"). Following the completion of the Annual Evaluation, the City Council may, in its sole discretion, grant City Manager a Performance and Longevity Bonus equal to [***AMOUNT***] of his then-existing Base Salary.

7.4 Separation.

The annual base salary of the City Manager shall never be less than [***AMOUNT***] of the base salary of the City's next-highest paid employee.

7.5 No Amendment Required.

The Performance and Longevity Bonus approved by the City Council from time to time pursuant to this Agreement shall not require an amendment to this Agreement to be effective.

7.6 Citywide Reduction in Salaries.

The City Council may reduce the City Manager's Base Salary as part of a City-wide reduction in City employee salaries. If the City reduces the Base Salary or any other financial benefit of the City Manager in a percentage that is greater than the average reduction of all employees, such action shall constitute a termination of this Agreement without Cause under Section 6.1. of this Agreement, and City Manager shall be entitled to Severance.

8. DEFERRED COMPENSATION.

As part of City Manager's annual compensation, the City Manager may participate in the deferred compensation plan pursuant to Section 457 of the Internal Revenue Code as established by the City. The City will match City Manager's contribution to the 457 Plan as follows: two to one City matching contribution up to the then prevailing IRS contribution limits, or \$25,000 per year, whichever is less. The City match shall vest with the City Manager upon three (3) years active service with the City beginning on his effective employment date of [***DATE***], 2024. The City shall be responsible for all expenses associated with the 457 account during the term of this Agreement, including but not limited to administrative services fees and commissions.

9. RETIREMENT.

City agrees to maintain City Manager as a member of the State of California Public Employees Retirement System (CalPERS) at his currently existing formula as an employee. City shall make, on City Manager's behalf, all payments that represent the City's contribution as a member of CalPERS. The City does not participate in Social Security, so no deduction shall be taken from the City Manager's salary for this purpose.

10. HEALTH AND MEDICAL BENEFITS INSURANCE.

City shall pay one hundred percent (100%) of the premium for group health insurance, dental and vision care for City Manager and dependents. City Manager may choose from any of the plans offered to City employees.

11. LIFE INSURANCE.

The City agrees to pay for a term life insurance policy in an amount equal to two times the amount of City Manager's annual base salary with a carrier selected by the City. City Manager shall designate the beneficiaries of the policy. City Manager shall also be entitled to participate in any group life or disability insurance programs approved by the City Council for all employees.

12. PHYSICAL EXAMINATION.

Each calendar year, City shall provide City Manager with an executive physical examination, at a cost not to exceed One Thousand Dollars (\$1,000.00) by a qualified physician or medical facility, of City Manager's choice, within reasonable proximity to City.

13. AUTOMOBILE ALLOWANCE.

City Manager's duties require him to be available and to respond to the demands of City business at all times and outside of regular business hours, including weekends. City shall pay City Manager [***AMOUNT***] per month to reimburse the City Manager for the use and maintenance of his personal vehicle on City business.

14. EQUIPMENT.

As the City Manager is expected to be available by cell phone, email and text, the City shall provide City Manager a cell phone and internet allowance in the amount of [***AMOUNT***] per month to reimburse City Manager for the business use of such devices and services.

15. BUSINESS AND PROFESSIONAL EXPENSES.

15.1 Expense Reimbursement.

City recognizes that City Manager may incur expenses of a non-personal, job-related nature that are reasonably necessary to City Manager's service to City. City agrees to either pay such expenses in advance or to reimburse the expenses, so long as the expenses are incurred and submitted according to City's normal expense reimbursement procedures or such other procedure as may be designated by the City Council. To be eligible for reimbursement, all expenses must be supported by documentation meeting City's normal requirements and must be submitted within time limits established by City. City Manager shall also be issued a City credit card to be used only for the payment of those sums that would otherwise qualify for reimbursement and subject to all applicable policies as adopted by the City Council. The City Council, or a duly appointed committee comprised of its members, reserves the right to review the City Manager's reimbursements or credit card statements at any time at its sole discretion.

15.2 Professional Dues.

City agrees to pay the professional dues and subscriptions on behalf of City Manager which are necessary for City Manager's continuation or full participation in international, national, regional, state, or local associations and organizations necessary and desirable for City Manager's continued professional participation, growth and advancement, or for the good of the City, in an amount not to exceed Three Thousand Five Hundred Dollars (\$3,500.00) per year.

15.3 Travel Dues.

City agrees to pay City Manager's travel and subsistence expenses for official travel, meetings, and occasions reasonably necessary to continue City Manager's professional development, and for City Manager's reasonable participation in necessary official and other functions for the City; including, but not limited to, national, regional, state, and local conferences, and governmental groups and committees on which City Manager serves as a member. Notwithstanding the above, the number of conferences or meetings City will pay for each year, and attendance at out-of-state conferences and meetings, shall be at the discretion of the City Council as set forth in the City's budget.

16. VACATION AND SICK LEAVE.

16.1 Vacation Leave.

City Manager shall accrue vacation leave at the same rate provided to the City's full-time employees, in addition to recognized City holidays. During the Term of this Agreement City Manager may accumulate vacation leave up to a maximum of four hundred forty (440) hours. At any time during the Term of this Agreement City Manager shall be entitled to cash out accrued but unused vacation hours, provided that at least eighty (80) accrued but unused vacation leave hours remain available. The amount paid City Manager shall be based on City Manager's annual Base Salary at the time the vacation leave is paid. Upon termination or resignation from employment or the non-renewal of this Agreement, City Manager shall be paid for all accrued and unused vacation time. Upon the effective date of this Agreement the City Manager shall be credited with [***AMOUNT***] hours of vacation leave.

16.2 Sick Leave.

City Manager shall accrue sick leave at the same rate provided to the City's full-time employees. City Manager may accumulate a maximum of five hundred seventy (570) hours of sick leave. In the event of resignation or termination for or without cause, the leave shall be forfeited.

16.3 Administrative Leave.

City Manager shall be entitled to [***AMOUNT***] hours of administrative leave as of the effective date of this agreement. Thereafter, the City Manager shall receive [***AMOUNT***] hours of administrative leave on each anniversary of the effective date of this Agreement. The City Manager may accumulate administrative leave not to exceed a maximum of [***AMOUNT***] hours. Upon resignation or termination for or without cause, the leave shall be forfeited.

17. ABUSE OF OFFICE OR POSITION.

If City Manager is convicted of a crime involving an abuse of his office or position, all of the following shall apply: (a) if City Manager is provided with administrative leave pay pending an investigation, City Manager shall be required to fully reimburse City such amounts paid; (b) if City pays for the criminal legal defense of City Manager (which would be in its sole discretion, as it is generally not obligated to pay for a criminal defense), City Manager shall be required to fully reimburse City such amounts paid; and (c) if this Agreement is terminated, any Severance Pay and Severance Benefits related to the termination that City Manager may receive from City shall be fully reimbursed to City or shall be void if not yet paid to City Manager. For purposes of this Section, abuse of office or position means either: (a) an abuse of public authority, including waste, fraud, and violation of the law under color of authority; or (b) a crime against public justice.

18. ENFORCEMENT OF THIS AGREEMENT.

The prevailing party in any action brought to enforce this Agreement or to resolve any dispute or controversy arising under its terms and conditions, shall be entitled to payment of his/his/its reasonable attorneys' fees and costs.

19. COMMUNICATIONS UPON CITY MANAGER'S SEPARATION.

In the event the City terminates the City Manager pursuant to Subsection 6.1. above, the City and the City Manager agree that no member of the City Council, the City Management staff, nor the City Manager, shall make any written, oral or electronic statement to any member of the public, the press, or any city employee concerning the City Manager's termination except in the form of a joint press release or statement, the content of which is mutually agreeable to the City and the City Manager. The joint press release or statement shall not contain any text or information that is disparaging to either party. Either party may verbally repeat the substance of the joint press release or statement in response to any inquiry. The sole remedy to any aggrieved party for a violation of this Section shall be the payment to aggrieved party by the other party of One Thousand Dollars (\$1,000) per occurrence.

20. INDEMNIFICATION.

Consistent with the California Government Code, City shall defend, hold harmless, and indemnify City Manager using legal counsel of City's choosing, against expense or legal liability for acts or omissions by City Manager occurring within the course and scope of City Manager's employment under this Agreement. Legal representation, provided by City for City Manager, shall extend until a final determination of the issues including any and all losses, damages, judgments, interest, settlements, fines, court costs, and the reasonable costs and expenses of legal proceedings, including appeals, and including attorneys' fees, and expert witness fees and all other trial and appellate costs, and other liabilities incurred, imposed upon, or suffered by City Manager in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened. In the event there is a conflict of interest between City and City Manager such that independent counsel is required for City Manager, the City shall reasonably provide for separate legal counsel, which shall be paid for by the City.

21. NOTICES.

Any notices to be given hereunder by either party to the other in writing may be effected either by personal delivery, mail, or email. Mailed notices shall be addressed to the parties as set forth below, but each party may change his/his/its address by written notice given in accordance with this Section. Notices delivered personally or by email will be deemed communicated as of actual receipt. Mailed notices will be deemed communicated and received as of three (3) calendar days following the date of mailing.

CITY:
City of Canyon Lake
Attention: Mayor
31516 Railroad Canyon Road
Canyon Lake, CA 92587

CITY MANAGER:
[***NAME***]
31516 Railroad Canyon Road
Canyon Lake, CA 92587

22. CONFLICT WITH CITY MUNICIPAL CODE.

The City personnel ordinances, resolutions, rules and policies shall apply to City Manager in the same manner as applied to other employees, provided, however, in the event of a conflict between the provisions of this Agreement and the Municipal Code, the Municipal Code shall prevail over this Agreement.

23. ENTIRE AGREEMENT.

This Agreement represents the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing, between the parties with respect to the employment of City Manager by City, and contains all of the covenants and agreements between the parties with respect to that employment. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by either party, or by anyone acting on behalf of either party, which are not embodied herein, and that no other employment agreement, statement, or promise not contained in this Agreement shall be valid or binding upon either party.

24. MODIFICATIONS.

Any modifications to this Agreement shall be effective only if in writing and signed by both of the parties hereto.

25. EFFECT OF WAIVER.

The failure of either party to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

26. PARTIAL INVALIDITY.

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

27. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

[Signature Page Follows]

**INTERIM CITY MANAGER EMPLOYMENT AGREEMENT
BY AND BETWEEN
THE CITY OF CANYON LAKE AND [***NAME***]**

CITY OF CANYON LAKE
Mayor Dale Welty

CITY MANAGER
[***NAME***]

By: _____

By: _____

APPROVED AS TO FORM
City Attorney Steven Graham

By: _____

ATTEST
City Clerk Sheryl L. Garcia

By: _____



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Mike Borja, Acting City Manager

DATE: April 10, 2024

SUBJECT: Adopt a Resolution Opposing Initiative 21-0042A1 – the Taxpayer Protection and Government Accountability Act and Joining the “Stop the Taxpayer Deception Act” Coalition

Recommendation

Adopt Resolution No. 2024-12 opposing Initiative 21-0042A1- The Taxpayer Protection and Government Accountability Act and Joining the “Stop the Taxpayer Deception Act” Coalition.

Background

On January 4, 2022, the California Business Roundtable filed the “Taxpayer Protection and Government Accountability Act” or AG# 21-0042A1. On February 1, 2023, the measure qualified for the November 2024 ballot. The Taxpayer Protection and Government Accountability Act would change the California Constitution to expand the definition of a tax, increase thresholds for approving a new tax, and require fees to reflect actual costs and restrict the costs to “the minimum amount necessary.” According to the nonpartisan and independent Legislative Analyst’s Office (LAO), the measure would add administrative costs and burdens to the process of adopting user fees and open local fees and taxes to legal challenge, creating difficult and uncertain operating conditions. The LAO concluded the measure would have the following major fiscal effect: “Lower annual state and local revenues, potentially substantially lower, depending on future actions of the Legislature, local governing bodies, voters, and the courts.”

Reductions on local government tax revenues have impacts on core services and infrastructure, including fire and emergency response, law enforcement, streets and roads, drinking water, sewer sanitation, parks, libraries, affordable housing, homelessness prevention, and mental health services.

The League of California Cities, along with a broad coalition of local governments, labor and public safety leaders, infrastructure advocates, and businesses, strongly opposes this initiative. Local government revenue-raising authority is already restricted by state statute and constitutional provisions, including the voter approved provisions of Proposition 13 of 1978,

Proposition 218 of 1996, and Proposition 26 of 2010. The Taxpayer Protection and Government Accountability Act adds and expands restrictions on voters and local government tax and fee authority.

Major Provisions

Fees and Charges

- Except for licensing and other regulatory fees, fees and charges may not exceed the “actual cost” of providing the product or service for which the fee is charged. “Actual cost” is the “minimum amount necessary.” The burden to prove the fee or charge does not exceed “actual cost” is changed to “clear and convincing” evidence.
- Requires fees and charges paid for the use of local and state government property and the amount paid to purchase or rent government property to be “reasonable.” These fees and charges are currently allowed to be market-based. Whether the amount is “reasonable” (introducing a new legal standard aiming to force below market fee and charge amounts) must be proved by “clear and convincing evidence.” The standard may significantly reduce the amount large companies (e.g., oil, utilities, gas, railroads, garbage/refuse, cable, and other corporations) will pay for the use of local public property.
- Prohibits fees on new development based on vehicle miles traveled.

Taxes

- Taxes and fees adopted after January 1, 2022, that do not comply with the new rules, are void unless reenacted.
- Invalidates Upland decision that allows a majority of local voters to pass special taxes. The measure specifies that taxes proposed by the initiative are subject to the same rules as taxes placed on the ballot by a city council.
- Expressly prohibits local advisory measures which allow local voters to express a preference for how local general tax dollars should be spent.
- Requires voter approval to expand existing taxes (e.g., Utility, Transient Occupancy) to new territory (e.g., annexations) or to expand the tax base (e.g., new utility service)
- New taxes can only be imposed for a specific time period.
- City charters may not be amended to include a tax or fee.
- All state taxes require majority voter approval.

Fines and Penalties

May require voter approval of fines, penalties, and levies for corporations and property owners that violate state and local laws unless a new, undefined adjudicatory process is used to impose the fines and penalties.

Discussion

Fees and Taxes

Taxes and fees differ in their application and intent. Taxes include charges that pay for services of general benefit. There does not need to be a relationship between the tax paid and the benefit provided. Fees, however, are charges applied to and intended to pay for a specific benefit or service. Fees must reflect the reasonable cost of providing the benefit or service.

Local governments levy a variety of fees to provide public services. Local governing bodies may adopt new fees or revise existing ones with a majority vote. Common fees include:

- Building permits and planning fees.
- Nuisance abatement charges, such as for weed, rubbish, and general nuisance abatement to fund community safety, code enforcement, and neighborhood cleanup programs.
- Commercial franchise fees.
- Emergency response fees.
- Document processing and duplication fees.
- Transit fees, tolls, parking fees.
- Facility use charges, fees for parks and recreation services.

Virtually every city, county, and special district must regularly (e.g., annually) adopt increases to fee rates and revise rate schedules to accommodate new users and activities. Most of these would be subject to new standards and limitations under threat of legal challenge. Based on the current volume of fees and charges imposed by local agencies, including council-adopted increases to simply accommodate inflation, Cal Cities estimates the amount of local government fee and charge revenue at risk is approximately \$2 billion per year including those adopted since January 1, 2022. Over ten years, \$20 billion of local government fee and charge revenues will be at heightened legal peril.

Hundreds of local tax measures were approved in 2022 that likely do not comply with the provisions of the initiative. Nearly \$2 billion of annual revenues from these voter-approved measures will cease a year after the effective date of the measure, reducing the local public services funded by these measures, unless the tax is re-submitted for voter approval.

Adding the words “the minimum amount necessary” to the requirement that fees reflect the actual cost of providing a service presents more challenges. “The minimum amount necessary” is subjective. If a city determines to offer a higher level of service of any kind, it could be sued because the service exceeds “the minimum amount necessary.” This would have a profound impact to the way services are provided and financed.

Impact on City

As the City looks to correct and recover from a structural deficit, one of the key strategies is pursuing full cost recovery. Staff have been engaged in fee studies to ensure our fees capture all associated costs for specific services that provide limited or no direct benefit to the

community as a whole. This measure would significantly impair this effort. Additionally, if the City decides to pursue new revenue to protect critical services, like police and fire protection or emergency medical services, the thresholds would be nearly insurmountable. This measure poses an existential threat to the City's ability to fix its structural budget deficit.

Fines and Penalties

Under existing law, cities are required to provide due process before imposing a penalty or fine for violation of its municipal code:

1. A local agency must adopt administrative procedures that govern imposing fines and penalties, including providing a reasonable period of time for a person responsible for a continuing violation to correct or remedy the violation [Gov't Code 53069.4].
2. Notice must be given to the violating party before imposing the penalty; and give the party an opportunity to be heard and present any facts or arguments [*Merco Construction Engineers v. Los Angeles Unified School District* (1969) 274 CA 2d 154, 166].
3. The fine may not be "excessive" [U.S. Constitution amendments VIII and XIV].

The initiative converts administratively-imposed fines and penalties into taxes unless a new, undefined, and ambiguous "adjudicatory due process" is followed. This provision may put at risk authority to impose fines and penalties for violations of state and local law.

The City has several fines and penalties that may be impacted by this measure. These include Code Enforcement citations used to protect the quality of our neighborhoods, structures and fines for repeated false alarms that draw on limited police resources, and parking citations.

Conclusion

If passed, the Taxpayer Protection and Government Accountability Act will have a high cost of compliance and uncertain legal future that will create burdensome regulatory hoops that increase the cost of doing business. It will eliminate many of the options available to the City to fix its structural deficit without impacting services to our residents and tax payers.

Fiscal Impact

The Taxpayer Protection and Government Accountability Act will change the model to support fees. While the revenue the City receives from fees, permits, fines and penalties is anticipated to remain intact, the costs associated with defending the fees, permits, fines and penalties is anticipated to increase significantly as a result of the Taxpayer Protection and Government Accountability Act.

Attachments

1. Resolution No. 2024-12

ATTACHMENT 1

RESOLUTION NO. 2024-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, OPPOSING INITIATIVE 21-0042A1 – THE TAXPAYER PROTECTION AND GOVERNMENT ACCOUNTABILITY ACT

WHEREAS, an association representing California’s largest corporations is spending tens of millions of dollars to promote a deceptive ballot measure currently eligible for the November 2024 statewide ballot; and

WHEREAS, the measure threatens billions of dollars every year in local government funding for services like fire and emergency response, law enforcement, affordable housing, services to support homeless residents, mental health services, and more; and

WHEREAS, the measure would make it more difficult for local voters to pass measures to fund services and prevents voters from passing advisory measures that provide direction on how they want their local tax dollars spent; and

WHEREAS, the measure contains intentionally restrictive language that will encourage hundreds of frivolous lawsuits against cities and local governments – costing taxpayers many millions and stopping investments in vital local services; and

WHEREAS, the measure would make it much more difficult for state and local regulators to issue fines and levies on corporations that violate laws intended to protect our environment, public health and safety, and our neighborhoods; and

WHEREAS, the measure is opposed by hundreds of local governments, teachers, firefighters, working families and local elected officials.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The City of Canyon Lake opposes Initiative #21-0042A1 and joins the “Stop the Corporate Tax Trick” coalition, a growing coalition of public safety, education, labor, local government, and infrastructure groups throughout the state.

Section 3. That the City Clerk shall certify the adoption of this Resolution and that the same shall be in full force and effect.

Section 4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 10th day of April, 2024.

Dale Welty, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Steven Graham, City Attorney

DATE: April 10, 2024

SUBJECT: Introduction and First Reading of Ordinance No. 246, An Ordinance of the City Council of the City of Canyon Lake, California, Amending Various Sections of Chapter 4.20 of the Canyon Lake Municipal Code Regarding Commercial Cannabis Businesses; and Adopt a Resolution Amending the Number of Cannabis Retailers in the City

Recommendation

Waive full reading and introduce by title only Ordinance No. 246 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Various Sections of Chapter 4.20 of the Canyon Lake Municipal Code Regarding Commercial Cannabis Businesses; and adopt Resolution No. 2024-13 amending the number of cannabis retailers that may operate in the City.

Background

The City Council adopted Ordinance No. 215 in 2021 establishing the City of Canyon Lake's Commercial Cannabis Business Regulations. Since that time, the City has gone through a competitive (and exhaustive) application and evaluation process, which saw several cannabis firms compete to obtain a commercial cannabis business permit.

The application process resulted in a ranking, with Culture Cannabis ultimately selected as the highest-scoring applicant and awarded the City's sole commercial cannabis business permit. The next-highest scoring applicant was the Syndicate in a close second.

Culture Cannabis opened operations in the Canyon Lake Town Center in 2023 and has demonstrated that a cannabis retail operation, when professionally managed and well-regulated by the local authority, does not create a public nuisance. To the contrary, Culture Cannabis operates one of the best maintained and highest tax-generating businesses in the City.

Following the City's annual evaluation of Culture Cannabis's operations, City staff recommend some minor amendments to the City's regulatory ordinance, as outlined below, as well as authorizing the award of a second retailer permit.

Summary of Proposed Regulatory Changes:

- 1) Clarification that the restrictions on signage apply only within the corporate boundaries of the City of Canyon Lake. Provisions of the City's ordinance could be read to regulate signage outside the City's boundaries. Ultimately, it is up to other local jurisdictions to enact regulations concerning signage in their jurisdiction and applying the City of Canyon Lake's regulations to business activities in other jurisdictions is inconsistent with the purposes of the ordinance, which is to prevent the creation of a public nuisance in the City of Canyon Lake.
- 2) Amending the hours of operation to authorize business from 7 a.m. to 10 p.m.
- 3) Amending the security requirements to an armed security guard on duty while the business is open to the public.

Authorization for a Second Permit:

The City Council may set the number of available permits by resolution and it is up to the City Manager to issue the permits in accordance with established procedures. Here, as the Syndicate was determined to be the second-highest ranked business, if the City Council approves a second permit, the City Manager will enter discussions with the Syndicate to finalize the terms and conditions of a commercial cannabis business permit and community benefit agreement.

Fiscal Impact

The changes in the regulatory ordinance should have a positive impact on the businesses regulated but no impact on City finances.

The addition of a second permit will modify the community benefit obligations of Culture Cannabis and add community benefit obligations for the second permit-holder (presumed to be the Syndicate). This should result in a net increase in taxes and other revenue to the City of Canyon Lake, although the full amount of such change is speculative at this time.

Attachments

1. Ordinance No. 246
2. Resolution No. 2024-13

ATTACHMENT 1

ORDINANCE NO. 246

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING VARIOUS SECTIONS OF CHAPTER 4.20 OF THE CANYON LAKE MUNICIPAL CODE REGARDING COMMERCIAL CANNABIS BUSINESSES

THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. **Municipal Code Amendment.** Section 4.20.280 of the Canyon Lake Municipal Code is hereby amended to read as follows:

“4.20.280 Security measures.

(a) A permitted commercial cannabis business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the commercial cannabis business. Except as may otherwise be determined by the City Manager or his/her designee(s), these security measures shall include, but shall not be limited to, all of the following:

- (1) Alarm system (perimeter, fire, and panic buttons).
- (2) Remote monitoring of alarm systems by licensed security professionals.
- (3) Perimeter lighting systems (including motion sensors) for after-hours security.
- (4) Perimeter security and lighting as approved by the Chief of Police and/or Planning Director or his/her designees.
- (5) Preventing individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business.
- (6) Establishing limited access areas accessible only to authorized commercial cannabis business personnel.
- (7) Except for live growing plants which are being cultivated or sold at a commercial cannabis business where applicable, all cannabis and cannabis products shall be stored in a secured and locked vault or vault equivalent. All safes and vaults shall be compliant with Underwriter Laboratories burglary-resistant and fire-resistant standards. All cannabis and cannabis products, including live plants that are being cultivated or sold, shall be kept in a manner as to prevent diversion, theft, and loss.

(8) Installing 24-hour security surveillance cameras of at least HD-quality to monitor all entrances and exits to and from the premises, all interior spaces within the commercial cannabis business which are open and accessible to the public, all interior spaces where cannabis, cash or currency, is being stored for any period of time on a regular basis and all interior spaces where diversion of cannabis could reasonably occur. All cameras shall record in color. All exterior cameras shall be in weather-proof enclosures, shall be located so as to minimize the possibility of vandalism, and shall have the capability to automatically switch to black and white in low light conditions. The commercial cannabis business shall be responsible for ensuring that the security surveillance camera's footage is remotely accessible by the Chief of Police or his/her designee(s), and that it is compatible with the City 's software and hardware. In addition, remote and real-time, live access to the video footage from the cameras shall be provided to the Chief of Police or his/her designee(s). Video recordings shall be maintained for a minimum of 90 days and shall be made available to the Chief of Police or his/her designee(s) upon request. Video shall be of sufficient quality for effective prosecution of any crime found to have occurred on the site of the commercial cannabis business and shall be capable of enlargement via projection or other means. Internet protocol address information shall be provided to the Chief of Police or his/her designee(s) by the commercial cannabis business, to facilitate remote monitoring of security cameras by the Department or its designee.

(9) Sensors shall be installed to detect entry and exit from all secure areas and shall be monitored in real time by a security company licensed by the State of California Bureau of Security and Investigative Services.

(10) Panic buttons shall be installed in all commercial cannabis businesses with direct notification to the Canyon Lake Police Department dispatch and shall be configured to immediately alert dispatch for the Canyon Lake Police Department.

(11) Having a professionally installed, maintained, and monitored real-time alarm system by a security company licensed by the State of California Bureau of Security and Investigative Services.

(12) Any bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building.

(13) Armed and licensed security personnel shall be on-site whenever the business is open to the public. Security personnel must be licensed by the State of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the City Manager or his/her designee(s), with such approval not to be unreasonably withheld.

(14) Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.

(15) Entrance areas are to be locked at all times and under the control of a designated responsible party that is either;

- (A) An employee of the commercial cannabis business; or
- (B) A licensed security professional.

(16) Each commercial cannabis business shall have an accounting software system in place to provide point of sale data as well as audit trails for both product and cash, where applicable.

(17) Each commercial cannabis business shall demonstrate to the Chief of Police, City Manager or their designees, compliance with the state's track and trace system for cannabis and cannabis products, as soon as it is operational.

(18) Each commercial cannabis business shall have a professionally installed video surveillance system, access control and intrusion alarm systems designed to protect the inventory, facility, and employees. Each business shall have network security protocols that are certified by Underwriters Laboratories.

(19) Exterior vegetation shall be planted, altered and maintained in a fashion that precludes its use as a hiding place for persons on the premises.

(20) Emergency access and emergency evacuation plans that are in compliance with state and local fire safety standards.

(b) Each commercial cannabis business shall identify a designated security representative/liaison to the City of Canyon Lake, who shall be reasonably available to meet with the City Manager or his/her designee(s) regarding any security related measures or operational issues. The designated security representative/liaison shall, on behalf of the commercial cannabis business, annually maintain a copy of the current security plan on the premises of the business, to present to the City Manager or his/her designee upon request that meets the following requirements:

(1) Confirms that a designated manager will be on duty during business hours and will be responsible for monitoring the behavior of employees.

(2) Identifies all managers of the commercial cannabis business and their contact phone numbers.

(3) Confirms that first aid supplies and operational fire extinguishers are located in the service areas and the manager's office.

(4) Confirms that burglar, fire, and panic alarms are operational and monitored by a licensed security company 24 hours a day, seven days a week, and provides contact information for each licensed security company.

(5) Identify a sufficient number of licensed, interior and exterior security personnel who will monitor individuals inside and outside the commercial cannabis business, the parking lot, and any adjacent property under the business' control.

(6) Confirm that the licensed security personnel shall continuously monitor the parking lot and any adjacent property to ensure that these areas are:

- (A) Free of individuals loitering or causing a disturbance; and
- (B) Are cleared of employees and their vehicles one-half hour after closing.

(c) As part of the application and permitting process each commercial cannabis business shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, any hazardous materials that may be used by the business, and any currency.

(d) The commercial cannabis business shall cooperate with the City whenever the City Manager or his/her designee(s) makes a request, with or without prior notice, to inspect or audit the effectiveness of any security plan or of any other requirement of this Chapter.

(e) A commercial cannabis business shall notify the City Manager or his/her designee(s) within 24 hours after discovering any of the following:

(1) Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager or his/her designee(s).

(2) Diversion, theft, loss, or any criminal activity involving the commercial cannabis business or any agent or employee of the commercial cannabis business.

(3) The loss or unauthorized alteration of records related to cannabis, customers or employees or agents of the commercial cannabis business.

(4) Any other breach of security.

(f) Compliance with the foregoing requirements shall be verified by the City Manager or his/her designee prior to commencing business operations. The City Manager or his/her designee may supplement these security requirements once operations begin, subject to review by the City Manager or his/her designee if requested by the business owner.”

Section 2. Municipal Code Amendment. Section 4.20.310 of the Canyon Lake Municipal Code is hereby amended to read as follows:

“4.20.310 General operating requirements.

(a) Commercial cannabis businesses may operate only during the hours specified in the commercial cannabis business permit issued by the City. No person under the age of 21 shall operate, or be issued a permit for, a commercial cannabis business of any kind.

(b) Restriction on consumption. Cannabis and cannabis products shall not be consumed by any person on the premises of any commercial cannabis business.

(c) No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any property issued a commercial cannabis business permit, or on any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.

(d) Reporting and tracking of product and of gross sales. Each commercial cannabis business shall have in place a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the City. The commercial cannabis business shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or his/her designee(s) prior to being used by the permittee.

(e) All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.

(f) Emergency contact. Each commercial cannabis business shall provide the City Manager or his/her designee(s) with the name, telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.

(g) Signage and notices.

(1) In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the requirements of the City of Canyon Lake ordinance, including, but not limited to, seeking the issuance of a City sign permit.

(2) No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.

(3) Each entrance to a commercial cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.

(4) Business identification signage shall be limited to that needed for identification only and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. No commercial cannabis business shall advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way.

(5) Signage shall not depict any image of cannabis or cannabis products. All temporary signs must comply with the City's sign code.

(6) In accordance with state law and regulations or as stipulated in the City of Canyon Lake regulatory permit, holders of a commercial cannabis business permit shall agree that, as an express and ongoing condition of permit issuance and subsequent renewal, the holder of the permit shall be prohibited from advertising any commercial cannabis business located in the City of Canyon Lake utilizing a billboard (fixed or mobile), bus shelter, placard, aircraft, or other similar forms of advertising within the City of Canyon Lake. This Subsection is not intended to place limitations on the ability of a commercial cannabis business to advertise in other legally authorized forms, including on the internet, in magazines, or in other similar ways. This Subsection is not intended to place limitations on forms of advertising engaged in by the holder of a commercial cannabis business permit outside the corporate boundaries of the City of Canyon Lake.

(h) Minors.

(1) Persons under the age of 21 years shall not be allowed on the premises of a commercial cannabis business and shall not be allowed to serve as a driver for a mobile delivery service. It shall be unlawful and a violation of this Chapter for any person to employ any person at a commercial cannabis business who is not at least 21 years of age.

(2) Notwithstanding any provision of this Chapter to the contrary, persons aged 18 to 20 years shall be allowed on the premises of a commercial cannabis business if they can produce a physician's recommendation. In that event, such persons can lawfully purchase cannabis for the sole purpose of addressing the medical need that is the subject of the physician's recommendation.

(3) The entrance to the commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of 21 years of age is permitted to enter upon the premises of the commercial cannabis business.

(i) Odor control. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or

about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business. As such, commercial cannabis businesses must install and maintain the following equipment, or any other equipment which the Planning Director or his/her designee(s) determine is a more effective method or technology:

(1) An exhaust air filtration system with odor control that prevents internal odors from being emitted externally.

(2) An air system that creates negative air pressure between the commercial cannabis business's interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.

(j) Display of permit and City business license. The original copy of the commercial cannabis business permit issued by the City pursuant to this Chapter and the City issued business license shall be posted inside the commercial cannabis business in a location readily visible to the public.

(k) Background check. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which authorizes City authorities to access state and local summary criminal history information for cannabis employment, licensing, or certification purposes; and authorizes access to federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation, every person listed as an owner, manager, supervisor, employee, contract employee or who otherwise works in a commercial cannabis business must submit fingerprints and other information deemed necessary by the Chief of Police or his/her designee(s) for a background check by the City of Canyon Lake Police Department. No person shall be issued a permit to operate a commercial cannabis business or be authorized to work in a cannabis business unless they have first cleared the background check, as determined by the Chief of Police or his/her designee(s), as required by this Section. A fee for the cost of the background investigation, which shall be the actual cost to the City of Canyon Lake to conduct the background investigation as it deems necessary and appropriate, shall be paid at the time the application for a commercial cannabis business permit is submitted. Evidence of a conviction of any of the offenses enumerated in Business and Professions Code Section 26057(b)(4), absent a Certificate of Rehabilitation, shall be grounds for immediate disqualification of the applicant.

(l) Loitering. The owner and/or operator of a commercial cannabis business shall prohibit loitering by persons outside the facility both on the premises and within 50 feet of the premises. The cannabis business shall notify the Police Chief or his/her designee(s) if anyone continues to loiter around the building or premises after all reasonable action has been taken to remove the individual(s) and the action has failed to do so in a timely manner.

(m) Permits and other approvals. Prior to the establishment of any commercial cannabis business or the operation of any such business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable

permits from the relevant governmental agency which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.

(n) Each commercial cannabis operator shall establish minimum training standards for all employees. The City Manager or his/her designee shall have the discretion to require other training for the business operations should the City identify deficiencies or non-compliance issues with City or state requirements.”

Section 3. Municipal Code Amendment. Section 4.20.330 of the Canyon Lake Municipal Code is hereby amended to read as follows:

“4.20.330 Operating requirements for retail facilities.

(a) No more than the number of cannabis retailers adopted by resolution may operate within the City of Canyon Lake at any one time and shall be issued a permit by the City of Canyon Lake.

(b) Retailers shall verify the age and all necessary documentation of each individual to ensure the customer is not under the age of 18 years. If the potential customer is 18 to 20 years old, retailer shall confirm the customer's possession of a valid doctor's recommendation and/or Health and Safety Code Section 11362.71 identification card (Medical Marijuana Card). For adult-use purchases, retailers shall verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products.

(c) Individuals must show their government-issued identification, and, in the case of medical cannabis facilities, their physician's recommendation, or a cannabis card issued pursuant to Health and Safety Code Section 11362.71 in order to gain access into the retailer. The government-issued identification and, if applicable, doctor's recommendation or cannabis card must also be shown at the point of sale station at the time of purchase. Doctor recommendations are not to be obtained or provided at the retail location.

(d) Armed and uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities.

(e) Retailers may have only that quantity of cannabis and cannabis products to meet the daily demand readily available for sale on-site in the retail sales area of the retailer. Additional product may be stored in a secured, locked area to which customers, vendors, and visitors shall not have access.

(f) All restroom facilities shall remain locked and under the control of management.

(g) Retailers authorized to conduct retail activities shall only serve customers who are within the licensed premises, or at a delivery address that meets the requirements of this Section.

(1) The sale and delivery of cannabis goods shall not occur through a pass-through window or a slide-out tray to the exterior of the premises.

(2) Retailers shall not operate as or with a drive-in or drive-through at which cannabis goods are sold to persons within or about a motor vehicle.

(3) No cannabis goods shall be sold and/or delivered by any means or method to any person within a motor vehicle.

(4) All cannabis goods sold by a retail business shall be contained in child-resistant packaging.

(5) Retailers shall record point-of-sale areas and areas where cannabis goods are displayed for sale on the video surveillance system. At each point-of-sale location, camera placement must allow for the recording of the facial features of any person purchasing or selling cannabis goods, or any person in the retail area, with sufficient clarity to determine identity.

(6) A retail licensee who is engaged in retail sale shall hire or contract for security personnel who are at least 21 years of age to provide security services for the licensed retail premises. All security personnel hired or contracted for by the licensee shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code.

(h) Authorized sales. A retailer shall only sell adult-use cannabis and adult-use cannabis products to individuals who are at least 21 years of age. A retailer shall only sell medicinal cannabis or medicinal cannabis products to individuals who are at least 18 years of age, but not yet 21, if those individuals are in possession of a valid physician's recommendation.

(i) Limited access areas. A retailer shall establish limited-access areas and permit only authorized individuals to enter the limited access areas. Authorized individuals include individuals employed by the retailer as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited access area. All individuals granted access to the limited access area shall be at least 21 years of age, and if not employed by the retailer, shall be escorted at all times by an employee of the licensee/permittee. A retailer shall maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs shall be made available to the City Manager, Chief of Police or their designees upon request.

(j) Operating hours of the store front retailer license shall be limited to the hours of 7:00 a.m. through 10:00 p.m., seven days a week.

(k) Store front/retail security requirements. All provisions incorporated within this Chapter related to security measures, are directly applicable to and binding on all commercial cannabis businesses, including all store front/retail businesses.”

Section 4. Clerical Errors. The City Council directs the City Clerk to correct any clerical errors found in this Ordinance including, but not limited to, typographical errors, irregular numbering and incorrect section references.

Section 5. Severability. Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

Section 6. Effective Date. In accordance with California Government Code section 36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

Section 7. Publication. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause the ordinance or a summary thereof to be published in accordance with state law.

Section 8. CEQA. This proposed ordinance does not constitute a CEQA project because it does not have the potential for causing a significant effect on the environment, as explained at State CEQA Guideline 15061(b)(3).

PASSED APPROVED AND ADOPTED this ____ day of _____, 2024.

Dale Welty, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl L. Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney

ATTACHMENT 2

RESOLUTION NO. 2024-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING THE NUMBER OF CANNABIS RETAILERS THAT MAY OPERATE IN THE CITY OF CANYON LAKE

WHEREAS, Chapter 4.20 of the Canyon Lake Municipal Code (“CLMC”) sets forth the regulatory standards and requirements for the operation of commercial cannabis businesses within the City of Canyon Lake; and

WHEREAS, Section 4.20.090(a) of the CLMC provides that the City Council may set the number of each type of commercial cannabis business that shall be permitted to operate in the City of Canyon Lake.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The City Manager shall issue no more than the following number of commercial cannabis business permits for retail cannabis businesses that may operate in the City of Canyon Lake:

Number of Cannabis Retailers: 2

Section 3. This Resolution is only intended to create a maximum number of commercial cannabis businesses that may be issued permits to operate in the City under each category. Nothing in this Chapter creates a mandate that the City must issue any or all of the commercial cannabis business permits if it is determined that the applicants do not meet the standards which are established in the application requirements or further amendments to the application process or that the City Council upon further deliberation determines that the issuance of any or all commercial cannabis business permits will impact the public safety, welfare or other policy concerns which may be detrimental in the issuance of these permits.

Section 4. That the City Clerk shall certify the adoption of this Resolution and that the same shall be in full force and effect.

Section 5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 10th day of April, 2024.

Dale Welty, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk



ITEM NO. 10

STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Mike Borja, Acting City Manager

BY: Steven Graham, City Attorney

DATE: April 10, 2024

SUBJECT: Introduction and First Reading of Ordinance No. 247 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code; and Adopt a Resolution Electing to Become Subject to the Uniform Public Construction Cost Accounting Act (Public Contract Code Section 22000 et seq.)

Recommendation

Waive full reading and introduce by title only Ordinance No. 247 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code; and Adopt Resolution No. 2024-14 Electing to Become Subject to the Uniform Public Construction Cost Accounting Act (Public Contract Code Section 22000 et seq.).

Background

Title 3, Chapter 3.08 of the Canyon Lake Municipal Code, which governs the City's purchasing procedures, was adopted in 1990. Due to changes in state law that provides a uniform set of bidding procedures for public projects, as well as to incorporate the best practices of other public agencies in our procurement process, Staff is recommending a number of changes to the City's existing purchasing procedures. These changes include a modification to the formal bidding and informal bidding limits in accordance with the Uniform Public Construction Cost Accounting Act, the use of cooperative purchasing agreements, exceptions to competitive bidding, and other revisions designed to streamline and make the procurement process more efficient.

Discussion

The City's existing purchasing procedures, as set forth in Title 3, Chapter 3.08 of the Canyon Lake Municipal Code, were initially established and adopted by the City Council in 1990. Given the scope of the materials and services procured by the City now, as well as evolving best practices in procurement, these procedures have become outdated and do not adequately serve the interests of the City.

Revised and Updated Purchasing Ordinance

The proposed ordinance rescinds the existing purchasing procedures and adopts new procedures exemplifying industry best practices while providing efficient procedures for the purchase of goods and services to obtain the highest possible value in exchange for public funds and to safeguard the quality and integrity of the purchasing system. Specifically, the proposed ordinance includes the following major changes:

- Sets forth specific procedures for purchases \$50,000.01 and up.
- Adds procedures for the procurement of unique commodities or services that can be obtained from only one vendor or one distributor (sole source), services rendered through other government agencies, professional services, goods or services that can be obtained through a cooperative competitive bidding procedure or a "piggyback" contract prepared by and processed through another local, state, or federal governmental agency and emergency purchases involving public health, safety and welfare.
- Authorizes department heads to make purchases or enter into contracts up to a limit of \$5,000. This is common industry best practice and allows department heads to make small-scale purchases for such things as office supplies, minor service contracts and equipment that help streamline departmental operations.
- Adds a new section allowing for the utilization of an electronic bidding system that complies with the Public Contract Code and allows greater modernization and flexibility in the City's purchasing process.
- Provides a streamlined process for bid protests.
- Establishes procedures for disposing of surplus City property, including vehicles.

Uniform Public Cost Construction Accounting Act

Section 3.08.080 of the proposed ordinance implements the California Uniform Public Construction Cost Accounting Act (UPCCAA). The UPCCAA was enacted by the State Legislature in 1983 as an alternative bidding procedure designed to reduce costs, expedite the awards process, reduce inefficiencies, and simplify administration of smaller public projects. The benefits of the UPCCAA include:

- Increased force account limit for public agencies;
- Simplified bidding for projects that are \$200,000 or less;
- Reduced number of formal bids based on project size; and
- Expedited contracting for projects under \$200,000.

The UPCCAA allows for public project work in the amount of \$60,000 or less to be performed by a public agency's force account using the public agency's own resources, or by negotiated contract, or by purchase order. Public projects in the amount of \$200,000 or less may use the informal or formal bidding procedures set forth in the Public Contracting Code. Public projects at a cost of more than \$200,000 must use formal bidding procedures to let the contract.

By using the informal bidding procedures authorized by the UPCCAA the City will have more leeway with public works projects under \$200,000, quicker contract award processing, improved project schedules, elimination of considerable efforts and expense related to project advertising, and simplified contract administration. To implement these alternative bidding procedures, the City must adopt a resolution declaring the City Council's choice to become subject to the UPCCAA procedures and informing the State Controller of that decision.

Fiscal Impact

While there is no anticipated fiscal impact by adopting the proposed ordinance, staff anticipates that there will be potential cost savings by streamlining purchasing procedures and the reduction of performing formal bidding procedures on public projects.

Attachments

1. Ordinance No. 247
2. Resolution No. 2024-14

ATTACHMENT 1

ORDINANCE NO. 247

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, TO REPEAL AND REPLACE TITLE 3 (REVENUE AND FINANCE), CHAPTER 3.08 (PURCHASES) OF THE CANYON LAKE MUNICIPAL CODE

WHEREAS, Chapter XI, Section 7, of the California Constitution authorizes the City to make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, establishing local policies and procedures governing purchase (or lease) of services, supplies, material and equipment for municipal purposes, and that do not conflict with applicable state or federal laws is within the police power of the City; and

WHEREAS, in 1990, the City Council adopted Ordinance No. 3 which added Title 3, Chapter 3.08, to the Canyon Lake Municipal Code establishing policies and procedures governing the purchase of supplies, equipment and professional services used for municipal purposes; and

WHEREAS, revisions are necessary to the Purchasing ordinance to incorporate best practices, and to provide for efficiency, consistency, accountability and responsibility in the purchase of goods, services and equipment at the lowest feasible cost; and

WHEREAS, the Uniform Public Construction Cost Accounting Act (Public Contract Code section 22000 et seq.) (the “Act”), provides for the development of cost accounting standards and an alternative method for the bidding of public works projects; and

WHEREAS, in accordance with Section 22030 of the Act, any city that wishes to avail itself of the alternative procedures for bidding and contracting for public projects must elect, by resolution, to become subject to the uniform construction cost accounting procedures set forth in the Public Contract Code and must notify the State Controller of its election; and

WHEREAS, on April 10, 2024, the City adopted Resolution No. 2024-14, electing to become subject to the Act; and

WHEREAS, Section 22034 of the Act requires each public agency that elects to become subject to the uniform construction cost accounting procedures to enact an informal bidding ordinance that complies with the requirements set forth in Section 22034; and

WHEREAS, the City Council determined that electing to be subject to the Act provides efficiencies for the City's procurement processes, thereby benefiting the taxpayers, residents and businesses of the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. **Recitals.** The above recitals are all true and correct and are incorporated herein by this reference.

Section 2. **CEQA Exemption.** The City Council finds the adoption of this Ordinance is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Section 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment), 15060(c)(3) (the activity is not a project as defined in Section 15378 because the activity relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment under Section 15378(b)(5)), and 15061(b)(3) (the activity will not have an effect on the environment) of the CEQA Guidelines, California Code of Regulations, title 14, Article 3, because this ordinance has no potential for resulting in physical change to the environment, directly or indirectly.

Section 3. **Municipal Code Amendment.** Title 3, Chapter 3.08, Purchases, of the City of Canyon Lake Municipal Code is hereby repealed and replaced as provided in Exhibit “A”, attached hereto and incorporated herein by reference.

Section 4. **Clerical Errors.** The City Council directs the City Clerk to correct any clerical errors found in this Ordinance including, but not limited to, typographical errors, irregular numbering and incorrect section references.

Section 5. **Severability.** Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

Section 6. **Effective Date.** In accordance with California Government Code section 36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

Section 7. **Publication.** The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause the ordinance or a summary thereof to be published in accordance with state law.

Section 8. The City Manager, or their designee, is directed to submit a copy of this ordinance to the Department of Housing and Community Development upon adoption.

PASSED APPROVED AND ADOPTED this ___ day of ____, 2024.

Dale Welty, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl L. Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney

EXHIBIT “A”

Chapter 3.08 Purchases

Section

- 3.08.010 Purpose and Intent.
- 3.08.020 Definitions.
- 3.08.030 Procurement procedures (Goods and Services)
- 3.08.040 Informal procurement (Goods and Services)
- 3.08.050 Formal procurement (Goods and Services)
- 3.08.060 Exceptions to competitive procurement (Goods and Services)
- 3.08.070 Local preference.
- 3.08.080 Public projects.
- 3.08.090 Change orders – All procurement.
- 3.08.100 Designation of surplus personal property.
- 3.08.110 Disposition method.
- 3.08.120 Other methods of disposal.
- 3.08.130 Unclaimed property.

3.08.010 Purpose and Intent

(a) *Purpose and intent.* This Chapter is adopted pursuant to Government Code § 54201 et seq. with respect to goods and services, and pursuant to Public Contract Code § 20160 et seq. with respect to public projects, to provide guidance and direction regarding procurement to ensure that the City and its departments will receive high quality products and services at minimum cost to the taxpayer. The policies and procedures contained in this Chapter are not intended to conflict with the Public Contracts Code or any other applicable law governing the solicitation of bids and award of contracts for public projects.

(b) *Procurement ethics.* All City officers and employees directly or indirectly involved in procurement shall adhere to the following ethical standards:

(1) City officers and employees shall strive to maximize the value of every expenditure of public funds.

(2) City funds and resources shall be used with care and guided by prudent judgment and good business practices.

(3) Public funds shall be spent solely for the benefit of the public and in a manner that is consistent with all applicable federal, state, and local laws, regulations, policies, and procedures.

(4) City officers and employees shall ensure that all procurements are conducted with integrity under the principles of open and fair competition.

(5) All procurements shall be conducted with professional courtesy, impartiality, and objectivity in order to foster respect and public trust.

(6) City officers and employees shall not interfere with the carrying out of the duties and responsibilities of other City officers and employees under this Chapter.

(7) All actual or potential conflicts of interest related to the procurement process shall be reported immediately to the City Manager. Actual and perceived conflicts of interest shall be avoided throughout the entire procurement process.

(8) Positive business relationships shall be fostered and maintained through professional, fair, and equal treatment of all vendors and contractors.

(9) The City Manager shall be able to utilize organizations designed to assist governmental agencies in the procurement process such as Sourcewell, or other reputable organizations.

(10) Pursuant to Public Contract Code Section 1600 and 1601, the City is authorized to utilize electronic means in the procurement and administration of contracts, in accordance with all applicable laws, rules and regulations. Without limiting the nature of the foregoing, the City may utilize online bidding and selling methods, electronic signature in accordance with applicable state, local and federal law, and electronic mail for delivery of notices when "mailed" notice is required herein. Whenever "sealed" bids or proposals are called for, any electronic means may be used so long as such electronic means provide for the secured submission of the required data. Whenever bids are required to be "opened", such bids shall be deemed "opened" if and when they are made available to both the City and the public simultaneously, in a public setting, including, without limitation, by way of making such bids available in an electronic format that is readable by the public.

3.08.020 Definitions.

The following words, terms, and phrases, when used in this Chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Best value shall mean the expected outcome of a solicitation that in the City's estimation will provide the greatest overall benefit to the City, including price, quality, durability, servicing, delivery time, vendor reputation, standardization, and/or other factors that, in the purchasing officer's judgment, demonstrate overall benefit to the City.

Bid shall mean an offer or proposal submitted by a bidder setting forth the price for the goods, services, or public project to be provided.

Bidder shall mean any individual, firm, entity, partnership, or corporation or combination hereof, submitting a bid.

Change order shall mean a City-issued document used to modify a purchase order to add, delete, or revise the quantity, price or scope of goods, services, or public project being provided.

Competitive procurement shall mean a process involving the solicitation of goods, services, or public projects, under the authority and supervision of the purchasing officer, by formal procurement or informal procurement pursuant to procedures and circumstances intended to foster effective, broad-based competition within the private sector to provide goods, services, or public projects to the City.

Contract shall mean any type of legally recognized agreement to provide goods, services, or a public project, no matter what it may be titled or how described, including executed purchase orders, but does not include any agreement for collective bargaining, utility extensions, subdivision improvements or any agreements whereby an owner of real property or his or her authorized representative agrees to construct improvements of a public nature on property to be dedicated to the City.

Contractor shall mean any party who bids on or enters into a contract with the City for a public project.

Cooperative purchasing shall mean a purchasing method whereby the procurement requirements of two or more governmental entities are combined in order to obtain the benefit of volume procurement or reduction in administrative expenses and may include other agencies who conduct volume procurements on behalf of government agencies.

Department head shall mean the director of a department of the City or that department head's designee.

Electronic bidding system shall mean the electronic program used by the City for bidding that provides a secured platform for the solicitation and submission of bids in compliance with bidding policies and procedures.

Emergency shall mean either:

(1) Regarding public projects, as defined in this Chapter, the meaning provided in Public Contract Code § 1102; or

(2) Regarding all procurement unrelated to public projects, a safety condition or situation which makes bidding procedures, either formal or informal, impractical or not in the City's best interests.

Force account shall mean work performed on public projects using internal City resources, including, but not limited to, labor, equipment, materials, supplies and subcontracts of the City.

Formal bid shall mean a bid submitted in response to a formal procurement.

Formal procurement shall mean competitive procurement by written notice inviting bids, requests for proposals, or request for qualifications.

Goods shall mean supplies, materials, equipment, and other things included within the definition of "goods" in Uniform Commercial Code § 2015. Goods, referred to as Supplies, means office supplies, janitorial supplies, materials, tools, or other commodities used in the general conduct of the City's business, excepting supplies or materials for a public work which is regulated under the California Public Contract Code Sections 20160, et seq.

Informal bid shall mean a bid submitted in response to informal procurement.

Informal procurement shall mean competitive procurement by bid, price quotation, or proposal for any procurement that is conveyed by mail, fax, email or other electronic means, or other written manner that does not require a sealed bid or proposal, public opening, or other formalities.

Lowest responsive bidder means the bidder for goods or services who submits the lowest priced responsive bid in response to the City's invitation or request therefor, after adjustments for qualified local vendors.

Lowest responsible bidder shall mean the bidder for a public project who fully complies with all bid requirements and whose past performance, reputation, and financial capability is deemed acceptable, and who has offered the most advantageous pricing or cost benefit, based on the criteria stipulated in the bid documents.

Negotiated contract shall mean the procurement of goods, services, and public projects through a negotiation procedure instead of competitive procurement.

Nonprofessional services shall mean services that are a non-professional character of any type, description or variety such as: tree trimming services, janitorial services, appliance repair, pest control, window washing, canvas awning repairs, street/parking lot sweepers, pressure washing, carpet cleaning, repair services for office machines and equipment or automotive vehicles, landscape maintenance services, and work performed by a licensed contractor that does not constitute a "public project" such as sidewalk maintenance and repair.

Personal property shall include money, goods, chattels, negotiable instruments, written evidence of rights in legal actions, evidences of debts, and other items of intrinsic value which are not considered by law to be real property, but shall exclude animals.

Procure or procurement shall mean buying, purchasing, renting, leasing or otherwise acquiring or obtaining goods, services, or public projects, and all functions and procedures related thereto, including through use of electronic bidding system.

Professional services shall mean all services that are not affiliated with a public project performed by persons or firms in a professional occupation, including, but not limited to, consulting and performance services for accounting, financial, economic, auditing, redevelopment, computer hardware and software support, engineering, architectural, landscape architectural, planning, environmental, land surveying, construction project management, personnel, social services, animal control, lobbying, grant-writing, legal, management, communication and other similar professional functions.

Public project shall have the meaning set forth in Public Contract Code § 22002(c), and for purposes of this Chapter, shall include maintenance work as defined in subsection (d) thereto, as allowed by Public Contract Code § 22003.

Qualifying local vendor shall mean a vendor of goods and nonprofessional services that:

- (1) Has fixed facilities with employees and a business street address (post office box or residential address shall not suffice to establish a local presence unless the address is registered as a home business) located within the City limits;
- (2) Has a City business license; and
- (3) If related to a procurement of goods, all sales tax returns for the goods purchased are reported to the state through a business within the geographic boundaries of the City.

Responsible bidder shall mean a bidder for goods or services who is determined by the City Manager, purchasing officer, or department head, as may be applicable, to be responsible based on the following criteria:

- (1) Bidder's ability, capacity, and skill;
- (2) Bidder's facilities and resources;
- (3) Bidder's character and reputation;
- (4) Bidder's record of performance with the City; and
- (5) Bidder's compliance with laws, regulations, guidelines, and orders governing prior contracts performed by the bidder.

Services shall mean nonprofessional services and professional services.

Surplus personal property shall mean inventory of personal property not needed by the City at the present time or in the foreseeable future, such as obsolete supplies, equipment, and scrap materials that have little or no useful life, not including real property.

Unclaimed property shall mean personal property of others taken into the possession of the police department, code enforcement, or left in its possession or turned over to it by a person who found or saved such property, but does not include:

- (1) Property subject to confiscation under the laws of the state or of the United States;
- (2) Vehicles, the storage, sale, or other disposition of which is governed by the provisions of the Vehicle Code; and
- (3) Property held as evidence, dangerous or deadly weapons, narcotics or dangerous drugs, explosives or property of any kind whatsoever, which is prohibited, restricted or outlawed by state or federal statutes, or which has been intentionally abandoned by its owner, based on an objectively reasonable belief supported by facts or evidence that the property has been intentionally abandoned or relinquished.

Vendor shall mean any party who bids on or enters into a contract with the City for goods or services.

3.08.030 Procurement procedures (Goods and Services)

(a) *Method of procurement.* Procurement shall not be knowingly staged or separated into smaller units or segments solely for the purpose of evading the requirements of this Chapter. The procedure to be followed in awarding contracts for goods and services is determined initially by the estimated cost to the City for the goods and/or services, as follows:

Dollar amount (not to exceed per project amount)	Procurement method
Up to \$ 5,000.00	No competitive procurement
\$5,000.01 to \$ 50,000.00	See informal procurement (sec. 3.08.040)
\$50,000.01 and up	See formal procurement (sec. 3.08.050)

(b) *Scoring methodology and selection.* The City Manager, or their designee, shall coordinate with City staff to determine the methodology that will be used to score and/or select bid(s) and shall ensure that informal procurement and formal procurement is used appropriately in accordance with the terms and conditions of this Chapter, including section 3.08.040 (informal procurement) and section 3.08.050 (formal procurement).

(c) *Form of contract.* Procurement valued under \$25,000.00 may be memorialized by purchase order with standard terms and conditions previously approved by the City Attorney. Procurement valued at more than \$25,000.00 shall require a written agreement for goods or services and shall be reviewed and approved as to form by the City Attorney, and such agreement shall be in addition to and not in lieu of a purchase order. Notwithstanding the foregoing, the City Attorney may authorize the use of a purchase order (with no additional written agreement) for procurement of goods or services over \$25,000.00 if use of a purchase order would sufficiently protect the City's interest. Blanket purchase orders may be used but shall still comply with the requirements of subsection (d). Procurement valued at \$1,000.00 or less may be made with petty cash without a purchase order as long as the receipt is provided to the City Manager.

(d) *Contract authority.*

(1) After a bidder is selected, no services shall be commenced and no goods shall be delivered until a fully-executed contract is obtained in accordance with the following signature requirements:

Dollar amount (not to exceed annual amount)	Approval authority
Up to \$ 5,000.00	Department Head
\$5,000.01 to \$ 50,000.00	City Manager
\$50,000.01 and up	City Council

(2) Notwithstanding any other language in this Code to the contrary, the City Manager shall have the contract approval authority to purchase motor vehicles in an amount not to exceed \$75,000.00 per vehicle, using the most efficient procurement procedure available under this Chapter.

(e) *Contract administration.* Department heads shall supervise the inspection of goods purchased to ensure that the items conform to the quality expectations of the City. It shall be the responsibility of department heads to monitor adherence to the terms and conditions of contracts for services and to provide coded and approved invoices to the finance department for payment in a timely fashion.

(f) *Payment.* The City Manager, or their designee, shall be responsible for issuing payments to vendors after receiving properly coded and approved invoices. The City Manager, or their designee, has a duty to withhold payments to vendors if any of the following are true:

- (1) The term of the contract has expired;
- (2) The not-to-exceed amount specified by contract has been exceeded; or
- (3) The services performed or goods received are outside the scope of the contract.

(g) *Written records.* Written records for procurement shall be maintained in accordance with the City's retention schedule and shall be made available to the public for inspection. Such records shall include any and all bids and supporting materials, and the business name, address, representative, and telephone number of the vendor, as well as a description of the bid items, including unit quantities where applicable, unit prices or lump sum amount quoted by the vendor, and the date the bid was received.

3.08.040 Informal procurement (Goods and Services)

Procurement of goods, professional services, and nonprofessional services of an estimated value of \$ 50,000.00 or less, on a per project basis, may be made pursuant to the procedures in this section.

(a) *Less than \$5,000.00.* Informal quotes may be obtained from vendors but are not required.

(b) *Between \$5,000.01 - \$50,000.00.* At least three informal quotes shall be solicited by means of a written or verbal request. Responses to the City's request shall be in writing.

(c) *Award.* For procurement of goods, the contract shall be awarded to the lowest responsive bidder. For procurement of professional services or nonprofessional services, the contract shall be awarded to the responsible bidder that provides the best value to the City or the lowest responsive bidder, as deemed appropriate by the purchasing officer.

(d) *Other requirements not specified.* Unless otherwise stated herein in this section 3.080.040, subsections (c)—(e) in section 3.08.050 shall apply to informal procurement.

3.08.050 Formal procurement (Goods and Services)

Procurement for goods, nonprofessional services, and professional services of an estimated value greater than \$ 50,000.00, on a per project basis, shall be made pursuant to the procedure prescribed in this section.

(a) *Goods and nonprofessional services.* Goods and nonprofessional services shall be procured in accordance with the following:

(1) *Bid notice.* Notices inviting bids shall include a general description of the goods to be purchased or the nonprofessional services to be performed and shall state where and when bid packages may be secured and the time and place of the bid opening. If bidder's security is required, as set forth in subsection d. below, notices shall state this fact and the type and amount of the security required. If the purchasing officer requires a performance or payment bond, as set forth in subsection f. below, notices shall state the form and amount of the bonds required.

(2) *Bidders' list.* The purchasing officer may establish and maintain a list of prospective bidders. It shall not be the responsibility of the purchasing officer to ensure that the list contains current information with respect to the address, service, or product of the prospective bidder. The purchasing officer is authorized to mail or otherwise distribute written invitations for bids directly to the appropriate prospective bidders appearing on the list and to other prospective bidders.

(3) *Bidder's security.* The purchasing officer may require each bid to be accompanied by a bidder's bond, certified or cashier's check, or cash, in an amount not more than ten percent of the total bid. When bid security is required, bidders shall be entitled to return of bid security; however, if a successful bidder refused to or failed to execute the contract within 10 business days after the notice of award has been mailed or otherwise delivered in a written format, unless, and to the extent the City is not responsible for the delay, its bid security shall be deemed forfeited.

(4) *Bid opening procedures.* Formal bids submitted in paper format shall be submitted to the purchasing officer in accordance with the notice inviting bids and shall be identified as a bid on the envelope. Notwithstanding the foregoing, a bidder who submits its formal bid through the electronic bidding system, pursuant to subsection (8), shall not be required to also submit the formal bid in paper format. Bids shall be opened in public at the time and place stated in the public notice. A record of the bids received shall be available for public inspection after the bids have been opened, indicating the amount bid by the various bidders and the basis for awarding the contract if other than the lowest responsive bidder is awarded the contract. Such list shall be available for at least 30 days after the award has been made.

(5) *Performance and payment bonds.* The purchasing officer may require performance and payment bonds before a contract is awarded for goods or nonprofessional services in such amounts as the purchasing officer shall find reasonably necessary to protect the best interest of the City and to comply with law.

(b) *Professional services.* Professional services shall be procured in accordance with the following:

(1) *Bid notice.* Notices inviting bids shall include a general description of the professional services to be procured and the time and place for the submission of bids.

(2) *Publication.* Notices inviting bids shall be published on the City's website and/or on the City's electronic bidding system.

(3) *Bid opening procedures.* Formal bids submitted in paper format shall be submitted to the purchasing officer in accordance with the notice inviting bids and shall be identified as a bid on the envelope. Notwithstanding the foregoing, a bidder who submits its formal bid through the electronic bidding system, pursuant to subsection (7), shall not be required to also submit the formal bid in paper format.

(c) *Award of contracts.* Except as otherwise provided herein, contracts shall be awarded based on the methodology the notice inviting bids stated would be used for evaluation of the bids. Contracts for goods shall be awarded to the lowest responsive bidder. Contracts for professional services and nonprofessional services shall be awarded to the responsible bidder that provides the best value to the City or the lowest responsive bidder, as deemed appropriate by the purchasing officer.

(d) *Rejection of bids/cancellation of solicitation.* Any and all bids submitted pursuant to this section may be rejected by the City. The City may also cancel any open solicitation of bids when it is in the City's best interest to do so.

(e) *Tie bids.* If two or more bids received rank equally under the methodology being used, and if the public interest will not permit the delay or re-advertising for bids, the City may award the bid to either bidder.

(f) *Failure to contract.* If a successful bidder refuses or fails to execute a contract within 10 business days of award, the City may choose not to award the contract and either reject all bids or award the contract to the second-place bidder.

(g) *Use of electronic means.* Consistent with the stated policy of promoting efficient public contract law, consistent with the best of modern practice and research, the City shall be authorized to use an electronic bidding system, so long as the purpose and intent of applicable state law, this Chapter, and any supplemental rules or regulations are met. In using an electronic bidding system, the City shall provide bidders with an electronic receipt showing the date and time the submitted bid was received.

(h) *Protest procedures.* Any actual or prospective bidder, proposer, or contractor (collectively "bidder") who believes that they have been aggrieved in connection with the solicitation or award of a contract pursuant to this chapter may protest, in writing, to the City Manager, within three business days after posting of the award recommendation at the location where the bids or proposals are submitted. The protest shall be deemed filed only when it is actually received by the City Manager.

(1) The bidding documents shall include a statement referencing this section as the requirement for filing a protest.

(2) In the event a timely protest is filed as provided in this section, the City Manager may, but is not required to, suspend the award of the contract until the protest is resolved.

(3) The protest shall be writing and shall contain the following information:

- a. The name, address and telephone number of the protestor;
- b. A specific identification of the statutory or regulatory provision(s) that the action complained of is alleged to have violated;
- c. A specific description of each act allege to have violated the statutory or regulatory provision(s) identified in this section.
- d. A precise statement of the relevant facts;
- e. An identification of the issue or issues to be resolved;
- f. Argument and authorities in support of the protest; and
- g. A statement that copies of the protest have been mailed or delivered to the City Manager.

(4) If applicable, the City Manager shall meet and confer with the protestor in an effort to resolve the issues described in the protest.

(5) The City Manager shall have authority to settle and resolve a protest. The City Manager may, but is not required to, solicit written responses to the protest from other interested parties. The City Manager may establish additional procedures for the resolution of a protest and may refer the matter to a hearing officer. The City Manager's decision shall be final and conclusive and shall not be subject to appeal to the City Council.

3.08.060 Exceptions to competitive procurement (Goods and Services)

For procurement of goods, professional services, and nonprofessional services, the following situations are not subject to the competitive procurement requirements in sections 3.080.040 and 3.080.050:

(a) *Emergencies.* Upon determining that an emergency exists, City Manager may dispense with otherwise applicable competitive procurement procedures and signature authority requirements to authorize a procurement necessary to address, avoid, or ameliorate the circumstances creating the emergency or the resulting damage or potential damage, up to an amount not to exceed \$250,000.00. An emergency procurement will be limited in scope and duration to the extent necessary to satisfy the emergency need. The City Manager must report to the City Council any emergency purchase made and the basis therefore at the next City Council meeting following the emergency procurement.

(b) *Small value procurement.* Competitive procurement shall not be required when the value of the goods, professional services, or nonprofessional services is equal to or less than \$5,000.00.

- (c) *Sole source.* Procurement may be made or contract awarded by the City Council without a competitive procurement process when there is only one reasonable and practicable source for the required goods or services because of the unique quality of the goods or services; availability; compatibility with existing City programs, equipment or systems; or fitness for a particular use.
- (d) *Piggyback.* Procurement may be made or contract awarded without a competitive procurement process by the City Council when competitive procurement has been conducted by another public agency and the price to the City is equal or better than the price to that public agency.
- (e) *Cooperative purchasing.* Procurement may be made or contract awarded without a competitive procurement process by the City Council when goods or services may be obtained through cooperative purchasing.
- (f) *Interagency.* Formal and/or informal bidding is not required when the contract and/or purchase is able to be performed by another governmental agency.
- (g) *Used, leasing or renting equipment.* Formal and/or informal bidding is not required when the contract and/or purchase is for used, leased or renting equipment.
- (h) The procurement of services from the following specified professional classifications, without regard to the dollar amount of the contract, is exempt from the competitive process, but shall be selected based on qualifications: financial services, actuaries, psychologists, medical doctors, entertainers and performers, claims consultants, insurance brokers, attorneys-at-law and consultants and experts used during the ongoing course of litigation in which the City, or any boards, commissions, officers or employees are involved.
- (i) *Purchases not supported by competitive bidding process.* Except where otherwise required by law or by applicable funding conditions, goods and services may be procured without a competitive procurement process by the City Council for procurements which are not readily adaptable to the open market and bidding processes. Such procurements include but are not limited to:
- (1) Utility services (telephone, gas, water, sewer and electricity) provided to City buildings and facilities;
 - (2) Franchises awarded by the City Council;
 - (3) Insurance or bond premiums;
 - (4) Subscriptions, memberships, software licenses, and advertisements; and
 - (5) Law enforcement services.
- (j) *No bids received.* Procurement may be made or contract awarded without a competitive procurement process when no bids are received.
- (k) *City Council waiver.* Notwithstanding any provisions of this Chapter, the City Council may waive procurement requirements for goods and services by a four-fifths vote upon making written findings that it is in the City's best interest to do so.

(l) *Exemption from competitive procurement.* Agreements for professional services may be executed without observing the bidding procedures provided if the City Council or City Manager determines that an informal or formal competitive process is unnecessary because a professional services provider is the best provider for a particular agreement based on some or all of these factors: demonstrated competence; qualifications for the types of services to be performed; experience; knowledge of the City due to a long-standing relationship; reasonableness of cost to perform work; or other similar relevant criteria.

(m) *City Council-Approved On-Call Panels for Professional and General Services.* The City Manager, or their designee, may maintain a City Council-approved on-call panel of pre-approved firms qualified to perform the type of professional or general services required. When such an on-call panel is maintained, the competitive selection procedures are waived. Award of tasks under on-call contracts shall be rotated among the pre-approved firms with no single firm receiving a substantial majority of similar work during the fiscal year. Recognizing that certain firms on an on-call panel may have particular expertise for certain types of projects, the rotation of firms may be limited in these cases based on the professional judgment of City staff. Each on-call firm, unless otherwise stated at the time of contract award by the City Council, shall be eligible to receive work in an amount up to \$50,000.00 per fiscal year without the need for additional City Council approval. Whenever the work awarded to a single on call panel firm exceeds \$50,000.00 in a fiscal year, City Council approval of the additional work is required.

3.08.070 Local preference.

The City may establish a local vendor preference program to be applied in the procurement of goods and nonprofessional services. The adjustment to a formal bid or informal bid provided by a qualifying local vendor shall be implemented according to the following:

(a) *Preference.* Preference shall be given to vendors that submit a written statement in their bid requesting to be considered a qualifying local vendor and certifying that they meet the criteria in the definition of qualifying local vendor set forth in section 3.08.020.

(b) *False certifications.* False certifications shall be immediate grounds for rejection of any bid or if the contract is awarded, grounds for voiding the bid, terminating any agreement, and seeking damages thereto. Failure to certify the above information shall result in the bid being considered by the City without any adjustment for the vendor as described in subsection (c) below.

(c) *Application of local vendor preference.*

(1) If the award criteria is lowest responsive bidder, a qualified local vendor shall be given a five percent reduction in price for evaluation purposes.

(2) If the award criteria is best value to the City, the City shall include criteria that gives qualifying local vendors preference in the evaluation process. The equivalent of a five percent preference will be added to the final evaluated score of each qualifying local vendor. If the five percent preference causes a qualifying local vendor to have the best overall score, the qualifying

local vendor may be deemed the vendor that provides the best value to the City, provided, said qualifying local vendor must elect to reduce the price portion of its submission to match the price portion of the lowest bid.

3.08.080 Public projects.

The City Council elects to have the City subject to the Uniform Public Construction Cost Accounting Act (Public Contract Code §§ 22000—22045) (the "Act"). As such, the City is subject to the procedures set forth in article 2 (commencing with section 22010) of the Act, may utilize the bidding procedures set forth in article 3 (commencing with section 22030) of the Act when contracting for all public projects, including maintenance. The purpose of this Chapter is to supplement the Act. Nothing in this Chapter shall be construed in a manner that conflicts with the Act. Procurement for public projects shall be made pursuant to the procedure prescribed in this section and in accordance with the Public Contract Code.

(a) *No competitive procurement.* Public projects of at or under the limit established by Public Contract code Section 22032(a), as that section may amended from time to time, may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.

(b) *Informal procurement.* Public projects which are at or under the limit established in Public Contract Code § 22032(b), as that section may be amended from time to time, may be procured by informal procedures as set forth in Public Contract Code Section 22034, as that section may be amended from time to time.

(c) *Formal procurement.* Unless otherwise provided by the Public Contract Code, the following procedures shall apply to procurement for public projects:

(1) *Bid notice.* Notices inviting bids shall include a distinct description of the public project to be performed and shall state where and when bid packages may be secured and the time and place of the bid opening.

(2) *Publication and mailing.* Notice inviting bids shall be published at least 14 calendar days before the opening of bids in a newspaper of general circulation in the City or as otherwise permitted by law through the City's electronic bidding system, pursuant to Public Contract Code § 22037. Notices may also be sent electronically, if available, by either facsimile or electronic mail, and mailed to all construction trade journals specified in the Public Contract Code § 22036, at least 15 calendar days before bid opening.

(3) *Bidder's security.* The notice inviting bids shall state that a payment and performance bond are required from the successful bidder in an amount not less than 100 percent of the total amount payable pursuant to the public project contract. The payment and performance bond shall be in the form of a bond and not a deposit or other security in lieu of a bond.

(4) *Bid opening procedures.* Formal bids shall be submitted to the City Manager, or their designee, in accordance with the notice inviting bids and shall be identified as a bid on the envelope when submitted in paper format. Bids shall be opened in public at the time and place

stated in the public notice. A record of the bids received shall be available for public inspection after the bids have been opened, indicating the amount bid by the various bidders and the basis for awarding the contract if other than the lowest responsive bidder is awarded the contract. Such list shall be available for at least 30 days after the award has been made.

(d) *Award of contracts.* The City Council, or City Manager, as may be applicable, shall award a contract for a public project to the lowest responsible bidder.

(e) *Rejection of bids/cancellation of solicitation.* Any and all bids submitted pursuant to this section may be rejected by the City. The City may also cancel any open solicitation of bids when it is in the City's best interest to do so.

(f) *Tie bids.* If two or more bids received rank equally under the methodology being used, and if the public interest will not permit the delay or re-advertising for bids, the City may award the bid to either bidder.

(g) *Failure to contract.* If a successful bidder refuses or fails to execute a contract within 10 business days of award, the City may choose not to award the contract and either reject all bids or award the contract to the second-place bidder.

(h) *Use of electronic means.* Consistent with the stated policy of promoting efficient public contract law, consistent with the best of modern practice and research, and pursuant to the authority granted by Public Contract Code §§ 1600 and 1601, the City shall be authorized to use an electronic bidding system, so long as the purpose and intent of applicable state law, this Chapter, and any supplemental rules or regulations are met. In using an electronic bidding system, the City shall provide bidders with an electronic receipt showing the date and time the submitted bid was received.

(i) *Emergencies.* Pursuant to Public Contract Code § 22050, upon determining that an emergency exists, City Manager may dispense with otherwise applicable competitive procurement procedures and signature authority requirements to authorize a procurement necessary to address, avoid, or ameliorate the circumstances creating the emergency or the resulting damage or potential damage, up to an amount not to exceed \$250,000.00. An emergency procurement will be limited in scope and duration to the extent necessary to satisfy the emergency need. The City Manager must report to the City Council any emergency purchase made and the basis therefor at the next City Council meeting following the emergency procurement.

(j) *No competitive advantage.* The City Council may dispense with otherwise applicable competitive procurement procedures if the advertisement for bids would be undesirable, impractical, or impossible, and if competitive procurement would not result in any advantage to the City in efforts to contract for the greatest public benefit. In such instances, the City Council may procure public projects through negotiated contract, cooperative purchasing, or by piggybacking off a competitive procurement that has been conducted by another public agency when the price to the City is equal to or better than the price to the public agency.

(k) *Procurement and signature authority.* Notwithstanding the provisions of section 3.080.030, or any other provision of this Code, the City Manager shall have approval and contract authority for all public projects authorized under subsection (1) above.

3.08.090 Change orders – All procurement.

The City Manager may approve a change order of up to ten percent of any original contract approved by the City Council for goods, services, or public projects, not to exceed \$25,000.00, provided that adequate budget is available.

3.08.100 Designation of surplus personal property.

The City Manager may declare any personal property held by the City as surplus. The City Manager, or their designee, shall maintain a written inventory of surplus property. If any department head has a use for such personal property, he or she may request the surplus property from the City Manager, or their designee, who shall have the authority to assign the personal property to any department.

3.08.110 Disposition method

(a) City officials, officers and employees shall not claim ownership of, give away, recover, or salvage any materials abandoned, disposed of or stored upon City premises. City Officials, officers and employees shall not obtain property or the proceeds from the disposal of property designated for disposal as trash, scrap, or as recyclables. This prohibition includes giving any such property or proceeds to any person or party other than for the duly authorized benefit and interest of the City, or authorizing any other person or party to accept, receive or take any such surplus property to benefit their own interest, except as provided herein.

(b) The City Manager, or their designee, shall have the authority to dispose of any surplus real property, including vehicles and boats, which has an estimated market value of less than \$2,500.00, as determined by the City Manager or their designee.

(c) If the surplus real property, including vehicles and boats has an estimated market value of \$2500.01 or more, the City Manager, or their designee, is hereby authorized to dispose of such goods by any of the following procedures:

- (1) Exchanged or traded in on new goods;
- (2) Sold utilizing competitive procedures similar to those prescribed herein for open market procurement;
- (3) Sold at public auction conducted by a professional auctioneer;
- (4) Sold utilizing a negotiation process when the City Manager, or their designee, deems that such process is in the best interests of the City;
- (5) Disposed of as scrap material or destroyed if no resale value exists; or
- (6) Donated to a non-profit organization or other public entity following a City Council determination that such donation serves a public purpose.

3.08.120 Other methods of disposal.

(a) Abandoned vehicles on public or private property shall be disposed of as provided in this code or in the Vehicle Code of the State of California.

(b) Surplus of fire equipment with a value of less than \$10,000.00, shall be disposed of in accordance with this section.

3.08.130 Unclaimed property.

(a) *Generally.* Pursuant to Civil Code § 2080.6, the City has elected to adopt and follow reasonable regulations, in lieu of the default provisions in the Civil Code, for the care, restitution, sale, or destruction of unclaimed property in its possession. Unclaimed property found, recovered, or held by the City shall be disposed of in the following manner:

(1) All property which is subject to the provisions of the Penal Code and regulated thereby shall be handled in accordance with such provisions, notwithstanding any other provisions of this Chapter.

(2) If the owner of property appears and claims it within four months, the City shall release such property to the owner.

(3) If the property is not claimed in accordance with subsection (2) above, such property shall be transferred to the custody of the City Manager, or their designee, to be disposed of as follows:

a. Any such property may be determined by resolution of the City Council to be needed for City use and shall thereby be converted for such use.

b. Property not otherwise needed for City use may be disposed of pursuant to section 3.08.110 and section 3.08.120.

(b) *Money.* Notwithstanding subsection (a) above, pursuant to Government Code §§ 50050 and 50051, the following process shall apply to unclaimed property that is money (excluding restitution to victims):

(1) *Three-year period to claim.* Money that remains unclaimed for a period of more than three years becomes the property of the City not less than 45 days nor more than 60 days after an initial public notice is published, as set forth in subsection (2) below.

(2) *Initial public notice.* At any time after the expiration of the three-year period, the City Manager, or their designee, shall cause a notice to be published once a week for two consecutive weeks in a newspaper of general circulation. The notice shall include the following information:

- a. The individual or business name as shown on the issued check;
- b. The check date, number, and the amount of money on the issued check; and
- c. A statement announcing that the money shall become the property of the City on the date that is not less than 45 days after the first publication of the notice.

(3) *Proof of publication.* A proof of publication from the newspaper is to be retained in accordance with the City's records retention policy as proof that the City published the required notice for two consecutive weeks.

(4) *Claim.* Before the date the unclaimed money becomes the property of the City, a party of interest may file a claim which must include the following information:

- a. The claimant's name, address, and telephone number;
- b. Social security number or federal employer identification number;
- c. Proof of identity such as a copy of a driver's license, social security card, or birth certificate;
- d. The amount of the claim; and
- e. The grounds for which the claim is found.

(5) *Review.* The City Manager, or their designee, shall accept or reject that claim. If rejected, the party who submitted the claim may file a verified complaint seeking to recover all, or a designated part, of the money in a court of competent jurisdiction within the county and serve a copy of the complaint and the summons upon the City Clerk. The copy of the complaint and summons shall be served within 30 days of receiving notice that the claim was rejected. The City Manager, or their designee, shall withhold the release of the portion of unclaimed money for which a court action has been filed as provided in the section until a decision is rendered by the court.

ATTACHMENT 2

RESOLUTION NO. 2024-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ELECTING TO BECOME SUBJECT TO THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT (PUBLIC CONTRACT CODE SECTION 22000 ET SEQ.)

WHEREAS, prior to the passage of Assembly Bill No. 1666, Chap. 1054 Stats. 1983, which added Chapter 2 commencing with Section 22000 to Part 3 of Division 2 of the Public Contract Code, existing law did not provide a uniform cost accounting standard for construction work performed or contracted by local public agencies; and

WHEREAS, the Uniform Public Construction Cost Accounting Act (the “Act”), codified at Public Contract Code Section 22000 *et seq.*, establishes such a uniform cost accounting standard; and

WHEREAS, the California Uniform Construction Cost Accounting Commission (“Commission”) established under the Act has developed uniform public construction cost accounting procedures for implementation by local public agencies in the performance of or in the contracting for construction of public works projects; and

WHEREAS, Section 22030 of the Act provides that any city that wishes to avail itself of the alternative procedures for bidding and contracting for public projects must elect, by resolution, to become subject to the uniform construction cost accounting procedures set forth in the Act and must notify the State Controller of its election; and

WHEREAS, each public agency that elects to become subject to the uniform construction cost accounting procedures must enact an informal bidding ordinance that complies with the requirements set forth in Section 22034 of the Act; and

WHEREAS, concurrently herewith, the City Council has introduced Ordinance No. 247, which enacts procedures governing public works contracts and establishes, among other things, informal bidding procedures in accordance with the requirements of Section 22034 of the Act.

WHEREAS, the adoption of these procedures is in the best interests of the City and in the public interest.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The City Council hereby elects under Section 22030 of the Act to become subject to the uniform public construction cost accounting procedures set forth in the Act and to the Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs that the City Clerk notify the State Controller forthwith of this election.

Section 3. That the City Clerk shall certify the adoption of this Resolution and that the same shall be in full force and effect.

Section 4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 10th day of April, 2024.

Dale Welty, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk