



CITY OF CANYON LAKE

City Hall

31516 Railroad Canyon Road
Canyon Lake, CA 92587

www.canyonlakeca.gov

Mayor Mark Terry
Mayor Pro Tem Kasey Castillo
Council Member Jeremy Smith
Council Member Joshua Steeber
Council Member Dale Welty

AGENDA

Regular Meeting of the Canyon Lake City Council
Wednesday, June 11, 2025

Closed Session 5:00 P.M.

Open Session 6:30 P.M.

City Hall Council Chambers – 31516 Railroad Canyon Road, Canyon Lake, CA 92587

CLOSED SESSION

CALL TO ORDER

ROLL CALL

Castillo, Smith, Steeber, Welty, Terry

PUBLIC COMMENT

LIMIT 3 MINUTES

Members of the public wishing to address the City Council on any matter listed on the Closed Session agenda are asked to complete a speaker card and provide it to the City Clerk prior to the start of public comment. Comments are limited to Closed Session items only. Each speaker is allowed (3) minutes to speak.

- (1) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1): Richard Beck v. City of Canyon Lake, 4th DCA Case No. D083322
- (2) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1): Nicole Dailey v. City of Canyon Lake, RCSC Case No. CVME2503498
- (3) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION - Pursuant to Government Code Section 54956.9(e)(1)
Significant Exposure to Litigation, One case
- (4) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957:
Title: City Manager

OPEN SESSION

CALL TO ORDER

INVOCATION

FLAG SALUTE

ROLL CALL

Castillo, Smith, Steeber, Welty, Terry

CLOSED SESSION REPORT

CEREMONIAL MATTERS

Citizen of the Month

PRESENTATIONS

LIMIT 3 MINUTES

Elsinore Valley Municipal Water District
Canyon Lake Property Owners Association
Canyon Lake Chamber of Commerce
Riverside County Sheriff's Department
Canyon Lake Fire Department
Non-Profit Spotlight

PUBLIC COMMENT

LIMIT 3 MINUTES

Members of the public wishing to address the City Council on any matter within the City's jurisdiction are asked to complete a speaker card and provide it to the City Clerk prior to the start of public comment. Comments on Consent Calendar items will be heard prior to the City Council's consideration of that calendar. Comments on specific agenda items will be heard when the item is called. Each speaker is allowed (3) minutes to speak. 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.

CONSENT CALENDAR

All items listed on the Consent Calendar are considered to be routine in nature and may be enacted in one motion. Individual items may be removed by a Council Member for separate discussion immediately after the adoption of the balance of the Consent Calendar.

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

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

Recommendation: Adopt Resolution No. 2025-24 Approving Claims and Demands of the City.

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

Recommendation: Approve the Minutes of the Regular City Council Meeting of May 14, 2025.

(4) **Adopt a Resolution Amending the Regular City Council Meeting Schedule for 2025**

Recommendation: Adopt Resolution No. 2025-25 amending the regular City Council meeting schedule for 2025.

(5) **Second Reading and Adoption of Ordinance No. 253, an Ordinance of the City Council of the City of Canyon Lake, California, Amending Chapter 12.04 of the Canyon Lake Municipal Code Related to Speed Limits on Railroad Canyon Road**

Recommendation: Conduct second reading and adopt Ordinance No. 253 - an Ordinance of the City Council of the City of Canyon Lake, California, Amending Chapter 12.04 of the Canyon Lake Municipal Code Related to Speed Limits on Railroad Canyon Road.

(6) **Adopt a Resolution Approving an Amended Interfund Loan Agreement between the General Fund and Rental Fund**

Recommendation: Adopt Resolution No. 2025-26 approving the Amended Interfund Loan Agreement between the General Fund and the Rental Fund.

(7) **Approve the Services Agreement between the City of Canyon Lake and Delgado Janitorial Services for Janitorial Services**

Recommendation: Approve the Professional Services Agreement with Delgado Janitorial Services to extend the term to June 30, 2028, for janitorial services.

(8) **Approve the Professional Services Agreement between the City of Canyon Lake and PZL Inc. for Planning Services**

Recommendation: Approve the Professional Services Agreement with PZL Inc. to extend the term to June 30, 2026, for Planning Services.

(9) **Approve the Professional Services Agreement between the City of Canyon Lake and Willdan Engineering for NPDES/Stormwater Compliance Services**

Recommendation: Approve the Professional Services Agreement with Willdan Engineering to extend the term to June 30, 2028, for NPDES/Stormwater Compliance Services.

(10) **Approve the Professional Services Agreement between the City of Canyon Lake and Interwest Consulting Group for City Engineering Services**

Recommendation: Approve the Professional Services Agreement with Interwest Consulting Group to extend the term to June 30, 2026, for City Engineering Services.

(11) **Approve the Services Agreement between the City of Canyon Lake and CTAI Pacific Greenscape for Landscape and Irrigation Maintenance Services**

Recommendation: Approve the Services Agreement with CTAI Pacific Greenscape to extend the term to June 30, 2026, for Landscape and Irrigation Maintenance Services.

- (12) **Adopt a Resolution Authorizing the City Manager to Obtain City Credit Cards through Citizens Business Bank**

Recommendation: Adopt Resolution No. 2025-27 authorizing the City Manager to execute all necessary applications and documents to establish credit card accounts with Citizens Business Bank.

- (13) **Adopt a Resolution Authorizing the City Manager to Negotiate and Execute Lease Agreements**

Recommendation: Adopt Resolution No. 2025-28 authorizing the City Manager to negotiate and execute Lease Agreements

- (14) **Approve an Agreement between the City of Canyon Lake and VC3, Inc. for Information Technology (IT) Services VC3**

Recommendation: (1) Approve an Agreement with VC3, Inc. for Information Technology (IT) Services for a five-year term, effective July 1, 2025, and ending June 30, 2030, with a total contract value not to exceed \$354,025.56; and (2) authorize the City Manager to execute all documents necessary to effectuate this transaction on a form approved by the City Attorney.

PULLED CONSENT CALENDAR ITEMS

PUBLIC HEARINGS

- (15) **Adopt a Resolution Establishing Emergency Medical Services (EMS) Program Fees for Fiscal Year 2025/2026 and Providing for Collection Thereof on the Property Tax Roll**

Recommendation: (1) Open the public hearing and take public testimony; and (2) adopt Resolution No. 2025-29 establishing EMS Program Fees Fiscal Year 2025/2026 and providing for collection thereof on the property tax roll.

- (16) **Adoption of Resolutions Approving CPI and Pass-Through Adjustments to Residential Solid Waste Rates and Commercial and Roll-Off Solid Waste Rates**

Recommendation: (1) Open the public hearing and take public testimony; (2) adopt Resolution No. 2025-30 approving CPI and pass-through adjustments to residential solid waste rates consistent with Government Code Section 53756; and (3) adopt Resolution No. 2025-31 increasing commercial and roll-off solid waste rates to implement SB 1383.

BUSINESS ITEMS

- (17) **(1) Adopt Urgency Ordinance No. 254 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178, and Declaring the Urgency Thereof; and (2) Introduction and First Reading of Ordinance No. 255 - An Ordinance of the City Council of Canyon Lake, California, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178**

Recommendation: (1) Adopt Urgency Ordinance No. 254 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178, and Declaring the Urgency Thereof; and (2) introduce and read by title only Ordinance No. 255 - An Ordinance of the City Council of Canyon Lake, California, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178.

COMMITTEE AND COUNCIL REPORTS/COMMENTS

CITY MANAGER COMMENTS

ANNOUNCEMENTS

The next regular City Council meeting will be held on August 13, 2025.

ADJOURNMENT

Public Comment: 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 card and provide it to the City Clerk prior to the start of public comment. The City Council has adopted a time limit of three (3) minutes per person. Comments on specific agenda items will be heard when the item is called. 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. Electronic comments may be submitted 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.

CEQA Notice: 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 Resources Code section 21065.

Council Agendas: The designated office for inspection of records is the Office of the City Clerk, Canyon Lake City Hall, 31516 Railroad Canyon Road, Canyon Lake, CA 92587. Complete agenda packets are available for public review at City Hall during normal business hours and on the City's website at www.canyonlakeca.gov.

ADA Notice: In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting or if you need agenda documents provided in an alternate format, please contact the City Clerk's Office at (951) 244-2955 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made.

AFFIDAVIT OF POSTING: I, Sheryl L. Garcia, City Clerk of the City of Canyon Lake, California, do hereby declare that the foregoing agenda was posted as of the date noted below, at least seventy-two (72) hours prior to the meeting per Government Code section 54954.2 and Canyon Lake Resolution No. 2019-42.

Sheryl L. Garcia, MMC, CPM
City Clerk
Posted: June 5, 2025



ITEM NO. 2

STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Elizabeth Luna, Accounting Specialist

DATE: June 11, 2025

SUBJECT: Approve Claims and Demands of the City

Recommendation

Adopt Resolution No. 2025-24 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 May 14, 2025.

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. 2025-24

ATTACHMENT 1

RESOLUTION NO. 2025-24

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 June 11, 2025; and

WHEREAS, Exhibit A was presented at the regular meeting of the City Council on June 11, 2025, 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 June 11th, in the amount of \$774,803.64 as follows:

Payroll Earnings (Direct Deposit)	\$	153,470.76	(For Month of May)
Payroll Processing Fees	\$	391.34	(For Month of May)
Payroll Taxes - Employer & Employee	\$	43,766.68	(For Month of May)
Payroll CLFAD	\$	830.88	(For Month of May)
Payroll CS	\$	795.04	(For Month of May)
On-line Retirement	\$	16,732.23	(For Month of May)
On-line Health	\$	27,110.53	(For Month of May)
Nationwide Deferred Comp.	\$	16,025.32	(For Month of May)
General	\$	515,680.86	
TOTAL	\$	<u>774,803.64</u>	

PASSED, APPROVED AND ADOPTED this 11th day of June 2025.

Mark Terry, 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
ABILA	Accounting Software Executive View User 5/1/25-5/31/25	21.32
All State Propane	Fire Station Propane, 4/23/25	194.25
Amazon	Fire Station Swag for Open House, 5/10/25	53.86
	Fire Station New Lighting	56.00
	Fire Station Swag for Open House, 5/10/25	38.76
	Fire Station Swag for Open House, 5/10/25	53.86
Anthony Wade	Reserve Stipend for April 2025	200.00
BIO-TOX	Blood Analysis, 1/3/2025	572.05
	Blood Analysis, 1/16/25	80.00
Brianna Hemsley	Tuition Reimbursement: Master's Degree Spring 25 Semester	2,500.00
Cabrera	Reserve Stipend for April 2025	200.00
Carlos Miramontes	Reserve Stipend for April 2025	200.00
Cintas	Fire Station Weekly Mat Service, 4/21/25	47.76
	Fire Station Weekly Mat Service, 4/28/25	47.76
CL PROPERTY OWNERS	Fiesta Day Sponsorship 2025	1,000.00
Clark Pest	Pest Control for City Hall-April 2025	105.00
	Fire Station Pest Control April 2025	85.00
Control Pump	Repair to Pump Station, 5/1/2025	1,725.12
	Landscape Booster Monitor Report April 2025	421.31
CPS	HR Consulting Services 2/2/25-3/29/25	362.50
Curtis	Fire Station Firefighting Equipment	140.41
	Fire Station Lettering on Brush Coats	165.67
Delgado	Janitorial Services for April 2025	1,869.20
DOJ	Fingerprint for March 2025	32.00
FRIDAY FLYER	PH Housing Element Amend, 5/2/25	57.75
	PH mixed Use Zone, 5/2/25	57.75
Gianna Mascio	2025 Scholarship Essay Contest Winner	1,500.00
Hudson & West	Fire Station Kitchen Cabinets	716.21
ICG	CL-001 General Engineering Services 3/1/25-3/31/25	1,536.25
	CL-003 Railroad Canyon Road-HSIP Project 3/1/25-3/31/25	3,130.00
John Hancock	Fire Station PARS EE & ER Contributions Check Date 4/25/25	6,186.10
Longobardo	Reserve Stipend for April 2025	200.00
Luke Jackson	Reserve Stipend for April 2025	100.00
OES Office Furniture	Fire Station New Office Furniture	3,104.29
PARS	Reissue Lost Check for Admin Fees Ending July 2024	400.00
PERMA	Q4 FY 2024-25 Liability Trust Acct Deposit & Replenishment	5,772.00
PORAC RMT	PORAC Contributions April 2025	900.00
PZL, Inc.	Planning Services for April 2025	5,737.50

Date: 5/7/25
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City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
RingCentral Inc.	Annual Contract 4/18/25-4/17/26 City Hall & Fire Station	10,970.86
Riv Co Flood	FY 24/25 NPDES Cost Sharing-Santa Ana NPDES Permit	3,478.91
Riv Co Sheriff Dept Lake Elsinore	Sheriff's Contract Law 2/6/25-3/5/25	154,703.02
Riv Co TLMA	SLF - March 2025 Costs	2,000.54
SDRMA	Dental And Vision Insurance June 2025	2,368.15
Syntech	Monthly IT Support 4/1/25-4/30/25	3,050.00
Willdan	Water Quality Services thru 4/4/25	3,959.50
	Canyon Lake Golf Cart Study and E&T RRCR Survey	510.00
Report Total		220,610.66

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

Vendor ID	Invoice Description	Cash Required
WinCo	Candy for Fiesta Days, 5/24/2025	641.24
Report Total		641.24

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

Vendor ID	Invoice Description	Cash Required
2 Hot Uniforms	Fire Station Investigator Uniforms	422.47
	Fire Station Uniforms for New Office Asst, Y Soto	284.82
Amazon	Fire Station Maintenance Items	56.85
	Fire Station Office Supplies	37.16
	Fire Station Supplies for Apparatus Keys	7.04
	Fire Station Supplies	65.90
	Fire Station Apparatus Cleaning Supplies	112.04
	Fire Station Kitchen Cabinet Lights	28.00
	Fire Station Kitchen Project Cabinet Lights	87.27
	Fire Station Pub Ed Supplies for Open House, May 10, 2025	38.76
AMERICAN FORENSIC	Sheriff's Blood Draw, 4/1/2025	216.00
AMP	Rent Inv & Utils, HOA Fee, Ins. & Maint. Admin Ste. 5	2,418.77
	Rent Inv & Utils, HOA Fee, Ins. & Maint. Admin Ste 4	216.91
ANIMAL FRIENDS	Animal Control Services Month of May 2025	3,587.50
BIO-TOX	Blood Analysis, 4/18/2025	655.45
Bound Tree	Fire Station Medical Supplies	240.43
Champion Trophy	Fire Station Plaques for Reserves	64.65
Cintas	Fire Station Weekly Mat Service, 5/13/25	47.76
	Fire Station Weekly Mat Service, 5/5/25	47.76
CL PROPERTY OWNERS	Firehouse Note Payment 17	9,359.57
CLAMS	Fire Station Food for Open House	433.40
Clark Pest	Pest Control for Rental-31542 RRCR	250.00
Colantuono, Highsmith & Whatley	Attorney Services for adv. Richard Beck thru April 30, 2025	438.00
Concentra	Fire Station Physical Exam for New Office Asst- Y Soto	224.00
Control Pump	Replaced Three Main Wire Lugs on VFD Control Cabinet, 5/9/25	773.71
Corelogic	Database for Code Enforcement April 2025	178.28
Cory Willis	Educational Reimbursement-Red Helmet Training Group	600.00
CR&R	Refuse Collections FY 23-24 CY Sec SS3	33,003.91
	Refuse Collections FY 24-25 PY Sec SP1	17,394.88
CTAI	Landscape Irrigation Services-Replaced 1" Scrubber Valve	425.00
Curtis	Fire Station Equipment for Stokes Operation	643.10
DATA TICKET	Monthly Parking Fees April 2025	100.00
	Code Enforcement Processing April 2025	119.00
	Monthly EMS Response Fee April 2025	100.00
	Miscellaneous Fees on Invoices April 2025	100.00
Discount Hauling	Cleaned Up and Hauled Away Trash on BLM Land, 5/6/2025	1,200.00

Date: 5/21/25
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City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
DOJ	Fingerprints for April 2025	32.00
	Sheriff's Blood Analysis, 4/10/2025	70.00
Embroidery	City Logo Shirts for Staff CM Staff	145.18
Fire Smart	Fire Station Open House Supplies	585.09
	Fire Station Pub Ed Supplies for Open House	812.44
FRIDAY FLYER	Ordinance No. 253 First Reading	36.75
GREENHALGH	Retiree Health Insurance June 2025	284.25
HINDERLITER	Economic Development Services Quarter 4 (Oct-Dec 2024)	750.00
Inland Fleet	Fire Station Engines Operations Training	806.93
Johnson Controls	Removal of Alarm System, 31526 Railroad Cyn Rd	1,004.19
Kleinberg Tech	Fire Station Image Trend Training	218.75
Lawrence	Fire Station Repairs to Bay Door #3 (Patrol)	2,835.43
Life-Assist	Fire Station Medical Supplies	278.28
	Fire Station Medical Supplies	25.67
Linde Gas & Equipment	Reissue Lost Check #48846035 for Fire Station Supplies	400.98
Oasis Gardens	Fire Station Photographer for Open House, May 10, 2025	450.00
Pitney Bowes	Pitney Bowes Meter Lease 3/13/25-6/12/25	175.02
PVM	Street & Facility Maintenance Services 4/1/25-4/30/25	1,549.29
	Street & Facility Maintenance Services 4/1/25-4/30/25	879.03
RAMS	Accounting Services March 2025	11,204.48
RC Window Films	Film Material and Installation-City Hall	7,290.05
Red White & Blue	Final Payment for HVAC Installation at City Hall	12,538.14
Riv Co Sheriff Dept Lake Elsinore	Sheriff's Contract Law 3/6/25-4/2/25	147,985.29
Riverside University Health	Medical Exam for CN 950442425	600.00
Sanchez	Mileage Reimbursement for Practical Manipulative Exam	109.20
Sherwin Williams	Paint for Graffiti Removal, 4/24/25	79.78
STAPLES	General Office Supplies, 4/25/25	456.20
Syntech	Microsoft Subscriptions & Programs 5/1/25-5/31/25	1,678.00
The Code	Plan Check Services 4/1/25-4/30/25	5,416.81
US Bank	See Credit Card Review, 5/6/25	3,825.17
Report Total		276,500.79

Date: 5/21/25
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City of Canyon Lake
Check/Voucher Register - Checks Prior Month
From 5/1/2025 Through 5/31/2025

Check Number	Vendor Name	Effective Date	Check Amount
31510	Linde Gas & Equipment Inc.	5/17/2025	(400.98)
EFT 1303	Aflac	5/1/2025	793.92
EFT 1304	Principal Life Insurance Company	5/1/2025	452.13
EFT 1305	SOUTHERN CALIFORNIA EDISON	5/5/2025	1,255.90
EFT 1306	SOUTHERN CALIFORNIA EDISON	5/5/2025	247.84
EFT 1307	SOUTHERN CALIFORNIA EDISON	5/5/2025	503.92
EFT 1308	SOUTHERN CALIFORNIA EDISON	5/5/2025	16.30
EFT 1309	SOUTHERN CALIFORNIA EDISON	5/5/2025	136.88
EFT 1310	SOUTHERN CALIFORNIA EDISON	5/5/2025	167.86
EFT 1311	SOUTHERN CALIFORNIA EDISON	5/5/2025	472.09
EFT 1312	Bankcard Center	5/14/2025	1,825.32
EFT 1313	Bankcard Center	5/14/2025	2,954.02
EFT 1314	Bankcard Center	5/14/2025	901.08
EFT 1315	Bankcard Center	5/14/2025	326.03
EFT 1316	Bankcard Center	5/14/2025	3,342.65
EFT 1317	Charter Communications	5/14/2025	5.30
EFT 1318	Amazon Capital Services	5/15/2025	398.07
EFT 1319	The Gas Company	5/15/2025	28.94
EFT 1320	The Gas Company	5/15/2025	126.21
EFT 1321	Bankcard Center	5/18/2025	771.30
EFT 1322	SOUTHERN CALIFORNIA EDISON	5/21/2025	275.72
EFT 1323	ELSINORE VALLEY MUNI WATER DIS	5/21/2025	105.10
EFT 1324	ELSINORE VALLEY MUNI WATER DIS	5/21/2025	108.37
EFT 1325	ELSINORE VALLEY MUNI WATER DIS	5/21/2025	145.35
EFT 1326	ELSINORE VALLEY MUNI WATER DIS	5/21/2025	257.99
EFT 1327	ELSINORE VALLEY MUNI WATER DIS	5/21/2025	893.20
EFT 1328	Toshiba Financial Services	5/21/2025	852.65
EFT 1329	CR&R	5/21/2025	209.26
EFT 1330	Toshiba America Business Solutions	5/22/2025	533.56
EFT 1331	Toshiba America Business Solutions	5/22/2025	101.36
EFT 1332	Toshiba Financial Services	5/28/2025	120.83
Report Total			17,928.17

Credit Card Review

US BANK Statement dated 5/6/25

ITEM #	CREDITOR	DESCRIPTION	AMOUNT	ACCOUNT
1	Tommys Express	Ford Explorer Car Wash	\$ 10.00	10-310-6415
2	DNH Go Daddy	City Website Domain Renewal	\$ 199.98	10-310-6610
3	Blue Cosmo	Emergency Satellite Phones	\$ 66.95	10-425-6310
4	Tommys Express	Ford Explorer Car Wash	\$ 10.00	10-310-6415
5	Arlo Technologies	Security Cameras	\$ 19.99	10-550-6610
6	Tommys Express	Car Wash Membership April 2025	\$ 87.96	A
7	Amazon	Office Supplies	\$ 22.51	10-310-6210
8	Zoom.com	Zoom Workplace Subscription	\$ 33.24	10-310-6210
9	4Imprint	Memorial Day Swag	\$ 440.41	10-100-6831 Project 107
10	Tommys Express	Ford Explorer Car Wash	\$ 10.00	10-310-6415
11	Amazon	Office Supplies	\$ 135.74	10-310-6210
12	Fastsigns	City Hall/Admin Frosted Vinyl for Exterior Doors	\$ 1,717.39	10-550-6610
13	Amazon	Office Supplies	\$ 21.53	10-310-6210
14	Tommys Express	Ford Explorer Car Wash	\$ 10.00	10-310-6415
15	Arlo Technologies	Security Cameras	\$ 19.99	10-550-6610
16	Cintas	Weekly Floor Mat Services	\$ 255.50	10-550-6610
17	Adobe Inc	Acrobat Adobe Subscriptions	\$ 335.86	A
18	DropBox	DropBox Plus Subscription 5/4/25-5/4/26	\$ 119.88	10-310-6210
19	Frontier Communications	Internet for City Hall	\$ 239.65	10-550-6320
20	Arizona Tile LLC	Fire Station Kitchen Backsplash Items	\$ 68.59	10-550-8029
			\$ 3,825.17	

Account Breakdown

City Council City Events-Project Code 102	10-100-6831 project 107	\$ 440.41
City Manager Office Expense and Supplies	10-310-6210	\$572.80
City Manager Fleet Maintenance	10-310-6415	\$61.99
Professional/Specialized Services	10-310-6610	\$ 199.98
Building Dept Fleet Maintenance	10-360-6415	\$21.99
Fire Department Professional/Specialized Services	10-421-6610	\$95.96
Emergency Preparedness Communications	10-425-6310	\$ 66.95
Code Enforcement Fleet Maintenance	10-520-6415	\$43.98
Building & Facilities Utilities	10-550-6320	\$ 239.65
Building & Facilities Professional/Specialized Services	10-550-6610	\$ 2,012.87
Fire Station Kitchen Project	10-550-8029	\$ 68.59
		\$ 3,825.17

Check Figure \$ -

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

California Bank & Trust Statement dated 4/28/25

ITEM #	CREDITOR	DESCRIPTION	AMOUNT	ACCOUNT
1	Smart and Final	Office Supplies	\$ 98.71	10-310-6210
2	Adobe	Creative Cloud All Apps 100 GB	\$ 59.99	10-310-6210
3	Amazon	Computer Webcams	\$ 164.82	10-310-6210
4	Amazon	Office Supplies	\$ 27.46	10-310-6210
5	Amazon	Office Supplies	\$ 28.00	10-310-6210
6	Country Club Canyon Lake Property	Closed Session Meal, April 9, 2025	\$ 228.97	10-100-6225
7	A's Pizza	Staff Lunch-April 9, 2025	\$ 165.50	10-310-6210
8	Amazon Prime	Prime Membership Fee	\$ 16.15	10-310-6210
9	Int'l Code Council Inc.	Building Dept. Training	\$ 45.00	10-360-6710
10	Hit Print	Information Brochures-Shop Canyon Lake	\$ 141.38	10-310-6210
11	Hit Print	Shop Canyon Lake-Reprint Brochures	\$ 106.03	10-310-6210
12	Verizon Wireless	Cell Phones (City Hall & Fire Station)	\$ 369.64	A
13	Verizon Wireless	Ipads & Sim Card Devices	\$ 148.07	A
14	Country Club Canyon Lake Property	EVMWD Roundtable Meeting Breakfast, April 24, 2025	\$ 128.68	10-100-6510
15	Amazon	Code Enforcement Hazmat Suits	\$ 13.73	10-520-6220
16	Amazon	Code Enforcement Hazmat Suits	\$ 38.22	10-520-6220
17	NexGen Air Conditioning	Membership for City Hall & Fire Station	\$ 44.97	10-550-6610
			<u>\$ 1,825.32</u>	

Account Breakdown

City Council Meeting Expense	10-100-6225	\$ 228.97
Council Meeting/Travel Expense	10-100-6510	\$ 128.68
City Manager Office Expense	10-310-6210	\$808.04
Building Office Communications	10-360-6310	\$67.95
Building & Safety Training	10-360-6710	\$ 45.00
Fire Department Communications	10-421-6310	\$208.62
Code Enforcement Departmental Expense	10-520-6220	\$ 51.95
Code Enforcement Communications	10-520-6310	\$ 206.70
Building & Facilities Utilities	10-550-6320	\$34.44
Building & Facilities Professional/Specialized S	10-550-6610	\$ 44.97
		<u>\$ 1,825.32</u>

Check Figure \$ -

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

California Bank & Trust Statement dated 4/28/25

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	Property Record.com	Fire Station Disputing Charges	\$ 30.00	10-421-6220
2	49er Communication Inc	Fire Station Public Safety Speaker Mic	\$ 1,227.22	10-421-6410
3	Lowes	Fire Station Supplies for Urinal Repair	\$ 3.19	10-550-8018
4	Lowes	Fire Station Supplies for Urinal Repair	\$ 11.96	10-550-8018
5	Apple.com	Fire Station Monthly iCloud Storage-April	\$ 0.99	10-421-6310
6	49er Communication Inc	Fire Station Remote Speaker Mics	\$ 915.82	10-421-6231
7	Stater Brothers	Fire Station Food for CERT Meetin	\$ 16.72	10-421-6220
8	Costco.com	Fire Station Kitchen Supplies	\$ 213.87	10-421-6220
9	Etsy, Inc.	Fire Station Items for Open House	\$ 534.25	10-100-6831 project 105
			\$ 2,954.02	

Account Breakdown

City Council Events	10-100-6831 Project 105	\$ 534.25
Fire Department Expense	10-421-6220	\$260.59
Fire Department Emergency Response Equip	10-421-6231	\$ 915.82
Fire Department Communications	10-421-6310	\$ 0.99
Fire Department Fleet & Equipment Maintenance	10-421-6410	\$ 1,227.22
Building & Facilities Maint. Fire Station Upgrades	10-550-8018	\$ 15.15
		\$ 2,954.02

Check Figure \$ -

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California Bank & Trust Statement dated 4/28/25

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	League of California Cities	Credit for Cancellation of Conference-Jeremy	\$ (575.00)	10-100-6510
2	League of California Cities	Credit for Cancellation of Conference-Arron	\$ (575.00)	10-310-6510
3	Dell Higher Education	New Computers	\$ 1,644.59	10-550-8010
4	Dell Higher Education	New Computers	\$ 406.49	10-550-8010
			<u>\$ 901.08</u>	

Account Breakdown

Council Meeting/Travel Expense	10-100-6510	\$ (575.00)
Conference/Meeting/Travel Expense	10-310-6510	\$ (575.00)
City's Technology Infrastructure	10-550-8010	\$ 2,051.08
		<u>\$ 901.08</u>

Check Figure \$ -

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the Finance Committee*

California Bank & Trust Statement dated 4/28/25

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	Staples	Plans for New Rental Building	\$ 25.84	10-310-6220
2	American Legal	City Clerk March 2025-S-16 Online Code Editing	\$ 25.51	10-320-6610
3	American Legal	City Clerk March 2025-S-16 Editing	\$ 274.68	10-320-6610
			<u>\$ 326.03</u>	

Account Breakdown

City Council Dept. Expense	10-100-6220	\$ 25.84
City Clerks Professional/Specialized Services	10-320-6610	\$ 300.19
		<u>\$ 326.03</u>

Check Figure \$ -

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the Finance Committee*

California Bank & Trust Statement dated 4/28/25

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	RIV Express Lanes	Riverside Express Lanes Toll Fee	\$ 34.65	10-421-6440
2	CSMFO	Governmental Accounting Training-Liz	\$ 125.00	10-330-6710
3	UCR-UNEX	UCR Extension HR Management Classes-Kayla	\$ 3,183.00	10-330-6710
			<u>\$ 3,342.65</u>	

Account Breakdown

Finance Training and Education	10-330-6710	\$ 3,308.00
Fire Department Mileage Reimbursement	10-421-6440	\$ 34.65
		<u>\$ 3,342.65</u>

Check Figure \$ -

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

California Bank & Trust Statement dated 4/28/25

<u>ITEM #</u>	<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>ACCOUNT</u>
1	Stater Brothers	Fire Station Refreshments for Captain Meeting	\$ 33.48	10-421-6220
2	Champion Trophy	Fire Station Wall Plaque	\$ 23.71	10-421-6610
3	The Home Depot	Fire Station Supplies for Kitchen Project	\$ 135.15	10-550-8029
4	Arizona Tile	Fire Station Kitchen Project Backsplash	\$ 421.15	10-550-8029
5	Eco Express Car Wash	Fire Station ECO Car Wash for B-1	\$ 21.00	10-421-6410
6	Arizona Tile	Fire Station Kitchen Project Backsplash	\$ 124.02	10-550-8029
7	The Home Depot	Fire Station Kitchen Project	\$ 12.79	10-550-8029
8				
			<u>\$ 771.30</u>	

Account Breakdown

Fire Department Departmental Expense	10-421-6220	\$ 33.48
Fire Station Fleet & Equipment Maintenance	10-421-6410	\$ 21.00
Fire Station Professional/Specialized Services	10-421-6610	\$ 23.71
Fire Station Kitchen Upgrades	10-550-8029	\$ 693.11
		<u>\$ 771.30</u>
		\$ -

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the Finance Committee*

**MINUTES
REGULAR MEETING OF THE
CANYON LAKE CITY COUNCIL
Wednesday, May 14, 2025**

**Closed Session – 5:00 p.m.
City Hall Administration Building
31516 Railroad Canyon Road
Canyon Lake, CA 92587**

CALL TO ORDER

Mayor Terry called the meeting to order at 5:00 p.m.

ROLL CALL

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

Absent: None.

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Pursuant to Government Code Section 54956.8:
Property: 31630 Railroad Canyon Road
Agency Negotiator: City Manager
Negotiating Parties: Kreg McCoy
Under Negotiation: Price and Terms of Payment
2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1): Richard Beck v. City of Canyon Lake, 4th DCA Case No. D083322
3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1): Nicole Dailey v. City of Canyon Lake, RCSC Case No. CVME2503498
4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957: Title: City Manager

The City Council entered Closed Session at 5:00 p.m.

**MINUTES
REGULAR MEETING OF THE
CANYON LAKE CITY COUNCIL
Wednesday, May 14, 2025**

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

CALL OPEN SESSION TO ORDER

Mayor Terry called the meeting to order at 6:30 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 Josh Strange.

ROLL CALL

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

Absent: None.

CLOSED SESSION REPORT

Deputy City Attorney Nashad reported that as to Item 1, there was no reportable action. As to Items 2 and 3, settlement direction was given by consensus. As to Item 4, there was no reportable action. She further reported that the City Council would recess back into closed session after the regular meeting and the City Attorney would report out at the next City Council meeting.

CEREMONIAL MATTERS

Council Member Smith recognized Dawn Haggerty as Citizen of the Month.

Mayor Pro Tem Castillo and Council Member Steeber recognized Josh Strange as Student of the Year.

Mayor Pro Tem Castillo and Council Member Steeber recognized Gianna Mascio as the Essay Scholarship Contest Winner.

PRESENTATIONS

Board Vice President Greg Doherty provided an update on behalf of the Canyon Lake Property Owner's Association.

Fire Chief LaTendresse provided an update on fire statistics.

Dr. Tricia Thompson provided an update on behalf of the Lake Elsinore Unified School District.

Mayor Pro Tem Castillo provided a non-profit spotlight for the CLEAR Foundation.

PUBLIC COMMENT

None.

CONSENT CALENDAR

Council Member Smith pulled Item 6 for further discussion.

Motion and second by Council Member Smith/Council Member Welty to approve Consent Calendar Items 1, 2, 3, 4, 5 and 7.

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

(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. 2025-17 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 April 9, 2025.

(4) Adopt a Resolution Authorizing the City Manager to Sign Agreements with the California Department of Transportation

Action taken: The City Council adopted Resolution No. 2025-18 authorizing the City Manager to sign agreements with the California Department of Transportation.

(5) Adopt a Resolution Approving Benefits for City Council Members

Action taken: The City Council adopted Resolution No. 2025-19 approving benefits for City Council Members.

(7) Consideration of Acceptance of Notice of Completion for the Council Chamber and City Hall Renovation Project

Action taken: The City Council: (1) accepted the project as complete; and (2) authorized the City Clerk to execute and record the Notice of Completion.

PULLED CONSENT CALENDAR ITEMS

(6) Adopt a Resolution Approving an Interfund Loan Agreement between the General Fund and Rental Fund in the Amount of \$1,452,364 for the Property at 31600 Railroad Canyon Road

Council Member Smith pulled this item for further discussion. A discussion ensued regarding tax revenue, bondable assets and keeping the City's portfolio diverse.

Motion and second by Council Member Smith/Mayor Terry to adopt Resolution No. 2025-20 approving the Interfund Loan Agreement between the General Fund and the Rental Fund in the amount of \$1,452,364 for the property located at 31600 Railroad Canyon Road.

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

PUBLIC HEARINGS

None.

BUSINESS ITEMS

(8) (1) Adopt a Resolution Adopting the Budget, Appropriating Revenue and Establishing the Appropriations Limit for Fiscal Year 2025-2026; (2) Adopt a Resolution Approving the Salary and Wage Schedule for Non-Safety and Safety Employees; (3) Adopt a Resolution Approving a Policy Governing the Use of Discretionary Funds; and (4) Authorize the City Manager to Execute Necessary Contracts per the Adopted Budget

Finance Director Shea provided a presentation. City Manager Brown explained the discretionary use fund policy.

There were no public comments.

Motion and second by Council Member Smith/Council Member Welty to: (1) adopt Resolution No. 2025-21 approving the budget, appropriating revenue and establishing the appropriations limit for Fiscal Year 2025-26; (2) adopt Resolution No. 2025-22 Approving the Salary and Wage Schedule for Non-Safety and Safety Employees; (3) adopt Resolution No. 2025-23 Approving a Policy Governing the Use of Discretionary Funds; and (4) authorize the City Manager to execute contracts per the budget and Municipal Code.

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

(9) Introduction and First Reading of Ordinance No. 253, an Ordinance of the City Council of the City of Canyon Lake, California, Amending Chapter 12.04 of the Canyon Lake Municipal Code Related to Speed Limits on Railroad Canyon Road

Community Development Director Borja provided a presentation. Council Member Welty noted he was glad to see this project done.

There were no public comments.

Motion and second by Council Member Smith/Council Member Steeber to waive full reading and introduce by title only Ordinance No. 253 - an Ordinance of the City Council of the City of Canyon Lake, California, Amending Chapter 12.04 of the Canyon Lake Municipal Code Related to Speed Limits on Railroad Canyon Road.

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

COMMITTEE AND COUNCIL REPORTS/COMMENTS

Council Member Smith announced the upcoming Fire Association event scheduled for June 14, 2025, and recognized the National Day of Prayer. He expressed appreciation to the donors who supported the event and thanked the Fire Chief and department for a successful open house. He thanked Mayor Terry for engaging with residents at the country club and fostering community involvement.

Council Member Steeber wished all mothers a Happy Mother's Day and shared that the Animal Friends of the Valley JPA held its biannual committee meeting, where they approved changes to the invoice payment process. He noted that June is Microchip Month at AFV, with services offered at half price. He also attended Cal Cities Legislative Action Week and the SCAG Conference and toured the Elsinore Valley Municipal Water District office and dam. He thanked the Fire Department for the open house event.

Council Member Welty reminded everyone to stay safe over Memorial Day weekend. He complimented the presentation on the CLEAR Foundation and expressed his support for the lifeguard program. He noted that the POA has several youth programs planned for the summer. He attended the SCAG Conference with Council Member Smith and participated in discussions on fire resiliency. He also toured RCA's Winchester 700 Valley property.

Mayor Pro Tem Castillo reported attending the Student of the Year Dinner and welcomed Station 2 Pizza as a new business in the Towne Center. She recognized Darcy Burke for her transparency regarding the fish issue in the lake, stating it reflects well on public expectations. She extended good luck to POA board candidates and thanked the community for its engagement and support regarding the future of the police department, stating she is enthusiastic about the direction being taken.

Mayor Terry shared his experience attending the Every 15 Minutes program. He thanked Council Member Smith for initiating conversations at the country club that promote civic engagement. He reported on WRCOG's discussion of Vehicle Miles Traveled (VMT) mitigation in relation to SB 743, noting that VMT affects 39 current infrastructure projects in Riverside County. He emphasized the importance of RCA, RCTC, and WRCOG collaborating to share their expertise with developers across the region.

CITY MANAGER COMMENTS

City Manager Brown reported that the City Manager newsletter is available on the website and encouraged residents to sign up for it as it communicates from the staff side what is going on in the City. He thanked Community Services Director Borja for the new air conditioning in council chambers.

ANNOUNCEMENTS

Mayor Terry announced that the next regular City Council meeting will be held on Wednesday, June 11, 2025.

ADJOURNMENT

At 7:49 p.m., the City Council adjourned the regular City Council meeting and returned to Closed Session.

Respectfully submitted,

Sheryl L. Garcia, MMC, CPM
City Clerk



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Sheryl Garcia, Administrative Services Director/City Clerk

DATE: June 11, 2025

SUBJECT: Adopt a Resolution Amending the Regular City Council Meeting Schedule for 2025

Recommendation

Adopt Resolution No. 2025-25 amending the regular City Council meeting schedule for 2025.

Background

On June 12, 2024, the City Council adopted Resolution No. 2024-20 establishing the 2025 regular City Council meeting schedule. Due to scheduling conflicts, Staff recommends the City Council not convene in July 2025 and instead hold a regular meeting in August.

Pursuant to Chapter 2.01 of the Canyon Lake Municipal Code, the City Council may set regular meetings by resolution. The attached resolution amends the 2025 meeting schedule as follows:

July – no regular meeting
August 13
September 10
October 8
November 12
December 10

Fiscal Impact

None.

Attachments

1. Resolution No. 2025-25

ATTACHMENT 1

RESOLUTION NO. 2025-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING THE REGULAR CITY COUNCIL MEETING SCHEDULE FOR 2025

WHEREAS, pursuant to Chapter 2.01 of the Canyon Lake Municipal Code regular meetings of the City Council may be established by resolution; and

WHEREAS, at the June 12, 2024, City Council meeting, the City Council set the regular meeting schedule for 2025; and

WHEREAS, the City Council periodically changes the date of regularly scheduled meetings and or cancels them as necessary; and

WHEREAS, due to scheduling conflicts, Staff suggests not convening in July 2025 and instead holding a regular City Council meeting on August 13, 2025.

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 regular City Council meeting schedule for the remainder of 2025 is set as follows:

July – no regular meeting
August 13
September 10
October 8
November 12
December 10

Section 3. The City Manager is hereby authorized to make changes to this schedule as necessary.

Section 4. 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 5. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 6. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED the 11th day of June 2025.

Mark Terry, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk



ITEM NO. 5

STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Mike Borja, Community Development Director

DATE: June 11, 2025

SUBJECT: Second Reading and Adoption of Ordinance No. 253, an Ordinance of the City Council of the City of Canyon Lake, California, Amending Chapter 12.04 of the Canyon Lake Municipal Code Related to Speed Limits on Railroad Canyon Road

Recommendation

Conduct second reading and adopt Ordinance No. 253 - an Ordinance of the City Council of the City of Canyon Lake, California, Amending Chapter 12.04 of the Canyon Lake Municipal Code Related to Speed Limits on Railroad Canyon Road.

Background

At the May 14, 2025, City Council meeting, the City Council approved the first reading of Ordinance No. 253 approving a 45 mph speed limit on Railroad Canyon Road between the westerly city limits and the easterly city limits. The speed limit is consistent with the recommendation contained in the speed survey conducted by Willdan Engineering to assess the operating conditions for the purpose of establishing an enforceable speed limit.

The survey accounted for: 1) prevailing speed, 2) accident history, and 3) roadway characteristics not apparent to the motorist and designated this segment to retain the existing 45 mile per hour speed limit and be proposed by Ordinance.

Discussion

In order to enforce speed limits using radar, speed limits must be set in accordance with the California Vehicle Code (CVC). Per the CVC, vehicle speeds are determined by the behavior of many drivers during normal driving conditions. Jurisdictions may not establish arbitrary speed limits.

The City made changes to Railroad Canyon Road within the city limits of Canyon Lake many years ago. No formal speed survey was ever adopted at that time. The street has sidewalks for students and pedestrians, along with bike lanes throughout. As such, it is desirable to resurvey

the prevailing speeds and determine if speed limit adjustments are in order. Railroad Canyon Road was recently re-surveyed and the consulting Traffic Engineer recommended retaining the existing speed limit of 45 mph. The 2024 Engineering and Traffic Survey presents the following recommended speed limit for this roadway segment:

Street	Segment	Posted	Proposed
Railroad Canyon Road	Westerly City Limits to Easterly City Lim	45	45

This speed limit will help drivers select a speed that is safe and consistent with most other users. No alternative is recommended.

Fiscal Impact

There is no fiscal impact as the speed limit signs are already currently posted.

Attachments

1. Ordinance No. 253

ATTACHMENT 1

ORDINANCE NO. 253

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING CHAPTER 12.04 OF THE CANYON LAKE MUNICIPAL CODE RELATED TO SPEED LIMITS ON RAILROAD CANYON ROAD

Section 1. **Municipal Code Amendment – Chapter 12.04.** Chapter 12.04 of the Canyon Lake Municipal Code is hereby amended to read as provided in the attached Exhibit “A”.

Section 2. **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 3. **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 4. **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 5. **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.

PASSED APPROVED AND ADOPTED this 11th day of June 2025.

Mark Terry, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney

EXHIBIT “A”

Chapter 12.04 Speed Limits

12.04.010 Speed limit designated - Railroad Canyon Road.

12.04.020 Penalty.

12.04.010 Speed limit designated - Railroad Canyon Road.

The speed limit on Railroad Canyon Road between the westerly city limits and the easterly city limits shall be 45 mph.

12.04.20 Penalty.

A violation of this Chapter shall be an infraction as set out in Section 1.01.200 of the Canyon Lake Municipal Code.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Terry Shea, Finance Director

DATE: June 11, 2025

SUBJECT: Adopt a Resolution Approving an Amended Interfund Loan Agreement between the General Fund and Rental Fund

Recommendation

Adopt Resolution No. 2025-26, approving the Amended Interfund Loan Agreement between the General Fund and the Rental Fund.

Background

The City purchased two commercial buildings as follows:

- 31542 Railroad Canyon Road \$725,000 on March 30, 2020.
- 31520 Railroad Canyon Road \$400,000 January 26, 2021.

The City financed the purchases with a Loan from Citizens Business Bank (CBB) of \$890,000 and an advance from the General Fund of \$246,391. The two Buildings were purchased as investments and were recorded as such in the Rental Enterprise Fund.

Due to rising interest rates on the commercial loan, the City entered into an interfund loan agreement (internal borrowing) instead of borrowing the funds externally to finance the purchase of commercial properties at 31542 and 31520 Railroad Canyon Road in the amount of \$809,975. The interfund loan was for a 20-year period with monthly payments beginning on October 13, 2023, with an interest rate of 2.17%. The Interfund Loan Agreement was approved by the City Council on September 13, 2023, with Resolution 2023-35.

Discussion

During the current fiscal year, the City converted the property at 31520 Railroad Canyon Road from an investment to one used for City purposes, therefore the property and the related interfund debt was removed from the Rental Enterprise Fund.

The Interfund Loan balance on March 31, 2025, was \$760,651 and the portion related to 31520 Railroad Canyon Road was \$376,642. The Interfund Loan amount was reduced by the \$376,642 leaving a balance of \$385,009 for the 31542 Railroad Canyon Road property.

Staff is recommending amending the Interfund Loan Agreement dated September 13, 2023, with a new principal amount of \$385,009 at an interest rate of 3.927%, which is equal to the Local Agency Investment Fund (LAIF) rate for FY 2023-24. The term for the Loan would be for a twenty-year (20) period with monthly principal and interest payments.

Fiscal Impact

If approved, funding for the building will come from the proceeds of the interfund loan from the General Fund which will be repaid out of the Rental Fund over the 20-year financing term to the General Fund. The amount requested is \$385,009. The funding source is the Rental Fund for the purchase; repayment of the loan would be made from Rental Fund monies. Principal of \$385,009 and Interest of \$171,347.

Attachments

1. Resolution No. 2025-26
2. Amended Interfund Loan Agreement
3. Closing Statements

ATTACHMENT 1

RESOLUTION NO. 2025-26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, APPROVING AN AMENDED INTERFUND LOAN AGREEMENT BETWEEN THE RENTAL FUND AND THE GENERAL FUND

WHEREAS, the City's Rental Fund has purchased two investment properties located at 31542 and 31520 Railroad Canyon Road financed with an Interfund Loan from the General Fund of \$809,975; and

WHEREAS, during the current fiscal year the City converted the property at 31520 Railroad Canyon Road from an investment property to one used for City purposes; and

WHEREAS, the Interfund Loan balance on March 31, 2025, was \$760,651 and the portion related to 31520 Railroad Canyon Road was \$376,642; and

WHEREAS, the Interfund Loan balance was reduced by \$376,642 leaving a remaining balance of the Interfund Loan of \$385,009 for the 31542 Railroad Canyon Road property; and

WHEREAS, repayment of the Interfund Loan will come from the Rental Fund.

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. That the City Council does hereby authorize the execution of an Amended Interfund Loan Agreement to finance the purchase of the commercial property at 31542 Railroad Canyon Road in the amount of \$385,009.

Section 3. 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 4. That the City Clerk shall certify to 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 11th day of June 2025.

Mark Terry, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk

ATTACHMENT 2

INTERFUND LOAN AGREEMENT

This Interfund Loan Agreement (“Agreement”) is executed as of June 11, 2025 (“Effective Date”), between the City of Canyon Lake General Fund (“Lender”) and the City of Canyon Lake Rental Fund (“Borrower”) (collectively “parties”). Lender agrees to lend to Borrower, and Borrower agrees to repay Lender, an amount not to exceed the Principal Amount and interest accrued on the unpaid loan balance (hereafter “loan”), in accordance with the following:

Purpose of the Loan: To provide funds for the purchase of Commercial Property at 31542 Railroad Canyon Road (cost not to exceed Eight Hundred Nine Thousand Nine Hundred Seventy-Five Dollars (\$385,009)). The loan shall account for borrowing between City of Canyon Lake General Fund and City of Canyon Lake Rental Fund.

Principal Loan Amount: Not to exceed Eight Hundred Nine Thousand Nine Hundred Seventy-Five Dollars (\$385,009). The loan will be recorded as receivable to the Lender and payable to the Borrower.

Term of the Loan: The term of this loan is twenty (20) years, beginning on the Effective Date, and shall be repaid in full by March 14, 2045.

Scheduled Payments. Borrower shall make payments in accordance with the attached loan amortization schedule (Exhibit “1” hereto). Borrower shall make monthly payments beginning March 14, 2025. Payments will be credited first to any loan interest then due, and then to the loan principal balance. Borrower may make partial or complete payment of the principal balance and earned interest at any time before its due date and without any prepayment penalty.

Repayment Source. The City shall repay the Lending Fund, out of funds of the Borrowing Fund, the full principal balance of the Loan plus accrued interest on or before the expiration of the term. City may repay the Loan in full or part at any time prior to the expiration of the term and there shall be no prepayment penalty. The entire unpaid balance of the Loan plus accrued interest is due and payable no later than the expiration of the term. City commits to take such reasonable and fiscally prudent measures to assure that the Borrowing Fund will be able to repay the Lending Fund, and if for any reason the balance of the Borrowing Fund is unable to repay the Lending Fund in full, then the City shall pay any remaining balance out of its general funds.

Rate of Interest. Interest shall accrue at a rate of 3.927%, which is equal to the Local Agency Investment Fund (LAIF) rate for FY 2023-24. Any interest not paid when due shall bear interest from its due date at the rate specified above. Loan interest will be recorded as revenue to the Lender and expenditure to the Borrower.

Compliance with Laws. The parties shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments.

General Provisions. This Agreement constitutes the full Agreement by and between the parties and no other representations have been made regarding the contents of this Agreement. This Agreement shall not be amended, modified, or altered in any respect unless such amendment, modification, or alteration has been reduced to writing and executed by both parties.

LENDER
City of Canyon Lake
General Fund

BORROWER
City of Canyon Lake
Rental Fund

APPROVED AND EXECUTED By signature of the following authorized representatives of the City on June 11, 2025.

CITY OF CANYON LAKE

By: _____
Mark Terry, Mayor

ATTEST:

Sheryl Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

Steven P. Graham, City Attorney

By: _____

By: _____

REVIEWED AND RECOMMENDED:

Arron Brown, City Manager

By: _____

EXHIBIT “1”

INTERFUND LOAN AMORITIZATION SCHEDULE

(to be attached)

**City of Canyon Lake
General Fund Loan Amortization**

Compounding Period
Annual Rate

Monthly
3.927%

Cash Flow Data - Loan & Payments

Event	Date	Amount	Number	Period	End Date
Loan	06/11/25	\$ 385,009	1		
Payment	04/14/25	\$ 2,318.30	240	Monthly	03/14/45

General Fund Loan for Building Purchase

					3.927%
	Date	Payment	Interest	Principal	Balance
					385,009.00
1	04/14/25	2,318.30	1,259.94	1,058.36	383,950.64
2	05/14/25	2,318.30	1,256.48	1,061.82	382,888.82
3	06/14/25	2,318.30	1,253.00	1,065.30	381,823.52
		6,954.90	3,769.42	3,185.48	
4	07/14/25	2,318.30	1,249.52	1,068.78	380,754.74
5	08/14/25	2,318.30	1,246.02	1,072.28	379,682.46
6	09/14/25	2,318.30	1,242.51	1,075.79	378,606.67
7	10/14/25	2,318.30	1,238.99	1,079.31	377,527.36
8	11/14/25	2,318.30	1,235.46	1,082.84	376,444.52
9	12/14/25	2,318.30	1,231.91	1,086.39	375,358.14
10	01/14/26	2,318.30	1,228.36	1,089.94	374,268.20
11	02/14/26	2,318.30	1,224.79	1,093.51	373,174.69
12	03/14/26	2,318.30	1,221.21	1,097.09	372,077.60
13	04/14/26	2,318.30	1,217.62	1,100.68	370,976.93
14	05/14/26	2,318.30	1,214.02	1,104.28	369,872.65
15	06/14/26	2,318.30	1,210.41	1,107.89	368,764.76
		27,819.60	14,760.83	13,058.77	
16	07/14/26	2,318.30	1,206.78	1,111.52	367,653.24
17	08/14/26	2,318.30	1,203.15	1,115.15	366,538.08
18	09/14/26	2,318.30	1,199.50	1,118.80	365,419.28
19	10/14/26	2,318.30	1,195.83	1,122.47	364,296.81
20	11/14/26	2,318.30	1,192.16	1,126.14	363,170.68
21	12/14/26	2,318.30	1,188.48	1,129.82	362,040.85
22	01/14/27	2,318.30	1,184.78	1,133.52	360,907.33
23	02/14/27	2,318.30	1,181.07	1,137.23	359,770.10
24	03/14/27	2,318.30	1,177.35	1,140.95	358,629.15
25	04/14/27	2,318.30	1,173.61	1,144.69	357,484.46
26	05/14/27	2,318.30	1,169.87	1,148.43	356,336.03
27	06/14/27	2,318.30	1,166.11	1,152.19	355,183.84
		27,819.60	14,238.68	13,580.92	
28	07/14/27	2,318.30	1,162.34	1,155.96	354,027.88
29	08/14/27	2,318.30	1,158.56	1,159.74	352,868.13
30	09/14/27	2,318.30	1,154.76	1,163.54	351,704.60

	Date	Payment	Interest	Principal	Balance
31	10/14/27	2,318.30	1,150.95	1,167.35	350,537.25
32	11/14/27	2,318.30	1,147.13	1,171.17	349,366.08
33	12/14/27	2,318.30	1,143.30	1,175.00	348,191.08
34	01/14/28	2,318.30	1,139.46	1,178.84	347,012.24
35	02/14/28	2,318.30	1,135.60	1,182.70	345,829.54
36	03/14/28	2,318.30	1,131.73	1,186.57	344,642.96
37	04/14/28	2,318.30	1,127.84	1,190.46	343,452.51
38	05/14/28	2,318.30	1,123.95	1,194.35	342,258.15
39	06/14/28	2,318.30	1,120.04	1,198.26	341,059.89
		27,819.60	13,695.66	14,123.94	
40	07/14/28	2,318.30	1,116.12	1,202.18	339,857.71
41	08/14/28	2,318.30	1,112.18	1,206.12	338,651.60
42	09/14/28	2,318.30	1,108.24	1,210.06	337,441.53
43	10/14/28	2,318.30	1,104.28	1,214.02	336,227.51
44	11/14/28	2,318.30	1,100.30	1,218.00	335,009.52
45	12/14/28	2,318.30	1,096.32	1,221.98	333,787.54
46	01/14/29	2,318.30	1,092.32	1,225.98	332,561.55
47	02/14/29	2,318.30	1,088.31	1,229.99	331,331.56
48	03/14/29	2,318.30	1,084.28	1,234.02	330,097.55
49	04/14/29	2,318.30	1,080.24	1,238.06	328,859.49
50	05/14/29	2,318.30	1,076.19	1,242.11	327,617.38
51	06/14/29	2,318.30	1,072.13	1,246.17	326,371.21
		27,819.60	13,130.92	14,688.68	
52	07/14/29	2,318.30	1,068.05	1,250.25	325,120.96
53	08/14/29	2,318.30	1,063.96	1,254.34	323,866.62
54	09/14/29	2,318.30	1,059.85	1,258.45	322,608.17
55	10/14/29	2,318.30	1,055.74	1,262.56	321,345.61
56	11/14/29	2,318.30	1,051.60	1,266.70	320,078.91
57	12/14/29	2,318.30	1,047.46	1,270.84	318,808.07
58	01/14/30	2,318.30	1,043.30	1,275.00	317,533.07
59	02/14/30	2,318.30	1,039.13	1,279.17	316,253.89
60	03/14/30	2,318.30	1,034.94	1,283.36	314,970.54
61	04/14/30	2,318.30	1,030.74	1,287.56	313,682.98
62	05/14/30	2,318.30	1,026.53	1,291.77	312,391.20
63	06/14/30	2,318.30	1,022.30	1,296.00	311,095.20
		27,819.60	12,543.59	15,276.01	
64	07/14/30	2,318.30	1,018.06	1,300.24	309,794.96
65	08/14/30	2,318.30	1,013.80	1,304.50	308,490.47
66	09/14/30	2,318.30	1,009.54	1,308.76	307,181.70
67	10/14/30	2,318.30	1,005.25	1,313.05	305,868.65
68	11/14/30	2,318.30	1,000.96	1,317.34	304,551.31
69	12/14/30	2,318.30	996.64	1,321.66	303,229.65
70	01/14/31	2,318.30	992.32	1,325.98	301,903.67
71	02/14/31	2,318.30	987.98	1,330.32	300,573.35
72	03/14/31	2,318.30	983.63	1,334.67	299,238.68
73	04/14/31	2,318.30	979.26	1,339.04	297,899.64
74	05/14/31	2,318.30	974.88	1,343.42	296,556.21

	Date	Payment	Interest	Principal	Balance
75	06/14/31	2,318.30	970.48	1,347.82	295,208.39
		27,819.60	11,932.79	15,886.81	
76	07/14/31	2,318.30	966.07	1,352.23	293,856.16
77	08/14/31	2,318.30	961.64	1,356.66	292,499.51
78	09/14/31	2,318.30	957.20	1,361.10	291,138.41
79	10/14/31	2,318.30	952.75	1,365.55	289,772.86
80	11/14/31	2,318.30	948.28	1,370.02	288,402.85
81	12/14/31	2,318.30	943.80	1,374.50	287,028.34
82	01/14/32	2,318.30	939.30	1,379.00	285,649.34
83	02/14/32	2,318.30	934.79	1,383.51	284,265.83
84	03/14/32	2,318.30	930.26	1,388.04	282,877.79
85	04/14/32	2,318.30	925.72	1,392.58	281,485.21
86	05/14/32	2,318.30	921.16	1,397.14	280,088.07
87	06/14/32	2,318.30	916.59	1,401.71	278,686.36
		27,819.60	11,297.56	16,522.04	
88	07/14/32	2,318.30	912.00	1,406.30	277,280.06
89	08/14/32	2,318.30	907.40	1,410.90	275,869.16
90	09/14/32	2,318.30	902.78	1,415.52	274,453.64
91	10/14/32	2,318.30	898.15	1,420.15	273,033.49
92	11/14/32	2,318.30	893.50	1,424.80	271,608.69
93	12/14/32	2,318.30	888.84	1,429.46	270,179.23
94	01/14/33	2,318.30	884.16	1,434.14	268,745.09
95	02/14/33	2,318.30	879.47	1,438.83	267,306.26
96	03/14/33	2,318.30	874.76	1,443.54	265,862.72
97	04/14/33	2,318.30	870.04	1,448.26	264,414.46
98	05/14/33	2,318.30	865.30	1,453.00	262,961.45
99	06/14/33	2,318.30	860.54	1,457.76	261,503.69
		27,819.60	10,636.94	17,182.66	
100	07/14/33	2,318.30	855.77	1,462.53	260,041.16
101	08/14/33	2,318.30	850.98	1,467.32	258,573.85
102	09/14/33	2,318.30	846.18	1,472.12	257,101.73
103	10/14/33	2,318.30	841.37	1,476.93	255,624.80
104	11/14/33	2,318.30	836.53	1,481.77	254,143.03
105	12/14/33	2,318.30	831.68	1,486.62	252,656.41
106	01/14/34	2,318.30	826.82	1,491.48	251,164.93
107	02/14/34	2,318.30	821.94	1,496.36	249,668.57
108	03/14/34	2,318.30	817.04	1,501.26	248,167.31
109	04/14/34	2,318.30	812.13	1,506.17	246,661.14
110	05/14/34	2,318.30	807.20	1,511.10	245,150.03
111	06/14/34	2,318.30	802.25	1,516.05	243,633.99
		27,819.60	9,949.89	17,869.71	
112	07/14/34	2,318.30	797.29	1,521.01	242,112.98
113	08/14/34	2,318.30	792.31	1,525.99	240,586.99
114	09/14/34	2,318.30	787.32	1,530.98	239,056.02
115	10/14/34	2,318.30	782.31	1,535.99	237,520.03
116	11/14/34	2,318.30	777.28	1,541.02	235,979.01
117	12/14/34	2,318.30	772.24	1,546.06	234,432.95

	Date	Payment	Interest	Principal	Balance
118	01/14/35	2,318.30	767.18	1,551.12	232,881.83
119	02/14/35	2,318.30	762.11	1,556.19	231,325.64
120	03/14/35	2,318.30	757.01	1,560.99	229,764.65
121	04/14/35	2,318.30	751.90	1,566.10	228,198.56
122	05/14/35	2,318.30	746.78	1,571.22	226,627.34
123	06/14/35	2,318.30	741.64	1,576.36	225,050.98
		27,819.60	9,235.39	18,583.01	
124	07/14/35	2,318.30	736.48	1,581.52	223,469.45
125	08/14/35	2,318.30	731.30	1,586.70	221,882.76
126	09/14/35	2,318.30	726.11	1,591.89	220,290.87
127	10/14/35	2,318.30	720.90	1,597.10	218,693.77
128	11/14/35	2,318.30	715.68	1,602.32	217,091.45
129	12/14/35	2,318.30	710.43	1,607.57	215,483.88
130	01/14/36	2,318.30	705.17	1,612.83	213,871.05
131	02/14/36	2,318.30	699.89	1,618.11	212,252.94
132	03/14/36	2,318.30	694.60	1,623.40	210,629.54
133	04/14/36	2,318.30	689.29	1,628.71	209,000.83
134	05/14/36	2,318.30	683.96	1,634.04	207,366.78
135	06/14/36	2,318.30	678.61	1,639.39	205,727.39
		27,819.60	8,492.41	19,323.59	
136	07/14/36	2,318.30	673.24	1,644.76	204,082.63
137	08/14/36	2,318.30	667.86	1,650.14	202,432.49
138	09/14/36	2,318.30	662.46	1,655.54	200,776.95
139	10/14/36	2,318.30	657.04	1,660.96	199,115.99
140	11/14/36	2,318.30	651.61	1,666.39	197,449.60
141	12/14/36	2,318.30	646.15	1,671.85	195,777.76
142	01/14/37	2,318.30	640.68	1,677.32	194,100.44
143	02/14/37	2,318.30	635.19	1,682.81	192,417.63
144	03/14/37	2,318.30	629.69	1,688.31	190,729.32
145	04/14/37	2,318.30	624.16	1,693.84	189,035.48
146	05/14/37	2,318.30	618.62	1,699.38	187,336.10
147	06/14/37	2,318.30	613.06	1,704.94	185,631.16
		27,819.60	7,719.77	20,096.23	
148	07/14/37	2,318.30	607.48	1,710.52	183,920.63
149	08/14/37	2,318.30	601.88	1,716.12	182,204.51
150	09/14/37	2,318.30	596.26	1,721.74	180,482.78
151	10/14/37	2,318.30	590.63	1,727.37	178,755.41
152	11/14/37	2,318.30	584.98	1,733.02	177,022.39
153	12/14/37	2,318.30	579.31	1,738.69	175,283.69
154	01/14/38	2,318.30	573.62	1,744.38	173,539.31
155	02/14/38	2,318.30	567.91	1,750.09	171,789.22
156	03/14/38	2,318.30	562.18	1,755.82	170,033.40
157	04/14/38	2,318.30	556.43	1,761.57	168,271.83
158	05/14/38	2,318.30	550.67	1,767.33	166,504.50
159	06/14/38	2,318.30	544.89	1,773.11	164,731.39
		27,819.60	6,916.23	20,899.77	
160	07/14/38	2,318.30	539.08	1,778.92	162,952.47

	Date	Payment	Interest	Principal	Balance
161	08/14/38	2,318.30	533.26	1,784.74	161,167.73
162	09/14/38	2,318.30	527.42	1,790.58	159,377.15
163	10/14/38	2,318.30	521.56	1,796.44	157,580.71
164	11/14/38	2,318.30	515.68	1,802.32	155,778.40
165	12/14/38	2,318.30	509.78	1,808.22	153,970.18
166	01/14/39	2,318.30	503.87	1,814.13	152,156.05
167	02/14/39	2,318.30	497.93	1,820.07	150,335.98
168	03/14/39	2,318.30	491.97	1,826.03	148,509.95
169	04/14/39	2,318.30	486.00	1,832.00	146,677.95
170	05/14/39	2,318.30	480.00	1,838.00	144,839.96
171	06/14/39	2,318.30	473.99	1,844.01	142,995.95
		27,819.60	6,080.56	21,735.44	
172	07/14/39	2,318.30	467.95	1,850.05	141,145.90
173	08/14/39	2,318.30	461.90	1,856.10	139,289.80
174	09/14/39	2,318.30	455.83	1,862.17	137,427.63
175	10/14/39	2,318.30	449.73	1,868.27	135,559.36
176	11/14/39	2,318.30	443.62	1,874.38	133,684.98
177	12/14/39	2,318.30	437.48	1,880.52	131,804.46
178	01/14/40	2,318.30	431.33	1,886.67	129,917.79
179	02/14/40	2,318.30	425.16	1,892.84	128,024.95
180	03/14/40	2,318.30	418.96	1,899.04	126,125.91
181	04/14/40	2,318.30	412.75	1,905.25	124,220.65
182	05/14/40	2,318.30	406.51	1,911.49	122,309.17
183	06/14/40	2,318.30	400.26	1,917.74	120,391.42
		27,819.60	5,211.48	22,604.52	
184	07/14/40	2,318.30	393.98	1,924.02	118,467.40
185	08/14/40	2,318.30	387.68	1,930.32	116,537.09
186	09/14/40	2,318.30	381.37	1,936.63	114,600.46
187	10/14/40	2,318.30	375.03	1,942.97	112,657.49
188	11/14/40	2,318.30	368.67	1,949.33	110,708.16
189	12/14/40	2,318.30	362.29	1,955.71	108,752.45
190	01/14/41	2,318.30	355.89	1,962.11	106,790.34
191	02/14/41	2,318.30	349.47	1,968.53	104,821.81
192	03/14/41	2,318.30	343.03	1,974.97	102,846.84
193	04/14/41	2,318.30	336.57	1,981.43	100,865.41
194	05/14/41	2,318.30	330.08	1,987.92	98,877.49
195	06/14/41	2,318.30	323.58	1,994.42	96,883.07
		27,819.60	4,307.65	23,508.35	
196	07/14/41	2,318.30	317.05	2,000.95	94,882.12
197	08/14/41	2,318.30	310.50	2,007.50	92,874.62
198	09/14/41	2,318.30	303.93	2,014.07	90,860.55
199	10/14/41	2,318.30	297.34	2,020.66	88,839.89
200	11/14/41	2,318.30	290.73	2,027.27	86,812.62
201	12/14/41	2,318.30	284.09	2,033.91	84,778.72
202	01/14/42	2,318.30	277.44	2,040.56	82,738.15
203	02/14/42	2,318.30	270.76	2,047.24	80,690.91
204	03/14/42	2,318.30	264.06	2,053.94	78,636.98

	Date	Payment	Interest	Principal	Balance
205	04/14/42	2,318.30	257.34	2,060.66	76,576.32
206	05/14/42	2,318.30	250.60	2,067.40	74,508.91
207	06/14/42	2,318.30	243.83	2,074.17	72,434.74
		27,819.60	3,367.67	24,448.33	
208	07/14/42	2,318.30	237.04	2,080.96	70,353.78
209	08/14/42	2,318.30	230.23	2,087.77	68,266.02
210	09/14/42	2,318.30	223.40	2,094.60	66,171.42
211	10/14/42	2,318.30	216.55	2,101.45	64,069.96
212	11/14/42	2,318.30	209.67	2,108.33	61,961.63
213	12/14/42	2,318.30	202.77	2,115.23	59,846.40
214	01/14/43	2,318.30	195.85	2,122.15	57,724.25
215	02/14/43	2,318.30	188.90	2,129.10	55,595.15
216	03/14/43	2,318.30	181.94	2,136.06	53,459.09
217	04/14/43	2,318.30	174.94	2,143.06	51,316.03
218	05/14/43	2,318.30	167.93	2,150.07	49,165.96
219	06/14/43	2,318.30	160.90	2,157.10	47,008.86
		27,819.60	2,390.12	25,425.88	
220	07/14/43	2,318.30	153.84	2,164.16	44,844.70
221	08/14/43	2,318.30	146.75	2,171.25	42,673.45
222	09/14/43	2,318.30	139.65	2,178.35	40,495.10
223	10/14/43	2,318.30	132.52	2,185.48	38,309.62
224	11/14/43	2,318.30	125.37	2,192.63	36,116.99
225	12/14/43	2,318.30	118.19	2,199.81	33,917.18
226	01/14/44	2,318.30	110.99	2,207.01	31,710.17
227	02/14/44	2,318.30	103.77	2,214.23	29,495.95
228	03/14/44	2,318.30	96.53	2,221.47	27,274.47
229	04/14/44	2,318.30	89.26	2,228.74	25,045.73
230	05/14/44	2,318.30	81.96	2,236.04	22,809.69
231	06/14/44	2,318.30	74.64	2,243.36	20,566.33
		27,819.60	1,373.47	26,442.53	
232	07/14/44	2,318.30	61.94	2,256.06	18,310.28
233	08/14/44	2,318.30	54.56	2,263.44	16,046.84
234	09/14/44	2,318.30	47.15	2,270.85	13,775.99
235	10/14/44	2,318.30	39.72	2,278.28	11,497.71
236	11/14/44	2,318.30	32.27	2,285.73	9,211.98
237	12/14/44	2,318.30	24.79	2,293.21	6,918.77
238	01/14/45	2,318.30	22.64	2,295.36	4,623.41
239	02/14/45	2,318.30	9.77	2,308.23	2,315.18
240	03/14/45	2,318.30	2.83	2,315.17	0.00
		20,864.70	295.67	20,566.33	
		556,392.00	171,346.70	385,009.00	

ATTACHMENT 3



29737 New Hub Drive ♦ Suite 203 ♦ Menifee, CA 92586
Office: (951) 301 - 0030 ♦ Fax: (951) 301 - 3550

Prepared by: Melissa Macias/Lacy Elliott

BUYER'S FINAL SETTLEMENT STATEMENT

PROPERTY:	31520 Railroad Canyon Road Canyon Lake, CA 92587	DATE:	January 26, 2021
		CLOSING/RECORD DATE:	January 25, 2021
		DISBURSEMENT DATE:	January 26, 2021
BUYER:	City of Canyon Lake, a Municipal Corporation	ESCROW NO.:	023600-MM

	<u>DEBITS</u>	<u>CREDITS</u>
FINANCIAL CONSIDERATION		
Total Consideration	400,000.00	
Deposit from City of Canyon Lake, a Municipal Corporation		10,000.00
Deposit from City of Canyon Lake, a Municipal Corporation		400,000.00
PRORATIONS/ADJUSTMENTS		
County Taxes at \$1,871.21/semi-annually from 01/25/2021 to 07/01/2021	1,621.72	
HOA at \$3,285.00/annually from 01/25/2021 to 01/01/2022	3,066.00	
RENT PRORATIONS		
Prorated Rents		356.20
Prepaid Security Deposits		275.00
COMMISSION CHARGES		
Credit from Coldwell Banker Associated Brokers Realty for Credit for Buyer's Closing Costs		4,000.00
TITLE/TAXES/RECORDING CHARGES - Fidelity National Title		
Title - Recording Service Fee	14.45	
ESCROW CHARGES - La Rue Escrow, Inc.		
Title - Escrow Fee	1,110.00	
Title - Doc Prep, Wire	40.00	
Title - Electronic Storage Fee	35.00	
Total Refund	8,744.03	
TOTAL	\$ 414,631.20	\$ 414,631.20

SAVE THIS STATEMENT FOR INCOME TAX PURPOSES



29737 New Hub Drive ♦ Suite 203 ♦ Menifee, CA 92586
Office: (951) 301 - 0030 ♦ Fax: (951) 301 - 3550

Prepared by: Melissa Macias/Lacy Elliott

BUYER'S ESTIMATED SETTLEMENT STATEMENT

PROPERTY: 31542 Railroad Canyon Road **DATE:** March 19, 2020
Canyon Lake, CA 92587
CLOSING/RECORD DATE: March 30, 2020
BUYER: City of Canyon Lake, a Municipal Corporation **ESCROW NO.:** 022087-MM

	<u>DEBITS</u>	<u>CREDITS</u>
FINANCIAL CONSIDERATION		
Total Consideration	725,000.00	
Deposit from City of Canyon lake		10,000.00
PRORATIONS/ADJUSTMENTS		
County Taxes at \$1,204.47/semi-annually from 03/30/2020 to 07/01/2020	608.93	
HOA (3 lots) at \$9,855.00/annually from 03/30/2020 to 02/01/2021	8,239.88	
RENT PRORATIONS		
Prorated Rents		196.64
OTHER DEBITS/CREDITS		
DeAnza Termite and Pest Control, Inc for Termite Inspection Fee	85.00	
Customary Buffer for Funds Held	200.00	
TITLE/TAXES/RECORDING CHARGES - Stewart Title of California, Inc.		
Title - Messenger Fee	40.00	
Recording Grant Deed	30.00	
ESCROW CHARGES - La Rue Escrow, Inc.		
Title - Escrow Fee	1,809.00	
Title - Doc Prep, Wire	40.00	
Title - Electronic Storage Fee	35.00	
Funds required		725,891.17
TOTAL	\$ 736,087.81	\$ 736,087.81

THIS IS AN ESTIMATE ONLY AND FIGURES ARE SUBJECT TO CHANGE

City of Canyon Lake, a Municipal Corporation

By: _____

725,000.00	+
85.00	+
200.00	+
40.00	+
30.00	+
1,809.00	+
40.00	+
35.00	=

727,239.00	



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Mike A. Borja, Community Development Director

DATE: June 11, 2025

SUBJECT: Approve the Services Agreement between the City of Canyon Lake and Delgado Janitorial Services for Janitorial Services

Recommendation

Approve the Services Agreement with Delgado Janitorial Services to extend the term to June 30, 2028, for janitorial services.

Background

On January 1, 2025, the janitorial services with Delgado Janitorial Services expired. Since then, the city has entered into a month-to-month agreement with Delgado Janitorial to maintain its current services. To ensure competitive pricing during this time, City staff was directed to solicit quotes from multiple vendors to compare prices and ensure the City is receiving the best possible cost for service. City staff reached out and received quotes from the following vendors:

- **Delgado Janitorial Services - \$1,819.20 per month**
- **Davencorp Inc. Company - \$3400 per month**
- **Jani-King - \$1365 per month**
- **Canyon Lake POA – no quote**

Of the four vendors City staff reached out too, only three vendors submitted quotes. These quotes received incorporate the additional cleaning services of the City's new Administrations Offices which includes the new offices for the City Manager and City Clerk, Finance and Human Resources, Community Engagement Coordinator, and the Administration Conference room. Of the quotes received, Jani-King provided the lowest cost of service, which was a previous vendor the City had contracted with before in 2016-2017. However, due to ongoing lack of service not being met by Jani-King at that time, City staff then determined not to continue and renew its services with Jani-King.

With the City continuing to receive exceptional service from Delgado Janitorial Services, and meeting all service level needs of the City, especially when the need arises for one-time or special service requests like the cleanups for City events, staff recommends that City Council approves a 3-year service agreement with Delgado Janitorial Services due to its quality of service, reasonable cost to perform work, and long-standing relationship.

Fiscal Impact

The City's current month-to-month agreement with Delgado Janitorial Services is at the current proposed month rate of \$1,819.20. Over the course of twelve (12) months, this totals twenty-one thousand eight hundred thirty dollars and forty cents (\$21,830.40) per year, and over the course of a 3-year agreement, sixty-five thousand four hundred ninety-one dollars and twenty cents (\$65,491.20). The annual not-to-exceed cost of the Agreement has been budgeted as part of the Fiscal Year 2025-26 budget. As with the original agreement, the proposed agreement is structured so that the City is only obligated to pay based on the annual cost by Delgado Janitorial Services. An annual 5% percent increase to the monthly payment according to the Consumer Price Index may apply each fiscal year, but this shall be discussed with City and Delgado Janitorial Services before any change is made.

Attachments

1. Services Agreement

ATTACHMENT 1

**SERVICES AGREEMENT
FOR JANITORIAL SERVICES
BETWEEN THE CITY OF CANYON LAKE AND DELGADO JANITORIAL SERVICES**

THIS SERVICES AGREEMENT (“Agreement”) is made and entered into this 1st day of July, 2025 (“Effective Date”), by and between the City of Canyon Lake (“City”), a California municipal corporation and Delgado Janitorial Services, a limited liability company (“Service Provider”). For the purposes of this Agreement City and Service Provider are sometimes hereinafter referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

1. City has sought by direct contract the performance of janitorial services defined and described particularly in Section 2, “Scope of Services and Schedule of Performance” of this Agreement.
2. Service Provider was selected by City on the basis Service Provider demonstrates competence and the professional qualifications necessary for the satisfactory performance of the services required.
3. Service Provider was selected by City on the basis Service Provider provides the best value to the City and that it is in the best interest of City to do so.
4. City has the authority to enter into this Agreement, and the City Manager has the authority to execute this Agreement.
5. The Parties desire to formalize the selection of Service Provider for performance of those services defined and described particularly in Section 2 “Scope of Services” of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, for and in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. TERM OF AGREEMENT

- (a) This Agreement shall commence on the Effective Date and shall remain and continue in effect for a period of three (3) years unless sooner terminated pursuant to the provisions of Section 21 “Termination of Agreement” of this Agreement.
- (b) The City Manager may, in his or her sole discretion, unilaterally exercise an option to extend this Agreement for one (1) additional year on the same terms and conditions,

including compensation as set forth in section 4 “Compensation.”

- (c) Service Provider acknowledges that the Agreement term may extend over multiple City fiscal years, and that work and compensation under this Agreement is contingent on the City Council appropriating funding for and authorizing such work and compensation for those fiscal years. This Agreement may be terminated by the City Manager at the end of a fiscal year when sufficient funding is not appropriated and authorized for the subsequent fiscal year. City is not obligated to pay Service Provider for any amounts not duly appropriated and authorized by City Council.

SECTION 2. SCOPE OF SERVICES

Subject to this Agreement, all addendums and exhibits attached and incorporated hereto, Service Provider agrees to perform the services and tasks set forth in Exhibit “A,” “Scope of Services” (hereinafter, the “Services”), and the City agrees to retain and does hereby retain Service Provider for the Services.

SECTION 3. ADDITIONAL SERVICES

Service Provider shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 25 “Administration and Implementation” or Section 27 “Amendment” of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. COMPENSATION

- (a) Subject to any limitations set forth in this Agreement, City agrees to pay Service Provider the amounts specified in Exhibit “B” “Compensation” and made a part of this Agreement by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed sixty-five thousand four hundred ninety-one dollars and twenty cents (\$65,491.20) (“Not to Exceed Amount”), unless additional compensation is approved in writing in accordance with Section 25 “Administration and Implementation” or Section 27 “Amendment” of this Agreement.
- (b) Payment to Service Provider for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Service Provider.
- (c) If this Agreement is extended pursuant to Section 1 “Term of Agreement,” the City shall pay the same rates specified in Exhibit “B” “Compensation.”
- (d) An annually 5% percent increase to the monthly payment according to the Consumer Price Index may apply, if discussed and determined between the City and Service Provider before any change is made.

SECTION 5. METHOD OF PAYMENT AND INVOICING

- (a) Payment shall be made in accordance with City's usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 23, "Notices" hereof. Under no circumstances shall the total amount paid to Service Provider under this Agreement exceed the City Manager's authority without approval by the City Council.
- (b) Service Provider shall submit within 30 days of the end of each month a complete and accurate written itemized invoice for services performed and/or goods provided. The invoice must be in a format approved by City. In order to receive payment, Service Provider shall submit to City an itemized invoice, on a monthly basis, for services performed pursuant to this Agreement. Each itemized invoice shall identify at the top of the first page, the Not to Exceed Amount (as set by Section 4(a) above), the total amount billed to date, the services rendered during the billing period, and the amount due for the statement invoice for which reimbursement is sought in the statement invoice. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub provider contracts. Sub provider charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in Section 4(a) and Exhibit "B" include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of tasks performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Service Provider to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Service Provider for correction and resubmission.
- (c) Except as to any charges for work performed or expenses incurred by Service Provider which are disputed by City, City will use its best efforts to cause Service Provider to be paid within forty-five (45) days of receipt of Service Provider's correct and undisputed invoice.
- (d) The Parties estimate that performance of this Agreement will be accomplished without an increase in the Not to Exceed Amount. Service Provider shall notify the City in writing whenever it has reason to believe that the costs the Service Provider expects to incur under this Agreement in the following sixty (60) days, when added to all costs previously incurred, will exceed eighty percent (80%) of the Not to Exceed Amount specified herein. As part of the notification, the Service Provider shall provide the City with a revised estimate of the total cost of performing this Agreement.

SECTION 6. INSPECTION AND FINAL ACCEPTANCE

City may inspect and accept or reject any of Service Provider's work under this Agreement, either during performance or when completed. City shall reject or finally accept Service Provider's work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Service Provider's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Service Provider's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 17 "Indemnification" and Section 18 "Insurance."

SECTION 7. SERVICE PROVIDER'S BOOKS AND RECORDS

- (a) Service Provider shall maintain any and all documents and records demonstrating or relating to Service Provider's performance of the Services. Service Provider shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the Services provided by Service Provider pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.
- (b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Service Provider's address indicated for receipt of notices, "Section 23," of this Agreement.
- (c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of Service Provider's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors in interest and authorized representatives.

SECTION 8. INDEPENDENT CONTRACTOR

- (a) Service Provider is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Service Provider shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred

under this Agreement or is otherwise expressly conferred in writing by City.

- (b) The personnel performing the Services under this Agreement on behalf of Service Provider shall at all times be under Service Provider's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Service Provider or any of Service Provider's officers, employees, sub providers or agents except as set forth in this Agreement. Service Provider shall not at any time or in any manner represent that Service Provider or any of Service Provider's officers, employees, or agents are in any manner officials, officers, employees or agents of City.
- (c) Neither Service Provider, nor any of Service Provider's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Service Provider expressly waives any claim Service Provider may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE

Service Provider represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Service Provider shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Service Provider shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Service Provider under this Agreement, and shall use such skill, prudence, and diligence as other members of Service Provider's profession commonly possess and exercise. In addition to the general standards of performance set forth this section, additional specific standards of performance and performance criteria may be set forth in Exhibit "A" "Scope of Services" that shall also be applicable to Service Provider's work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES

Service Provider shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Service Provider shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Service Provider represents and warrants that Service Provider has obtained or shall promptly obtain all necessary licenses to perform the Services set forth in this Agreement and that such licenses are in good standing, including but not limited to obtaining a City business license. Service Provider further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Service Provider to comply with this section.

SECTION 11. PREVAILING WAGE LAWS

Service Provider is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. To the extent applicable, Service Provider shall defend, indemnify, and hold the City, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Service Provider to comply with the Prevailing Wage Laws.

SECTION 12. NONDISCRIMINATION

Service Provider and sub providers shall not unlawfully discriminate, harass, or allow harassment against any person because of sex, sexual orientation, gender, gender identity, gender expression, reproductive health decision-making, race, color, religious creed, marital status, ancestry, national origin, medical condition, genetic information, age, disability (mental and physical), or military or veteran status in connection with or related to the performance of this Agreement. Service Provider and sub providers shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code, § 12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Code of Regs, tit. 2, § 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, § 12990 (a)-(f), are incorporated into this Agreement by reference and made a part hereof as set forth in full (Cal. Code of Regs, tit. 2, § 7285.0, et seq.). Service Provider shall include the non-discrimination and compliance provisions of this section in all subcontracts to perform work under this Agreement.

SECTION 13. CONFLICTS OF INTEREST

- (a) Service Provider covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Service Provider’s performance of the Services. Service Provider further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Service Provider agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.
- (b) City understands and acknowledges that Service Provider is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Service Provider is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.
- (c) City understands and acknowledges that Service Provider will, perform non-related services for other governmental agencies and private parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION

- (a) All information gained or work product produced by Service Provider in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Service Provider. Service Provider shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.
- (b) Service Provider, its officers, employees, agents or sub providers, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Service Provider gives City notice of such court order or subpoena.
- (c) If Service Provider, or any officer, employee, agent or sub provider of Service Provider, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Service Provider for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Service Provider's conduct.
- (d) Service Provider shall promptly notify City should Service Provider, its officers, employees, agents or sub providers be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Service Provider or be present at any deposition, hearing or similar proceeding. Service Provider agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Service Provider. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 15. INDEMNIFICATION

- (a) To the fullest extent permitted by law, Service Provider shall indemnify, protect, defend (with legal counsel reasonably selected by the City) and hold harmless City and any and all of its elected and appointed officials, officers, employees, representatives and agents ("Indemnified Parties") from and against any and all claims, actions and proceedings (whether at law or equity, administrative or judicial), demands, orders, judgments, losses, injuries (including, without limitation, injury to or death of an employee of Service Provider or sub providers), liabilities of every kind (including, without limitation, incidental and consequential damages, court costs, and litigation expenses, and fees of expert providers or expert witnesses incurred in connection therewith and cost of investigation), damages, costs and expenses, including attorney's fees and costs, (collectively "Claims") that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, performance of Services by Service Provider, its officers, agents,

employees, representatives, sub providers, anyone directly or indirectly employed by any of them, or anyone that they control. Service Provider's duty to indemnify, protect, defend and hold harmless Indemnified Parties, shall not include any Claims arising from the sole negligence or willful misconduct of the Indemnified Parties.

- (b) Service Provider agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every sub provider, subcontractor or any other person or entity involved by, for, with or on behalf of Service Provider in the performance of this Agreement naming the Indemnified Parties as additional indemnitees. In the event Service Provider fails to obtain such indemnity obligations from others as required here, Service Provider agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns or heirs of Service Provider and shall survive the termination of this Agreement and this section.

SECTION 16. INSURANCE

Service Provider agrees to obtain and maintain in full force and effect during the Term of this Agreement the insurance policies set forth in Exhibit "C" "Insurance" and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Service Provider agrees to provide City with copies of required policies upon request.

SECTION 17. ASSIGNMENT

The expertise and experience of Service Provider are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Service Provider under this Agreement. In recognition of that interest, Service Provider shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Service Provider's duties or obligations under this Agreement without the prior written consent of the City, which may be given in the sole and absolute discretion of the City Manager. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 21 "Termination of Agreement." City acknowledges, however, that Service Provider, in the performance of its duties pursuant to this Agreement, may utilize sub providers.

If in the performance of its duties Service Provider utilizes sub providers or subcontractors, Service Provider covenants that subcontracts, if any, shall contain a provision making sub providers or subcontractors subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 18 "Insurance." The Service Provider acknowledges and agrees that the City is an intended beneficiary of any work performed by any sub provider or subcontractor for purposes of establishing a duty of care between any sub provider or subcontractor and the City.

SECTION 18. CONTINUITY OF PERSONNEL

Service Provider shall make every reasonable effort to maintain the stability and continuity of Service Provider's staff and subcontractors / sub providers, if any, assigned to perform the Services. Service Provider shall notify City of any changes in Service Provider's staff and subcontractors/sub providers, if any, assigned to perform the Services prior to and during any such performance.

SECTION 19. TERMINATION OF AGREEMENT

- (a) City may terminate this Agreement in its sole and absolute discretion, with or without cause, at any time by giving written notice of termination to Service Provider. In the event such notice is given, Service Provider shall cease immediately all work in progress.
- (b) Service Provider may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.
- (c) If either Service Provider or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Service Provider, or City may terminate this Agreement immediately upon written notice.
- (d) Upon termination of this Agreement by either Service Provider or City, all property belonging exclusively to City which is in Service Provider's possession shall be returned to City. Service Provider shall furnish to City a final invoice for work performed and expenses incurred by Service Provider, prepared as set forth in Section 5 "Method of Payment and Invoicing" of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 5 "Method of Payment and Invoicing" of this Agreement.
- (e) Upon written notice, City may suspend all or any portion of Service Provider's performance under this Agreement at its sole option and for its convenience for a reasonable period of time not to exceed six (6) months. City will pay to Service Provider a sum equivalent to the reasonable value of the services satisfactorily provided up to the date of suspension, in accordance with the compensation terms set forth in Section 4 and Exhibit "B" of this Agreement. City may rescind the suspension prior to or at six (6) months by providing Service Provider with written notice of the rescission, at which time Service Provider would be required to resume performance in compliance with the terms and provisions of this Agreement. Service Provider will be entitled to an extension of time to complete performance under this Agreement equal to the length of the suspension unless otherwise agreed to in writing by the Parties.

SECTION 20. EXCUSABLE DELAYS

Neither Party shall be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of either Party. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state

or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 21. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Canyon Lake
Attn: Arron Brown, City Manager
31516 Railroad Canyon Road
Canyon Lake, CA 92587

To Service Provider: Delgado Janitorial Services
Attn: Genesis A. Delgado, Owner
24971 Camino De Oro Way
Moreno Valley, CA 92557

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 22. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Service Provider represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Service Provider to the performance of its obligations hereunder.

SECTION 23. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 27 "Amendment" and the City Manager's contracting authority under the City of Canyon Lake Municipal Code.

SECTION 24. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 25. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Service Provider and by City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 26. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Service Provider shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 27. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

SECTION 28. ATTORNEY'S FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing Party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 29. ENTIRE AGREEMENT.

This Agreement, including the attached exhibits and addendums, along with any amendments thereto, is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Service Provider and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid and binding.

SECTION 30. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 31. INCORPORATION AND CONFLICTING TERMS.

- (a) The following documents are incorporated and made part of this Agreement by this reference:
1. All exhibits and addendums
 2. All amendments
 3. Service Provider's proposal, if any
 4. Any laws, regulations, requirements, or restrictions, applicable to the funding source used by City to pay Service Provider for any portion of work done under Agreement ("Funding Restrictions")
- (b) The documents listed above shall be referred to collectively as the "Agreement Documents." The Agreement Documents are intended to be complementary, and a requirement in one Document is effective as if it appeared in all the Documents. In the event of a conflict between any of the Agreement Documents, the Documents shall be given effect in the following order: Funding Restrictions, Amendments (most recent first), this Agreement, Insurance requirements, exhibits and addendums, and Service Provider's proposal. Where the requirements of one Document are more stringent than another the more stringent shall govern.

SECTION 32. TIME OF THE ESSENCE.

Time is of the essence for each and every provision of this Agreement.

SIGNATURE BLOCK ON NEXT PAGE

**SERVICES AGREEMENT
FOR ROUTINE JANITORIAL SERVICES
BETWEEN THE CITY OF CANYON LAKE AND DELGADO JANITORIAL SERVICES**

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

CITY OF CANYON LAKE

DELGADO JANITORIAL SERVICES

By: _____
Arron Brown, City Manager

By:  _____
Genesis A. Delgado, Owner

ATTEST:

By: _____
Sheryl L. Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

By: _____
Steven Graham Pacifico, City Attorney

**EXHIBIT “A”
SCOPE OF SERVICES**

[To be attached]

DELGADO JANITORIAL SERVICES
MAINTENANCE AGREEMENT & SCOPE OF WORK

A. THE PERFORMANCE OF SERVICES is for the following Client:
City of Canyon Lake, 31516 Railroad Canyon Rd. Canyon Lake, California 92587

The performance of these services is scheduled to begin on the **1st day of July 2025**. This agreement will be for **3 years** from the date said services are to begin. Delgado Janitorial Services agrees to provide these services on the following days:

Monday **Tuesday** Wednesday **Thursday** Friday Saturday Sunday

(Delgado Janitorial Services agrees to use all tools and equipment necessary to complete said services.)

B. PAYMENT OF SERVICE. The client agrees to pay Delgado Janitorial Services each 25TH of the month the total sum stated in the pricing schedule.

In the event payment for the services is not received within 30 days of the due date, Delgado Janitorial Services may suspend or temporarily suspend services unless another agreement to when payment shall be received is discussed with Delgado Janitorial Services and said Client, **CITY OF CANYON LAKE**. If there is still no set agreement after or within the 30-day mark, the contract will be terminated, and Client must still pay what is due to Delgado Janitorial Services. On such occasion Client has approximately 30 days to pay the amount due.

It is expressly agreed that annually there may be up to a 5% percent increase to the monthly payment according to the Consumer Price Index, but this shall be discussed with Client and Delgado Janitorial Services before any change is made.

C. INDEPENDENT BUSINESS RELATIONSHIP. It is expressly agreed that services will be provided by authorized Delgado Janitorial Services owner and said employees if any.

- The Client agrees that during the term of this agreement and within ninety (90) days after termination, that Client will not employ any employees of Delgado Janitorial Services without expressing the written consent of Delgado Janitorial Services.
- Delgado Janitorial Services agrees that during the term of service and within ninety (90) days after termination, it will not employ or engage as a contractor, any employees of Client without the express written consent of Client.

D. RENEWAL AND TERMINATION

This Agreement shall automatically be renewed or extended for another 1 year and or 12 months on the same terms and conditions, unless either party shall give a written notice of termination at least thirty (30) days before the scheduled expiration date. Otherwise, this Agreement may only be terminated for nonperformance as will be written below.

- If failure to perform any act under this agreement. Before any said termination for nonperformance is effective, the terminating party must give the other party written notice, specifying in detail the nature of the failure or defects in the performance.
- Upon the effective date of the receipt of notice of the non-performance, the non-terminating party shall have thirty (30) days in which they will have to cure what was defective in said performance to the reasonable satisfaction of the terminating party. In case satisfactory performance is still not provided the non-terminating party shall give a second written notice and the contract will be terminated in the following fifteen (15) days.

E. CLEANING SCHEDULE

NAMED AREAS, Offices, Lobby, Conference Room, Council Chamber, Bathrooms, Common Stairways and Hallways, etc.

1. _____, (wkly____, mthly____, yr____)
2. _____, (wkly____, mthly____, yr____)
3. _____, (wkly____, mthly____, yr____)
4. _____, (wkly____, mthly____, yr____)
5. _____, (wkly____, mthly____, yr____)

F. NIGHT CLEANING

a. Offices, Lobby, Conference Room and Common Areas

Empty all trash receptacles, replace trash liners, as needed and remove trash to designated collection points designated by Client. (The client will provide trash liners)

- Vacuum all carpeting carefully, paying attention to corners, edges and under desks.
- Dust all horizontal surfaces include the top of cabinets, desktops, windowsills, chairs, picture frames, tables, and all manners of furnishings.
- Damp wipe entry way and clean fingerprints from entrance glass/glass door.
- Spots clean the partition glass
- Must ensure all doors and the security systems are secured as it is instructed by the Client.
- Clean interior of microwave removing food particles and stains
- Dust/Clean telephones
- Polish/Clean drinking fountains
- Wipe/Damp wipe surfaces to remove any spillage or coffee rings.

b. Restrooms

- Toilet/urinals to be cleaned and sanitized inside and outside
- Polish/Clean mirror
- Toilet seats are to be cleaned and disinfected on both sides.
- Empty sanitary napkin receptacles wipe with a disinfectant.
- Empty trash receptacles/ wipe if needed
- Clean/Sanitize all sinks, remove splash marks from walls around sinks
- Mop floors with disinfectants

c. Lunchroom/Breakroom

- All trash receptacles must be emptied including entrance containers and therefore the trash is to be removed to the designated collection point.

- Damp mop hard surface floors
- Clean /sanitize sink (Client is responsible for dishes)
- Spot clean cabinets/exterior of appliances
- Clean trash receptacles with disinfectants as needed.

(ALL SUPPLIES ARE TO BE SUPPLIED BY THE CLIENT UNLESS OTHERWISE DISCUSSED, DELGADO JANITORIAL SERVICES WILL PROVIDE THE CLEANERS SUCH AS DISINFECTANT, GLASS CLEANER ETC.)

EXTRA WORK

All extra work such as wax flooring, wax stripping, carpet cleaning, window washing etc. shall be discussed and agreed upon with both parties regarding date, time and payment.

PRICING SCHEDULE

Billing and Notice Address of Client to the following:

City of Canyon Lake
31516 Railroad Canyon Rd.
Canyon Lake, CA 92587
(951)246-2024

Notice Address for Delgado Janitorial Services:

24971 Camino De Oro Way
Moreno Valley, CA 92557
(951) 259-9584

The Services as defined in this Agreement, will be performed for the monthly charge of:
One Thousand - Eight Hundred Nineteen and Twenty Cents - (\$1,819.20)

Client Authorizing Signature

Client Authorizing Print Name

Janitorial Services Signature
 Genesis A. Delgado, Owner

**EXHIBIT “B”
COMPENSATION**

Total compensation for the Services shall not exceed sixty-five thousand four hundred ninety-one dollars and twenty cents (\$65,491.20) (“Not to Exceed Amount”).

Breakdown:

The monthly rate for Services is one thousand eight hundred nineteen dollars and twenty cents (\$1,819.20). Over the course of twelve (12) months, this totals twenty-one thousand eight hundred thirty dollars and forty cents (\$21,830.40) per (1) year. Over a three (3) year period, the total cost is sixty-five thousand four hundred ninety-one dollars and twenty cents (\$65,491.20).

EXHIBIT “C” INSURANCE

(A) INSURANCE REQUIREMENTS. Service Provider shall provide and maintain insurance, acceptable to the City, in full force and effect throughout the Term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Service Provider, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. Service Provider shall provide the following scope and limits of insurance:

1. MINIMUM SCOPE OF INSURANCE. Service Provider shall maintain the following types and limits of insurance.

2. MINIMUM LIMITS OF INSURANCE.

GENERAL LIABILITY INSURANCE. Service Provider shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

AUTOMOBILE LIABILITY INSURANCE. Service Provider shall maintain automobile liability insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Service Provider arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

WORKERS’ COMPENSATION INSURANCE. Service Provider shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000 per accident or disease). Service Provider shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees and volunteers.

UMBRELLA OR EXCESS LIABILITY INSURANCE. As an option to meet the limits of insurance required by this Agreement, Service Provider may obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer’s liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;

- Policies shall “follow form” to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(B) OTHER PROVISIONS. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either Party to this Agreement, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City.

(C) OTHER REQUIREMENTS. Service Provider agrees to deposit with City, at or before the effective date of this Agreement, certificates of insurance necessary to satisfy City that the insurance provisions of this contract have been complied with. The City Attorney may require that Service Provider furnish City with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Upon request from the City, Service Provider shall furnish certificates and endorsements from each subcontractor identical to those Service Provider provides.

2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Service Provider shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit Service Provider's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

4. Coverage provided by Service Provider shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

5. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Service Provider or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Service Provider hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its sub providers.

6. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such

policies, with coverage at least as broad as ISO form CG 20 10. This provision shall also apply to any excess/umbrella liability policies.



ITEM NO. 8

STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Mike A. Borja, Community Development Director

DATE: June 11, 2025

SUBJECT: Approve the Professional Services Agreement between the City of Canyon Lake and PZL Inc. for Planning Services

Recommendation

Approve the Professional Services Agreement with PZL Inc. to extend the term to June 30, 2026, for Planning Services.

Background

At the meeting of June 12, 2024, the City Council approved a Professional Services Agreement (“Agreement”) with PZL Inc. for Planning Services at City Hall. The term for the Professional Services Agreement with PZL Inc. was for one (1) year, ending on June 30, 2025, with the option of renewing the agreement for additional years, upon City Council approval. With the current term for the Professional Services Agreement with PZL Inc. expiring on June 30, 2025, PZL Inc. has requested the City’s consideration to exercise its option to extend the Agreement another year.

Under the City’s Procurement Policy, 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.

With the City continuing to receive quality Planning Services from PZL Inc., maintaining positive relationship with City staff, and is very responsive to meeting the service level needs of the City, especially when the need arises for one-time or special services are needed or requested, staff’s recommending that City Council exercise the Exemption from Competitive Procurement as outlined in Section 3.080.060 of the City’s Procurement Policy to maintain its current services with PZL Inc.

Fiscal Impact

The City's current not-to-exceed annual costs for Planning Services with PZL Inc. is \$70,200.00, which is based on a billing rate of services of \$135.00 per hour. With Consumer Price Index ("CPI") having increased over the past year, PZL Inc. has requested consideration of a new billing rate of services of \$140.00 per hour, which would increase the annual cost approximately by \$2,600, for a new not-to-exceed annual cost of \$72,800. This annual not-to-exceed cost of the Agreement has been budgeted as part of the Fiscal Year 2025-26 budget. As with the original agreement, the proposed agreement is structured so that the City is only obligated to pay based on the applied hours of services provided each month by PZL Inc.

Attachments

1. Professional Services Agreement

ATTACHMENT 1

**PROFESSIONAL SERVICES AGREEMENT
FOR PLANNING SERVICES
BETWEEN THE CITY OF CANYON LAKE AND PZL, INC**

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into this 1st day of July, 2025 (“Effective Date”), by and between the CITY OF CANYON LAKE (“City”), a California municipal corporation and PZL, Inc (“Consultant”). For the purposes of this Agreement City and Consultant are sometimes hereinafter referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

1. City has sought by direct contract the performance of the planning services defined in this Agreement.
2. Consultant was selected by City to perform those services.
3. Consultant was selected based on a determination that it is in the City’s best interest to enter into this Agreement without a competitive procurement process because Consultant is the best provider for the services defined in this Agreement, based on demonstrated competence, qualifications, cost reasonableness, and the quality of services previously provided to the City.
4. Pursuant to Chapter 3.08 of the Canyon Lake Municipal Code, City has authority to enter into this Agreement, and the City Manager has the authority to execute this Agreement.
5. The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Section 2 “Scope of Services and Schedule of Performance” of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, for and in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. TERM OF AGREEMENT

- (a) This Agreement shall commence on the Effective Date and shall remain and continue in effect for a period of one (1) year unless sooner terminated pursuant to the provisions of Section 21 “Termination of Agreement” of this Agreement.
- (b) The City Manager may, in his or her sole discretion, unilaterally exercise an option to extend the Agreement for one (1) additional year on the same terms and conditions, including compensation as set forth in Section 4 “Compensation and Method of Payment.”

- (c) Consultant acknowledges that the Agreement term may extend over multiple City fiscal years, and that work and compensation under this Agreement is contingent on the City Council appropriating funding for and authorizing such work and compensation for those fiscal years. This Agreement may be terminated by the City Manager at the end of a fiscal year when sufficient funding is not appropriated and authorized for the subsequent fiscal year. City is not obligated to pay Consultant for any amounts not duly appropriated and authorized by City Council.

SECTION 2. SCOPE OF SERVICES AND SCHEDULE OF PERFORMANCE

- (a) SCOPE OF SERVICES. Subject to this Agreement, all addendums and exhibits attached and incorporated hereto, Consultant agrees to perform the services and tasks set forth in Exhibit “A” “Scope of Services” (hereinafter, the “Services”) and the City agrees to retain and does hereby retain Consultant for the Services.
- (b) SCHEDULE OF PERFORMANCE. The Services shall be completed pursuant to the schedule specified in Exhibit “A.” Should the Services not be completed pursuant to that schedule, the Consultant shall be deemed to be in Default of this Agreement. The City, in its sole discretion, may choose not to enforce Section 21, “Default” of this Agreement and may instead allow Consultant to continue performing the Services.

SECTION 3. ADDITIONAL SERVICES.

Consultant shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 26 “Administration and Implementation” or Section 28 “Amendment” of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

- (a) Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in Exhibit “B” “Compensation” and made a part of this Agreement by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed seventy-two thousand eight hundred dollars (\$72,800.00), unless additional compensation is approved in writing in accordance with Section 26 “Administration and Implementation” or Section 28 “Amendment” of this Agreement. Payment shall be made in accordance with City’s usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 24, “Notices” hereof. Under no circumstances shall the total amount paid to Consultant under this Agreement exceed the City Manager’s authority under Canyon Lake Municipal Code without approval by the City Council.

- (b) Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subconsultant contracts. Subconsultant charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in subsection (a) and Exhibit “B” include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of tasks performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission.
- (c) Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant’s correct and undisputed invoice.
- (d) Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.
- (e) If this Agreement is extended pursuant to Section 1 “Term of Agreement,” the City shall pay the same rates specified in Exhibit “B” “Compensation.”

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

City may inspect and accept or reject any of Consultant’s work under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant’s work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Consultant’s work shall be deemed to have been accepted. City’s acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Consultant’s work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 16 “Indemnification” and Section 17 “Insurance.”

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Consultant in the course of providing the Services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Consultant. Upon completion, expiration or termination of this Agreement, Consultant shall turn

over to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

If and to the extent that City utilizes for any purpose not related to this Agreement any maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents prepared, developed or discovered by Consultant in the course of providing the Services pursuant to this Agreement, Consultant's guarantees and warranties in Section 9 "Standard of Performance" of this Agreement shall not extend to such use of the maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents.

- (a) INTELLECTUAL PROPERTY RIGHTS ASSIGNMENT. For no additional compensation, Consultant hereby assigns to City all of Consultant's rights, title, and interest in and to the content of all deliverable materials created by Consultant or its employees, agents, or subconsultants, including copyrights, in connection with the Services performed under this Agreement. Consultant shall promptly execute and deliver, and shall cause its employees, agents, and subconsultants to promptly execute and deliver, upon request by the City or any of its successors or assigns at any time and without further compensation of any kind, any power of attorney, assignment, application for copyright, patent, trademark or other intellectual property right protection, or other papers or instruments which may be necessary or desirable to fully secure, perfect or otherwise protect to or for the City, its successors and assigns, all right, title and interest in and to the content of the deliverable materials. For purposes of this section deliverable materials includes all works, tangible or not, created under this Agreement including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, website, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. The provisions of this paragraph are binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

SECTION 7. CONSULTANT'S BOOKS AND RECORDS.

- (a) Consultant shall maintain any and all documents and records demonstrating or relating to Consultant's performance of the Services. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Consultant pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.

- (b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Consultant's address indicated for receipt of notices, "Section 24," of this Agreement.
- (c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of Consultant's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors in interest and authorized representatives.

SECTION 8. INDEPENDENT CONTRACTOR.

- (a) Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Consultant shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.
- (b) The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Consultant or any of Consultant's officers, employees, subconsultants or agents except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City.
- (c) Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Contractor may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE.

Consultant represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Consultant under this Agreement, and shall use such skill, prudence, and diligence as other members of Consultant's profession commonly possess and exercise. In addition to the general

standards of performance set forth this section, additional specific standards of performance and performance criteria may be set forth in Exhibit “A” “Scope of Services” that shall also be applicable to Consultant’s work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

Consultant shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Consultant shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Consultant represents and warrants that Consultant has obtained or shall promptly obtain all necessary licenses to perform the Services set forth in this Agreement and that such licenses are in good standing. Consultant further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Consultant to comply with this section.

SECTION 11. PREVAILING WAGE LAWS.

- (a) Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. To the extent applicable, Consultant shall defend, indemnify, and hold the City, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Consultant to comply with the Prevailing Wage Laws.
- (b) It is the understanding of City and Consultant that Prevailing Wage Laws do not apply to this Agreement because the Agreement does not involve any of the following services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder: Construction, alteration, demolition, installation, or repair work performed on public buildings, facilities, streets or sewers done under contract and paid for in whole or in part out of public funds. In this context, “construction” includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

SECTION 12. NONDISCRIMINATION.

Consultant shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition or marital status in connection with or related to the performance of this Agreement.

SECTION 13. UNAUTHORIZED ALIENS.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of the Services, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

SECTION 14. CONFLICTS OF INTEREST.

- (a) Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of the Services. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.
- (b) City understands and acknowledges that Consultant is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.
- (c) City understands and acknowledges that Consultant will, perform non-related services for other governmental agencies and private parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 15. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

- (a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.
- (b) Consultant, its officers, employees, agents or subconsultants, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

- (c) If Consultant, or any officer, employee, agent or subconsultant of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.
- (d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 16. INDEMNIFICATION.

- (a) INDEMNIFICATION BY CONSULTANT. To the fullest extent permitted by law, Consultant shall indemnify, protect, defend (with legal counsel reasonably acceptable to City) and hold harmless City and any and all of its elected and appointed officials, officers, employees, representatives and agents ("Indemnified Parties") from and against any and all claims, actions and proceedings (whether at law or equity, administrative or judicial), demands, orders, judgments, losses, injuries (including, without limitation, injury to or death of an employee of Consultant or subconsultants), liabilities of every kind (including, without limitation, incidental and consequential damages, court costs, and litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and cost of investigation), damages, costs and expenses, including attorney's fees and costs, (collectively "Claims") that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, any goods provided or performance of Services by Consultant, its officers, agents, employees, representatives, subconsultants, anyone directly or indirectly employed by any of them, or anyone that they control. Consultant's duty to indemnify, protect, defend and hold harmless Indemnified Parties, shall not include any Claims arising from the sole negligence or willful misconduct of the Indemnified parties.
- (b) INDEMNIFICATION FROM SUB-CONSULTANTS. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subconsultant, subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement naming the Indemnified Parties as additional indemnitees. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set

forth herein is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this Agreement and this section.

SECTION 17. INSURANCE.

Consultant agrees to obtain and maintain in full force and effect during the Term of this Agreement the insurance policies set forth in Addendum “1” “Insurance” and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Consultant agrees to provide City with copies of required policies upon request.

SECTION 18. ASSIGNMENT.

The expertise and experience of Consultant are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Consultant under this Agreement. In recognition of that interest, Consultant shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Consultant’s duties or obligations under this Agreement without the prior written consent of the City, which may be given in the sole and absolute discretion of the City Manager. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 20 “Termination of Agreement.” City acknowledges, however, that Consultant, in the performance of its duties pursuant to this Agreement, may utilize subconsultants.

If in the performance of its duties Consultant utilizes subconsultants or subcontractors, Consultant covenants that subcontracts, if any, shall contain a provision making subconsultants or subcontractors subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 17 “Insurance.” The Consultant acknowledges and agrees that the City is an intended beneficiary of any work performed by any subconsultant or subcontractor for purposes of establishing a duty of care between any subconsultant or subcontractor and the City.

SECTION 19. CONTINUITY OF PERSONNEL.

Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant’s staff and subcontractors / subconsultants, if any, assigned to perform the Services. Consultant shall notify City of any changes in Consultant’s staff and subcontractors/ subconsultants, if any, assigned to perform the Services prior to and during any such performance.

SECTION 20. TERMINATION OF AGREEMENT.

- (a) City may terminate this Agreement, with or without cause, at any time by giving written notice of termination to Consultant. In the event such notice is given, Consultant shall cease immediately all work in progress.
- (b) Consultant may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.

- (c) If either Consultant or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant, or City may terminate this Agreement immediately upon written notice.
- (d) Upon termination of this Agreement by either Consultant or City, all property belonging exclusively to City which is in Consultant's possession shall be returned to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in Section 4 "Compensation and Method of Payment" of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 "Compensation and Method of Payment" of this Agreement.
- (e) Upon written notice, City may suspend all or any portion of Consultant's performance under this Agreement at its sole option and for its convenience for a reasonable period of time not to exceed six (6) months. City will pay to Consultant a sum equivalent to the reasonable value of the services satisfactorily provided up to the date of suspension. City may rescind the suspension prior to or at six (6) months by providing Consultant with written notice of the rescission, at which time Consultant would be required to resume performance in compliance with the terms and provisions of this Agreement. Consultant will be entitled to an extension of time to complete performance under this Agreement equal to the length of the suspension unless otherwise agreed to in writing by the Parties.

SECTION 21. DEFAULT.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended or reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under Section 20 "Termination of Agreement." Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

SECTION 22. EXCUSABLE DELAYS.

Consultant shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of Consultant. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 23. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the Services shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the Services to be performed under this Agreement.

SECTION 24. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Canyon Lake
Attn: Arron Brown, City Manager
31516 Railroad Canyon Rd
Canyon Lake, CA 92587

To Consultant: PZL, Inc
Attn: Jim Morrissey, President
41738 Fulton Ave
Hemet, CA 92544

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 25. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Consultant to the performance of its obligations hereunder.

SECTION 26. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 28 "Amendment" and the City Manager's contracting authority under the Canyon Lake Municipal Code.

SECTION 27. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 28. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Consultant and by City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority under the Canyon Lake Municipal Code. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 29. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 30. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

SECTION 31. ATTORNEY'S FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing Party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 32. ENTIRE AGREEMENT.

This Agreement, including the attached Exhibits and Addendums, along with any amendments thereto, is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid and binding.

SECTION 33. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 34. INCORPORATION AND CONFLICTING TERMS.

(a) The following documents are incorporated and made part of this Agreement by this reference:

1. Insurance requirements (“Addendum 1”)
2. All Exhibits and Addendums
3. All amendments
4. Consultant’s proposal, if any
5. Any laws, regulations, requirements, or restrictions, applicable to the funding source used by City to pay Consultant for any portion of work done under Agreement (“Funding Restrictions”)

(b) The documents listed above shall be referred to collectively as the “Agreement Documents.” The Agreement Documents are intended to be complementary, and a requirement in one Document is effective as if it appeared in all the Documents. In the event of a conflict between any of the Agreement Documents, the Documents shall be given effect in the following order: Funding Restrictions, Amendments (most recent first), this Agreement, Insurance requirements, Exhibits and Addendums, and Consultant’s proposal. Where the requirements of one Document are more stringent than another the more stringent shall govern.

SECTION 35. TIME OF ESSENCE.

Time is of the essence for each and every provision of this Agreement.

[SIGNATURE PAGE FOLLOWS]

**PROFESSIONAL SERVICES AGREEMENT
FOR PLANNING SERVICES
BETWEEN THE CITY OF CANYON LAKE AND PZL, INC**

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

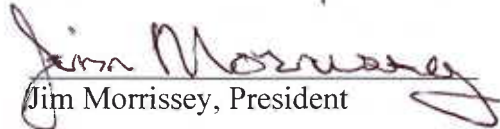
CITY OF CANYON LAKE

PZL, Inc.

By: _____

Arron Brown, City Manager

By: _____


Jim Morrissey, President

ATTEST:

By: _____

Sheryl L. Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

By: _____

Steven Graham Pacifico, City Attorney

EXHIBIT “A”
SCOPE OF SERVICES
[To be attached]

March 18, 2025

City of Canyon Lake
Attn: Mike Borja
31516 Railroad Canyon Road
Canyon Lake, CA 92587

SUBJECT: PROPOSAL & SCOPE OF WORK FOR PLANNING SERVICES

Dear Mike:

At your request I am submitting an updated proposal to continue providing Planning Services to the City of Canyon Lake. I have had the opportunity to provide planning services to the City for a number of years and would like to continue to do so.

Background

I started **PZL, Inc.** in the Year 2000 to provide a broad range of planning services, focused in three areas:

- Provide temporary or long-term consulting services directly to jurisdictions assisting in administration, development review or responding to unique planning concerns.
- Provide supplemental and support services to businesses to complete planning, management, and environmental documents.
- Provide planning and environmental services directly to developers and property owners.

Scope of Work

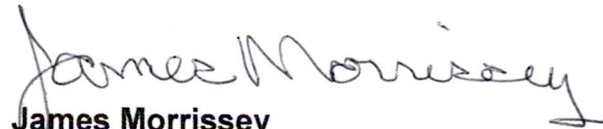
I have been providing a variety of Planning services to the City including the preparation and/or updates to various documents, including General Plan Elements, policy documents, zoning ordinance amendments, environmental documents, development processing and project evaluation, coordination with City Departments and regional agencies, in addition to overall department management and administration. This proposal would continue those efforts and others, as directed by the City.

Billing Rate

The proposed billing rate for services is \$140.00/hr., applied on an hourly basis based upon work load. Planning services are currently provided one day a week at the City offices, although I am available via e-mail or phone throughout the week and additional in office time or working remotely has occurred as necessary. This practice will continue as part of this proposal. Total cost of services is estimated to not exceed \$72,800.00.

If you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "James Morrissey", with a stylized flourish at the end.

James Morrissey
President, PZL, Inc.

EXHIBIT “B”
COMPENSATION

Total compensation for the Services shall not exceed seventy-two thousand eight hundred dollars (\$72,800.00).

ADDENDUM “1”

INSURANCE

(A) INSURANCE REQUIREMENTS. Consultant shall provide and maintain insurance, acceptable to the City, in full force and effect throughout the term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Consultant, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best’s rating of no less than A:VII. Consultant shall provide the following scope and limits of insurance:

1. MINIMUM SCOPE OF INSURANCE. Consultant shall maintain the following types and limits of insurance.
2. MINIMUM LIMITS OF INSURANCE.

GENERAL LIABILITY INSURANCE. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

AUTOMOBILE LIABILITY INSURANCE. Consultant shall maintain automobile liability insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

PROFESSIONAL LIABILITY (ERRORS & OMISSIONS) INSURANCE. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

WORKERS’ COMPENSATION INSURANCE. Consultant shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000 per accident or disease). Consultant shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees and volunteers.

UMBRELLA OR EXCESS LIABILITY INSURANCE. [Optional depending on limits required]. As an option to meet the limits of insurance required by this Agreement, Consultant may obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages

set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(B) OTHER PROVISIONS. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either Party to this Agreement, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City.

(C) OTHER REQUIREMENTS. Consultant agrees to deposit with City, at or before the effective date of this Agreement, certificates of insurance necessary to satisfy City that the insurance provisions of this contract have been complied with. The City Attorney may require that Consultant furnish City with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Upon request from the City, Consultant shall furnish certificates and endorsements from each subcontractor identical to those Consultant provides.
2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.
3. The procuring of such required policy or policies of insurance shall not be construed to limit Consultant's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.
4. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to

contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

5. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.
6. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Mike A. Borja, Community Development Director

DATE: June 11, 2025

SUBJECT: Approve the Professional Services Agreement between the City of Canyon Lake and Willdan Engineering for NPDES/Stormwater Compliance Services

Recommendation

Approve the Professional Services Agreement with Willdan Engineering to extend the term to June 30, 2028, for NPDES/Stormwater Compliance Services.

Background

At the meeting of June 12, 2024, the City Council approved the Professional Services Agreement with Willdan Engineering for NPDES/Stormwater Compliance Services. The term for the Professional Services Agreement with Willdan Engineering was for one (1) year, ending on June 30, 2025, with the option of renewing the agreement for an additional year, upon City Council approval. To ensure competitive pricing, the City Manager directed staff was to solicit quotes from multiple vendors to compare prices and ensure the City is receiving the best possible cost for service. City staff reached out to the following vendors for quotes:

- **Willdan Engineering - \$60,000 annual**
- **Transtech Engineers – no quote**
- **Interwest Consulting Group - no quote**
- **Charles Abbott Associates – no quote**
- **Harris & Associates – no quote**

Of the five vendors City staff reached out too, only one vendor submitted a quote. With the City continuing to receive quality NPDES/Stormwater Compliance Services from Willdan Engineering, maintaining a positive relationship with City staff, and being very responsive to meeting the service level needs of the City, staff recommends that City Council approves a 3-year service agreement with Willdan Engineering due to its quality of service, reasonable cost to perform work, and long-standing relationship.

Fiscal Impact

The City's current not-to-exceed annual costs for Stormwater Compliance Services with Willdan Engineering is \$60,000.00, which is based on a time-and-material fee according to the hourly rates schedule that's provided by Willdan Engineering. Based on experience and projections with the NPDES program for the upcoming fiscal year, Willdan Engineering has agreed to maintain the same not-to-exceed annual cost of \$60,000.00. Over the course of the three-year agreement, total cost would be \$180,000. The annual not-to-exceed cost of the Agreement has been budgeted as part of the Fiscal Year 2025-26 budget. As with the original agreement, the proposed agreement is structured so that the City is only obligated to pay based on the hours of services applied each month by Willdan Engineering.

Attachments

1. Professional Services Agreement

ATTACHMENT 1

**SERVICES AGREEMENT
FOR NPDES COMPLIANCE SERVICES
BETWEEN THE CITY OF CANYON LAKE AND WILLDAN ENGINEERING**

THIS SERVICES AGREEMENT (“Agreement”) is made and entered into this 1st day of July, 2025 (“Effective Date”), by and between the City of Canyon Lake (“City”), a California municipal corporation and Willdan Engineering, a limited liability company (“Service Provider”). For the purposes of this Agreement City and Service Provider are sometimes hereinafter referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

1. City has sought by direct contract the performance of NPDES/Stormwater compliance services defined and described particularly in Section 2, “Scope of Services and Schedule of Performance” of this Agreement.
2. Service Provider was selected by City on the basis Service Provider demonstrates competence and the professional qualifications necessary for the satisfactory performance of the services required.
3. Service Provider was selected by City on the basis Service Provider provides the best value to the City and that it is in the best interest of City to do so.
4. City has the authority to enter into this Agreement, and the City Manager has the authority to execute this Agreement.
5. The Parties desire to formalize the selection of Service Provider for performance of those services defined and described particularly in Section 2 “Scope of Services” of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, for and in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. TERM OF AGREEMENT

- (a) This Agreement shall commence on the Effective Date and shall remain and continue in effect for a period of three (3) years unless sooner terminated pursuant to the provisions of Section 21 “Termination of Agreement” of this Agreement.
- (b) The City Manager may, in his or her sole discretion, unilaterally exercise an option to extend this Agreement for one (1) additional year on the same terms and conditions,

including compensation as set forth in section 4 “Compensation.”

- (c) Service Provider acknowledges that the Agreement term may extend over multiple City fiscal years, and that work and compensation under this Agreement is contingent on the City Council appropriating funding for and authorizing such work and compensation for those fiscal years. This Agreement may be terminated by the City Manager at the end of a fiscal year when sufficient funding is not appropriated and authorized for the subsequent fiscal year. City is not obligated to pay Service Provider for any amounts not duly appropriated and authorized by City Council.

SECTION 2. SCOPE OF SERVICES

Subject to this Agreement, all addendums and exhibits attached and incorporated hereto, Service Provider agrees to perform the services and tasks set forth in Exhibit “A,” “Scope of Services” (hereinafter, the “Services”), and the City agrees to retain and does hereby retain Service Provider for the Services.

SECTION 3. ADDITIONAL SERVICES

Service Provider shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 25 “Administration and Implementation” or Section 27 “Amendment” of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. COMPENSATION

- (a) Subject to any limitations set forth in this Agreement, City agrees to pay Service Provider the amounts specified in Exhibit “B” “Compensation” and made a part of this Agreement by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed one hundred eighty thousand dollars (\$180,000) (“Not to Exceed Amount”), unless additional compensation is approved in writing in accordance with Section 25 “Administration and Implementation” or Section 27 “Amendment” of this Agreement.
- (b) Payment to Service Provider for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Service Provider.
- (c) If this Agreement is extended pursuant to Section 1 “Term of Agreement,” the City shall pay the same rates specified in Exhibit “B” “Compensation.”

SECTION 5. METHOD OF PAYMENT AND INVOICING

- (a) Payment shall be made in accordance with City’s usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 23, “Notices” hereof. Under no

circumstances shall the total amount paid to Service Provider under this Agreement exceed the City Manager's authority without approval by the City Council.

- (b) Service Provider shall submit within 30 days of the end of each month a complete and accurate written itemized invoice for services performed and/or goods provided. The invoice must be in a format approved by City. In order to receive payment, Service Provider shall submit to City an itemized invoice, on a monthly basis, for services performed pursuant to this Agreement. Each itemized invoice shall identify at the top of the first page, the Not to Exceed Amount (as set by Section 4(a) above), the total amount billed to date, the services rendered during the billing period, and the amount due for the statement invoice for which reimbursement is sought in the statement invoice. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub provider contracts. Sub provider charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in Section 4(a) and Exhibit "B" include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of tasks performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Service Provider to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Service Provider for correction and resubmission.
- (c) Except as to any charges for work performed or expenses incurred by Service Provider which are disputed by City, City will use its best efforts to cause Service Provider to be paid within forty-five (45) days of receipt of Service Provider's correct and undisputed invoice.
- (d) The Parties estimate that performance of this Agreement will be accomplished without an increase in the Not to Exceed Amount. Service Provider shall notify the City in writing whenever it has reason to believe that the costs the Service Provider expects to incur under this Agreement in the following sixty (60) days, when added to all costs previously incurred, will exceed eighty percent (80%) of the Not to Exceed Amount specified herein. As part of the notification, the Service Provider shall provide the City with a revised estimate of the total cost of performing this Agreement.

SECTION 6. INSPECTION AND FINAL ACCEPTANCE

City may inspect and accept or reject any of Service Provider's work under this Agreement, either during performance or when completed. City shall reject or finally accept Service Provider's work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Service Provider's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Service Provider's work by City shall not

constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 17 “Indemnification” and Section 18 “Insurance.”

SECTION 7. SERVICE PROVIDER’S BOOKS AND RECORDS

- (a) Service Provider shall maintain any and all documents and records demonstrating or relating to Service Provider’s performance of the Services. Service Provider shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the Services provided by Service Provider pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.
- (b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Service Provider’s address indicated for receipt of notices, “Section 23,” of this Agreement.
- (c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of Service Provider’s business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors in interest and authorized representatives.

SECTION 8. INDEPENDENT CONTRACTOR

- (a) Service Provider is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Service Provider shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.
- (b) The personnel performing the Services under this Agreement on behalf of Service Provider shall at all times be under Service Provider’s exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Service Provider or any of Service Provider’s officers, employees, sub providers or agents except as set forth in this Agreement. Service Provider shall not at any time or in any manner represent that Service Provider or any of Service

Provider's officers, employees, or agents are in any manner officials, officers, employees or agents of City.

- (c) Neither Service Provider, nor any of Service Provider's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Service Provider expressly waives any claim Service Provider may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE

Service Provider represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Service Provider shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Service Provider shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Service Provider under this Agreement, and shall use such skill, prudence, and diligence as other members of Service Provider's profession commonly possess and exercise. In addition to the general standards of performance set forth this section, additional specific standards of performance and performance criteria may be set forth in Exhibit "A" "Scope of Services" that shall also be applicable to Service Provider's work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES

Service Provider shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Service Provider shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Service Provider represents and warrants that Service Provider has obtained or shall promptly obtain all necessary licenses to perform the Services set forth in this Agreement and that such licenses are in good standing, including but not limited to obtaining a City business license. Service Provider further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Service Provider to comply with this section.

SECTION 11. PREVAILING WAGE LAWS

Service Provider is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. To the extent applicable, Service Provider shall defend, indemnify, and hold the City, its elected officials,

officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Service Provider to comply with the Prevailing Wage Laws.

SECTION 12. NONDISCRIMINATION

Service Provider and sub providers shall not unlawfully discriminate, harass, or allow harassment against any person because of sex, sexual orientation, gender, gender identity, gender expression, reproductive health decision-making, race, color, religious creed, marital status, ancestry, national origin, medical condition, genetic information, age, disability (mental and physical), or military or veteran status in connection with or related to the performance of this Agreement. Service Provider and sub providers shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code, § 12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Code of Regs, tit. 2, § 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, § 12990 (a)-(f), are incorporated into this Agreement by reference and made a part hereof as set for in full (Cal. Code of Regs, tit. 2, § 7285.0, et seq.). Service Provider shall include the non-discrimination and compliance provisions of this section in all subcontracts to perform work under this Agreement.

SECTION 13. CONFLICTS OF INTEREST

- (a) Service Provider covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Service Provider's performance of the Services. Service Provider further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Service Provider agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.
- (b) City understands and acknowledges that Service Provider is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Service Provider is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.
- (c) City understands and acknowledges that Service Provider will, perform non-related services for other governmental agencies and private parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION

- (a) All information gained or work product produced by Service Provider in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Service Provider. Service Provider shall not release or disclose any such information or work product to persons or entities other than City without prior

written authorization from the City Manager, except as may be required by law.

- (b) Service Provider, its officers, employees, agents or sub providers, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Service Provider gives City notice of such court order or subpoena.
- (c) If Service Provider, or any officer, employee, agent or sub provider of Service Provider, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Service Provider for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Service Provider's conduct.
- (d) Service Provider shall promptly notify City should Service Provider, its officers, employees, agents or sub providers be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Service Provider or be present at any deposition, hearing or similar proceeding. Service Provider agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Service Provider. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 15. INDEMNIFICATION

- (a) To the fullest extent permitted by law, Service Provider shall indemnify, protect, defend (with legal counsel reasonably approved by the City) and hold harmless City and any and all of its elected and appointed officials, officers, employees, representatives and agents ("Indemnified Parties") from and against any and all claims, actions and proceedings (whether at law or equity, administrative or judicial), demands, orders, judgments, losses, injuries (including, without limitation, injury to or death of an employee of Service Provider or sub providers), liabilities of every kind (including, without limitation, incidental and consequential damages, court costs, and litigation expenses, and fees of expert providers or expert witnesses incurred in connection therewith and cost of investigation), damages, costs and expenses, including attorney's fees and costs, (collectively "Claims") that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, performance of Services by Service Provider, its officers, agents, employees, representatives, sub providers, anyone directly or indirectly employed by any of them, or anyone that they control. Service Provider's duty to indemnify, protect, defend and hold harmless Indemnified Parties, shall not include any Claims arising from the sole negligence or willful misconduct of the Indemnified Parties.

- (b) Service Provider agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every sub provider, subcontractor or any other person or entity involved by, for, with or on behalf of Service Provider in the performance of this Agreement naming the Indemnified Parties as additional indemnitees. In the event Service Provider fails to obtain such indemnity obligations from others as required here, Service Provider agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns or heirs of Service Provider and shall survive the termination of this Agreement and this section.

SECTION 16. INSURANCE

Service Provider agrees to obtain and maintain in full force and effect during the Term of this Agreement the insurance policies set forth in Exhibit “C” “Insurance” and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Service Provider agrees to provide City with copies of required policies upon request.

SECTION 17. ASSIGNMENT

The expertise and experience of Service Provider are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Service Provider under this Agreement. In recognition of that interest, Service Provider shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Service Provider’s duties or obligations under this Agreement without the prior written consent of the City, which may be given in the sole and absolute discretion of the City Manager. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 21 “Termination of Agreement.” City acknowledges, however, that Service Provider, in the performance of its duties pursuant to this Agreement, may utilize sub providers.

If in the performance of its duties Service Provider utilizes sub providers or subcontractors, Service Provider covenants that subcontracts, if any, shall contain a provision making sub providers or subcontractors subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 18 “Insurance.” The Service Provider acknowledges and agrees that the City is an intended beneficiary of any work performed by any sub provider or subcontractor for purposes of establishing a duty of care between any sub provider or subcontractor and the City.

SECTION 18. CONTINUITY OF PERSONNEL

Service Provider shall make every reasonable effort to maintain the stability and continuity of Service Provider's staff and subcontractors / sub providers, if any, assigned to perform the Services. Service Provider shall notify City of any changes in Service Provider's staff and subcontractors/sub providers, if any, assigned to perform the Services prior to and during any such performance.

SECTION 19. TERMINATION OF AGREEMENT

- (a) City may terminate this Agreement in its sole and absolute discretion, with or without cause, at any time by giving written notice of termination to Service Provider. In the event such notice is given, Service Provider shall cease immediately all work in progress.
- (b) Service Provider may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.
- (c) If either Service Provider or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Service Provider, or City may terminate this Agreement immediately upon written notice.
- (d) Upon termination of this Agreement by either Service Provider or City, all property belonging exclusively to City which is in Service Provider's possession shall be returned to City. Service Provider shall furnish to City a final invoice for work performed and expenses incurred by Service Provider, prepared as set forth in Section 5 "Method of Payment and Invoicing" of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 5 "Method of Payment and Invoicing" of this Agreement.
- (e) Upon written notice, City may suspend all or any portion of Service Provider's performance under this Agreement at its sole option and for its convenience for a reasonable period of time not to exceed six (6) months. City will pay to Service Provider a sum equivalent to the reasonable value of the services satisfactorily provided up to the date of suspension, in accordance with the compensation terms set forth in Section 4 and Exhibit "B" of this Agreement. City may rescind the suspension prior to or at six (6) months by providing Service Provider with written notice of the rescission, at which time Service Provider would be required to resume performance in compliance with the terms and provisions of this Agreement. Service Provider will be entitled to an extension of time to complete performance under this Agreement equal to the length of the suspension unless otherwise agreed to in writing by the Parties.

SECTION 20. EXCUSABLE DELAYS

Neither Party shall be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of either Party. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state

or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 21. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Canyon Lake
Attn: Arron Brown, City Manager
31516 Railroad Canyon Road
Canyon Lake, CA 92587

To Service Provider: Willdan Engineering
Attn: Adel M. Freij, PE, Director-Engineering
13191 Crossroads Prkway North, Suite 405
Industry, CA 91746-3443

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 22. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Service Provider represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Service Provider to the performance of its obligations hereunder.

SECTION 23. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 27 "Amendment" and the City Manager's contracting authority under the City of Canyon Lake Municipal Code.

SECTION 24. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 25. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Service Provider and by City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 26. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Service Provider shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 27. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

SECTION 28. ATTORNEY'S FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing Party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 29. ENTIRE AGREEMENT.

This Agreement, including the attached exhibits and addendums, along with any amendments thereto, is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Service Provider and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid and binding.

SECTION 30. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 31. INCORPORATION AND CONFLICTING TERMS.

(a) The following documents are incorporated and made part of this Agreement by this reference:

1. All exhibits and addendums
2. All amendments
3. Service Provider's proposal, if any
4. Any laws, regulations, requirements, or restrictions, applicable to the funding source used by City to pay Service Provider for any portion of work done under Agreement ("Funding Restrictions")

(b) The documents listed above shall be referred to collectively as the "Agreement Documents." The Agreement Documents are intended to be complementary, and a requirement in one Document is effective as if it appeared in all the Documents. In the event of a conflict between any of the Agreement Documents, the Documents shall be given effect in the following order: Funding Restrictions, Amendments (most recent first), this Agreement, Insurance requirements, exhibits and addendums, and Service Provider's proposal. Where the requirements of one Document are more stringent than another the more stringent shall govern.

SECTION 32. TIME OF THE ESSENCE.

Time is of the essence for each and every provision of this Agreement.

SIGNATURE BLOCK ON NEXT PAGE

**SERVICES AGREEMENT
FOR NPDES COMPLIANCE SERVICES
BETWEEN THE CITY OF CANYON LAKE AND WILLDAN ENGINEERING**

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

CITY OF CANYON LAKE

WILLDAN ENGINEERING

By:

Arron Brown, City Manager



By:

Adel M. Freij, PE
Director- Engineering

ATTEST:

By:

Sheryl L. Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

By:

Steven Graham Pacifico, City Attorney

**EXHIBIT “A”
SCOPE OF SERVICES**

[To be attached]

March 6, 2025

Mr. Mike Borja
Community Development Director
City of Canyon Lake
31516 Railroad Canyon Road
Canyon Lake, CA 92587

Subject: Professional Consulting Services for General NPDES Compliance Services

Dear Mr. Borja:

Willdan Engineering (Willdan) appreciates this opportunity to present this proposal to continue assisting the City of Canyon Lake to comply with National Pollutant Discharge Elimination System (NPDES) programs for Fiscal Year 2025-2026.

SCOPE OF SERVICES

1. MS4 Permit Compliance – Pursuant to Order No. R8-2010-0033 as amended by R8-2013-0024, Willdan shall provide services at the specific request of the City. This may include, but not limited to, assistance with discharge prohibitions, effluent and receiving water limitations, monitoring and reporting program requirements, and storm water management program minimum control measure requirements such as those summarized in the following:
 - a. Progressive Enforcement Policy - Site investigation and maintenance of records to bring properties within the City into compliance within a given time period;
 - b. Public Information and Public Participation Program - Development of a residential outreach program, distribution of educational materials to properties that are a potential source of pollution, and development and maintenance of the City's stormwater webpage;
 - c. Industrial and Commercial Facilities Program - Inspection and tracking of industrial and commercial facilities and assurance of effective implementation of Best Management Practices (BMPs);

- d. Construction Program – Inspection and tracking of construction activities, including enforcement of construction BMPs, Erosion and Sediment Control Plan maintenance, and plan check review;
- e. Public Agency Activities – Inspection of City-owned facilities to ensure potential pollutant sources are effectively managed and the prevention of non-storm water discharges, site-specific BMPs, routine preventive maintenance of the MS4, and perform annual training for employees and contractors to improve awareness of and compliance with stormwater pollution BMPs; and,
- f. Illicit Discharge Detection and Elimination (IDDE) Program – Investigate and document all reported and observed IDDEs and conduct follow-up inspections as necessary. Provide IDDE training for all municipal staff who may come into contact with or observe and IDDE as part of routine duties.

Please note the above scope of services is subject to change based on current efforts by the Santa Ana Regional Water Quality Control Board to issue a new NPDES general permit for agencies that include the City of Canyon Lake. A tentative draft has been released and Willdan intends to discuss with city staff any impacts to services that may occur once the order is effective.

- 2. Representation in the watershed – Willdan will represent the interests of the city in its participation with watershed groups, such as the LE/CL Task Force, which could include the following:
 - a. Meeting participation and coordination of work conducted in accordance with implementation of multi-agency agreements.
 - b. The development and implementation of City-specific monitoring programs. For assurance of appropriate responsibility and cost-allocation of the City's ongoing participation with watershed groups, it may be necessary to consider additional monitoring. Should this need arise, Willdan shall provide recommendations for the City to consider.
- 3. General NPDES Services – As needed, Willdan will provide assistance with any NPDES program derived from the Federal Clean Water Act (CWA).

COMPENSATION

Based on our experience with the NPDES program and knowledge of the City, we have prepared a FY 2025-26 budget in the amount of \$60,000, included herein as Exhibit A. Our proposed not-to-exceed fee for the above scope of services is \$60,000, per our schedule of hourly rates provided in Exhibit B.



Thank you for giving us the opportunity to assist the City of Canyon Lake. If you have any questions, please contact Ms. Kelsey Reed at (818) 383-3092.

Respectfully submitted,

WILLDAN ENGINEERING



Adel M. Freij, PE
Director - Engineering

Approved and Authorized to proceed by:

CITY OF CANYON LAKE

Signature

Date

Enclosures

910005/WW.00.30/P25-089_27186



EXHIBIT A

City of Canyon Lake, NPDES & TMDL Program Management Budget Projections		Print Date: 3/6/2025
Services ¹		FY25/26
Program Management	\$	16,000
Monthly Permit/Watershed Meetings	\$	10,000
Municipal NPDES Permit Programs (MCMs)	\$	22,000
Public Education and Outreach Program		
New Development Program		
Development Construction Program ²		
Onsite/Field Staff Training Program ³		
Permittee Facilities and Activities Program		
Commercial/Industrial Inspection Program		
Illicit Connection/Discharge Inspection Program		
Annual Report	\$	8,000
As-needed Meetings and Assignments	\$	4,000
Budget Total	\$	60,000
¹ The following Services and Budget is envisioned to be adjusted based on need and written agreement between Community Development Director and Willdan.		
² Estimate based on Public Works Observer onsite monthly (February thru June) for an onsite 6hr/day, including travel time and mileage.		
³ Estimate based on Environmental Analyst III conducting an 6hr onsite and field training of City staff, including travel time and mileage.		



EXHIBIT B



WILLDAN ENGINEERING

Schedule of Hourly Rates

Effective July 1, 2024 to June 30, 2025

DESIGN ENGINEERING		BUILDING AND SAFETY		CONSTRUCTION MANAGEMENT	
Technical Aide I	\$81	Assistant Code Enforcement Officer	\$106	Labor Compliance Specialist	\$146
Technical Aide II	\$103	Code Enforcement Officer	\$121	Labor Compliance Manager	\$183
Technical Aide III	\$120	Senior Code Enforcement Officer	\$143	Utility Coordinator	\$167
CAD Operator I	\$128	Supervisor Code Enforcement	\$173	Office Engineer I	\$147
CAD Operator II	\$148	Plans Examiner Aide	\$114	Office Engineer II	\$167
CAD Operator III	\$165	Plans Examiner	\$173	Assistant Construction Manager	\$160
GIS Analyst I	\$168	Senior Plans Examiner	\$189	Construction Manager	\$185
GIS Analyst II	\$184	Assistant Construction Permit Specialist	\$121	Senior Construction Manager	\$201
GIS Analyst III	\$191	Construction Permit Specialist	\$128	Resident Engineer I	\$208
Environmental Analyst I	\$144	Senior Construction Permit Specialist	\$150	Resident Engineer II	\$216
Environmental Analyst II	\$161	Supervising Construction Permit Specialist	\$159	Project Manager IV	\$234
Environmental Analyst III	\$171	Assistant Building Inspector	\$143	Deputy Director	\$243
Environmental Specialist	\$185	Building Inspector	\$159	Director	\$249
Designer I	\$173	Senior Building Inspector	\$173	INSPECTION SERVICES	
Designer II	\$179	Supervising Building Inspector	\$189	Public Works Observer **	\$131
Senior Designer I	\$188	Inspector of Record	\$202	Public Works Observer ***	\$159
Senior Designer II	\$197	Deputy Building Official	\$202	Senior Public Works Observer**	\$143
Design Manager	\$196	Building Official	\$204	Senior Public Works Observer ***	\$159
Senior Design Manager	\$206	Plan Check Engineer	\$198	MAPPING AND EXPERT SERVICES	
Project Manager I	\$186	Supervising Plan Check Engineer	\$200	Survey Analyst I	\$147
Project Manager II	\$207	Principal Project Manager	\$238	Survey Analyst II	\$169
Project Manager III	\$217	Deputy Director	\$243	Senior Survey Analyst	\$187
Project Manager IV	\$234	Director	\$249	Supervisor - Survey & Mapping	\$203
Principal Project Manager	\$238	PLANNING		Principal Project Manager	\$238
Program Manager I	\$197	CDBG Technician	\$86	LANDSCAPE ARCHITECTURE	
Program Manager II	\$209	CDBG Specialists	\$103	Assistant Landscape Architect	\$153
Program Manager III	\$228	CDBG Analyst	\$122	Associate Landscape Architect	\$176
Assistant Engineer I	\$141	CDBG Coordinator	\$152	Senior Landscape Architect	\$193
Assistant Engineer II	\$157	CDBG Manager	\$183	Principal Landscape Architect	\$204
Assistant Engineer III	\$166	Housing Program Coordinator	\$151	Principal Project Manager	\$238
Assistant Engineer IV	\$175	Planning Technician	\$130	ADMINISTRATIVE	
Associate Engineer I	\$184	Assistant Planner	\$162	Administrative Assistant I	\$99
Associate Engineer II	\$192	Associate Planner	\$176	Administrative Assistant II	\$120
Associate Engineer III	\$196	Senior Planner	\$200	Administrative Assistant III	\$140
Senior Engineer I	\$199	Principal Planner	\$208	Project Accountant I	\$112
Senior Engineer II	\$204	Planning Manager	\$221	Project Accountant II	\$132
Senior Engineer III	\$207	Deputy Director	\$243	Project Controller I	\$140
Senior Engineer IV	\$211	Director	\$249	Project Controller II	\$158
Supervising Engineer	\$219				
Traffic Engineer I	\$219				
Traffic Engineer II	\$234				
City Engineer I	\$234				
City Engineer II	\$238				
Deputy Director	\$243				
Director	\$249				
Principal Engineer	\$270				

** For Non-Prevailing Wage Project *** For Prevailing Wage Project

Mileage/Field Vehicle usage will be charged at the rate in accordance with the current FTR mileage reimbursement rate, subject to negotiation.

Additional billing classifications may be added to the above listing during the year as new positions are created. Consultation in connection with litigation and court appearances will be quoted separately. The above schedule is for straight time. Overtime will be charged at 1.5 times, and Sundays and holidays, 2.0 times the standard rates. Blueprinting, reproduction, messenger services, and printing will be invoiced at cost plus fifteen percent (15%). A sub consultant management fee of fifteen percent (15%) will be added to the direct cost of all sub consultant services to provide for the cost of administration, consultation, and coordination. Valid July 1, 2024 thru June 30, 2025, thereafter, the rates may be raised once per year to the value between the 12-month % change of the Consumer Price Index for the Los Angeles/Orange County/Sacramento/San Francisco/San Jose area and five percent. For prevailing wage classifications, the increase will be per the prevailing wage increase set by the California Department of Industrial Relations.

Rev 04.22.2024 V01R1



**EXHIBIT “B”
COMPENSATION**

Total compensation for the Services shall not exceed one hundred eighty thousand dollars (\$180,000) (“Not to Exceed Amount”).

Breakdown:

Over the course of twelve (12) months, this totals sixty thousand dollars (\$60,000) per one (1) year. Over a three (3) year period, the total cost is one hundred eighty thousand dollars (\$180,000).

EXHIBIT “C” INSURANCE

(A) INSURANCE REQUIREMENTS. Service Provider shall provide and maintain insurance, acceptable to the City, in full force and effect throughout the Term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Service Provider, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. Service Provider shall provide the following scope and limits of insurance:

1. MINIMUM SCOPE OF INSURANCE. Service Provider shall maintain the following types and limits of insurance.

2. MINIMUM LIMITS OF INSURANCE.

GENERAL LIABILITY INSURANCE. Service Provider shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

AUTOMOBILE LIABILITY INSURANCE. Service Provider shall maintain automobile liability insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Service Provider arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

WORKERS’ COMPENSATION INSURANCE. Service Provider shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000 per accident or disease). Service Provider shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees and volunteers.

UMBRELLA OR EXCESS LIABILITY INSURANCE. As an option to meet the limits of insurance required by this Agreement, Service Provider may obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer’s liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;

- Policies shall “follow form” to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(B) OTHER PROVISIONS. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either Party to this Agreement, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City.

(C) OTHER REQUIREMENTS. Service Provider agrees to deposit with City, at or before the effective date of this Agreement, certificates of insurance necessary to satisfy City that the insurance provisions of this contract have been complied with. The City Attorney may require that Service Provider furnish City with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Upon request from the City, Service Provider shall furnish certificates and endorsements from each subcontractor identical to those Service Provider provides.

2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Service Provider shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit Service Provider's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

4. Coverage provided by Service Provider shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

5. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Service Provider or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Service Provider hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its sub providers.

6. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such

policies, with coverage at least as broad as ISO form CG 20 10. This provision shall also apply to any excess/umbrella liability policies.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Mike A. Borja, Community Development Director

DATE: June 11, 2025

SUBJECT: Approve the Professional Services Agreement between the City of Canyon Lake and Interwest Consulting Group for City Engineering Services

Recommendation

Approve the Professional Services Agreement with Interwest Consulting Group to extend the term to June 30, 2026, for City Engineering Services.

Background

At the meeting of June 12, 2024, the City Council approved a Professional Services Agreement (“Agreement”) with Interwest Consulting Group for City Engineering Services at City Hall. The term for the Professional Services Agreement with Interwest Consulting Group was for one (1) year, ending on June 30, 2025, with the option of renewing the agreement for additional years, upon City Council approval. With the current term for the Professional Services Agreement with Interwest Consulting Group expiring on June 30, 2025, Interwest Consulting Group has requested the City’s consideration to exercise its option to extend the Agreement another year.

Under the City’s Procurement Policy, 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.

With the City’s Highway Safety Improvement Project still in its infancy with bidding and construction, it is staff’s recommendation that it maintains service with Interwest Consulting Group to avoid any disruption or delays in the project, as Interwest was also very instrumental in the award of the project with the Department of Transportation. Because of that, staff is recommending that City Council exercise the City Council Waiver as outlined in Section

3.080.060 of the City's Procurement Policy to maintain its current services with Interwest Consulting Group.

Fiscal Impact

The City's current not-to-exceed annual costs for City Engineering Services with Interwest Consulting Group is \$80,000.00, which is based on a time-and-material fee according to the hourly rates schedule that's provided by Interwest Consulting Group. Based on experience and projections for the upcoming fiscal year, Interwest Consulting Group has agreed to maintain the same not-to-exceed annual cost of \$80,000.00. This annual not-to-exceed cost of the Agreement has been budgeted as part of the Fiscal Year 2025-26 budget. As with the original agreement, the proposed agreement is structured so that the City is only obligated to pay based on the applied hours of services provided each month by Interwest Consulting Group.

Attachments

1. Professional Services Agreement

ATTACHMENT 1

**PROFESSIONAL SERVICES AGREEMENT
FOR ENGINEERING SERVICES
BETWEEN THE CITY OF CANYON LAKE AND INTERWEST CONSULTING GROUP**

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into this 1 day of July, 2025 (“Effective Date”), by and between the CITY OF CANYON LAKE (“City”), a California municipal corporation and Interwest Consulting Group, a California limited liability company (“Consultant”). For the purposes of this Agreement City and Consultant are sometimes hereinafter referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

1. City has sought by direct contract the performance of the Engineering Services defined in this Agreement.
2. Consultant was selected by City to perform those services.
3. Consultant was selected based on a determination that it is in the City’s best interest to enter into this Agreement without a competitive procurement process because Consultant is the best provider for the services defined in this Agreement, based on demonstrated competence, qualifications, cost reasonableness, and the quality of services previously provided to the City.
4. Pursuant to Chapter 3.08 of the Canyon Lake Municipal Code, City has authority to enter into this Agreement, and the City Manager has the authority to execute this Agreement.
5. The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Section 2 “Scope of Services and Schedule of Performance” of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, for and in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. TERM OF AGREEMENT

- (a) This Agreement shall commence on the Effective Date and shall remain and continue in effect for a period of one (1) year unless sooner terminated pursuant to the provisions of Section 21 “Termination of Agreement” of this Agreement.
- (b) The City Manager may, in his or her sole discretion, unilaterally exercise an option to extend the Agreement for one (1) additional year on the same terms and conditions, including compensation as set forth in Section 4 “Compensation and Method of Payment.”

- (c) Consultant acknowledges that the Agreement term may extend over multiple City fiscal years, and that work and compensation under this Agreement is contingent on the City Council appropriating funding for and authorizing such work and compensation for those fiscal years. This Agreement may be terminated by the City Manager at the end of a fiscal year when sufficient funding is not appropriated and authorized for the subsequent fiscal year. City is not obligated to pay Consultant for any amounts not duly appropriated and authorized by City Council.

SECTION 2. SCOPE OF SERVICES AND SCHEDULE OF PERFORMANCE

- (a) SCOPE OF SERVICES. Subject to this Agreement, all addendums and exhibits attached and incorporated hereto, Consultant agrees to perform the services and tasks set forth in Exhibit “A” “Scope of Services” (hereinafter, the “Services”) and the City agrees to retain and does hereby retain Consultant for the Services.
- (b) SCHEDULE OF PERFORMANCE. The Services shall be completed pursuant to the schedule specified in Exhibit “A.” Should the Services not be completed pursuant to that schedule, the Consultant shall be deemed to be in Default of this Agreement. The City, in its sole discretion, may choose not to enforce Section 21, “Default” of this Agreement and may instead allow Consultant to continue performing the Services.

SECTION 3. ADDITIONAL SERVICES.

Consultant shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 26 “Administration and Implementation” or Section 28 “Amendment” of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

- (a) Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in Exhibit “B” “Compensation” and made a part of this Agreement by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed eighty thousand dollars (\$80,000.00) unless additional compensation is approved in writing in accordance with Section 26 “Administration and Implementation” or Section 28 “Amendment” of this Agreement. Payment shall be made in accordance with City’s usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 24, “Notices” hereof. Under no circumstances shall the total amount paid to Consultant under this Agreement exceed the City Manager’s authority under Canyon Lake Municipal Code without approval by the City Council.

- (b) Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subconsultant contracts. Subconsultant charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in subsection (a) and Exhibit “B” include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of tasks performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission.
- (c) Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant’s correct and undisputed invoice.
- (d) Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.
- (e) If this Agreement is extended pursuant to Section 1 “Term of Agreement,” the City shall pay the same rates specified in Exhibit “B” “Compensation.”

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

City may inspect and accept or reject any of Consultant’s work under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant’s work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Consultant’s work shall be deemed to have been accepted. City’s acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Consultant’s work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 16 “Indemnification” and Section 17 “Insurance.”

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Consultant in the course of providing the Services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Consultant. Upon completion, expiration or termination of this Agreement, Consultant shall turn

over to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

If and to the extent that City utilizes for any purpose not related to this Agreement any maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents prepared, developed or discovered by Consultant in the course of providing the Services pursuant to this Agreement, Consultant's guarantees and warranties in Section 9 "Standard of Performance" of this Agreement shall not extend to such use of the maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents.

- (a) INTELLECTUAL PROPERTY RIGHTS ASSIGNMENT. For no additional compensation, Consultant hereby assigns to City all of Consultant's rights, title, and interest in and to the content of all deliverable materials created by Consultant or its employees, agents, or subconsultants, including copyrights, in connection with the Services performed under this Agreement. Consultant shall promptly execute and deliver, and shall cause its employees, agents, and subconsultants to promptly execute and deliver, upon request by the City or any of its successors or assigns at any time and without further compensation of any kind, any power of attorney, assignment, application for copyright, patent, trademark or other intellectual property right protection, or other papers or instruments which may be necessary or desirable to fully secure, perfect or otherwise protect to or for the City, its successors and assigns, all right, title and interest in and to the content of the deliverable materials. For purposes of this section deliverable materials includes all works, tangible or not, created under this Agreement including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, website, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. The provisions of this paragraph are binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

SECTION 7. CONSULTANT'S BOOKS AND RECORDS.

- (a) Consultant shall maintain any and all documents and records demonstrating or relating to Consultant's performance of the Services. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Consultant pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.

- (b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Consultant's address indicated for receipt of notices, "Section 24," of this Agreement.
- (c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of Consultant's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors in interest and authorized representatives.

SECTION 8. INDEPENDENT CONTRACTOR.

- (a) Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Consultant shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.
- (b) The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Consultant or any of Consultant's officers, employees, subconsultants or agents except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City.
- (c) Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Contractor may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE.

Consultant represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Consultant under this Agreement, and shall use such skill, prudence, and diligence as other members of Consultant's profession commonly possess and exercise. In addition to the general

standards of performance set forth this section, additional specific standards of performance and performance criteria may be set forth in Exhibit “A” “Scope of Services” that shall also be applicable to Consultant’s work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

Consultant shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Consultant shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Consultant represents and warrants that Consultant has obtained or shall promptly obtain all necessary licenses to perform the Services set forth in this Agreement and that such licenses are in good standing. Consultant further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Consultant to comply with this section.

SECTION 11. PREVAILING WAGE LAWS.

- (a) Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. To the extent applicable, Consultant shall defend, indemnify, and hold the City, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Consultant to comply with the Prevailing Wage Laws.
- (b) It is the understanding of City and Consultant that Prevailing Wage Laws do not apply to this Agreement because the Agreement does not involve any of the following services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder: Construction, alteration, demolition, installation, or repair work performed on public buildings, facilities, streets or sewers done under contract and paid for in whole or in part out of public funds. In this context, “construction” includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

SECTION 12. NONDISCRIMINATION.

Consultant shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition or marital status in connection with or related to the performance of this Agreement.

SECTION 13. UNAUTHORIZED ALIENS.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of the Services, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

SECTION 14. CONFLICTS OF INTEREST.

- (a) Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of the Services. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.
- (b) City understands and acknowledges that Consultant is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.
- (c) City understands and acknowledges that Consultant will, perform non-related services for other governmental agencies and private parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 15. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

- (a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.
- (b) Consultant, its officers, employees, agents or subconsultants, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

- (c) If Consultant, or any officer, employee, agent or subconsultant of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.
- (d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 16. INDEMNIFICATION.

- (a) INDEMNIFICATION BY CONSULTANT. To the fullest extent permitted by law, Consultant shall indemnify, protect, defend (with legal counsel reasonably acceptable to City) and hold harmless City and any and all of its elected and appointed officials, officers, employees, representatives and agents ("Indemnified Parties") from and against any and all claims, actions and proceedings (whether at law or equity, administrative or judicial), demands, orders, judgments, losses, injuries (including, without limitation, injury to or death of an employee of Consultant or subconsultants), liabilities of every kind (including, without limitation, incidental and consequential damages, court costs, and litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and cost of investigation), damages, costs and expenses, including attorney's fees and costs, (collectively "Claims") that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, any goods provided or performance of Services by Consultant, its officers, agents, employees, representatives, subconsultants, anyone directly or indirectly employed by any of them, or anyone that they control. Consultant's duty to indemnify, protect, defend and hold harmless Indemnified Parties, shall not include any Claims arising from the sole negligence or willful misconduct of the Indemnified parties.
- (b) INDEMNIFICATION FROM SUB-CONSULTANTS. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subconsultant, subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement naming the Indemnified Parties as additional indemnitees. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set

forth herein is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this Agreement and this section.

SECTION 17. INSURANCE.

Consultant agrees to obtain and maintain in full force and effect during the Term of this Agreement the insurance policies set forth in Addendum “1” “Insurance” and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Consultant agrees to provide City with copies of required policies upon request.

SECTION 18. ASSIGNMENT.

The expertise and experience of Consultant are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Consultant under this Agreement. In recognition of that interest, Consultant shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Consultant’s duties or obligations under this Agreement without the prior written consent of the City, which may be given in the sole and absolute discretion of the City Manager. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 20 “Termination of Agreement.” City acknowledges, however, that Consultant, in the performance of its duties pursuant to this Agreement, may utilize subconsultants.

If in the performance of its duties Consultant utilizes subconsultants or subcontractors, Consultant covenants that subcontracts, if any, shall contain a provision making subconsultants or subcontractors subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 17 “Insurance.” The Consultant acknowledges and agrees that the City is an intended beneficiary of any work performed by any subconsultant or subcontractor for purposes of establishing a duty of care between any subconsultant or subcontractor and the City.

SECTION 19. CONTINUITY OF PERSONNEL.

Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant’s staff and subcontractors / subconsultants, if any, assigned to perform the Services. Consultant shall notify City of any changes in Consultant’s staff and subcontractors/ subconsultants, if any, assigned to perform the Services prior to and during any such performance.

SECTION 20. TERMINATION OF AGREEMENT.

- (a) City may terminate this Agreement, with or without cause, at any time by giving written notice of termination to Consultant. In the event such notice is given, Consultant shall cease immediately all work in progress.
- (b) Consultant may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.

- (c) If either Consultant or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant, or City may terminate this Agreement immediately upon written notice.
- (d) Upon termination of this Agreement by either Consultant or City, all property belonging exclusively to City which is in Consultant's possession shall be returned to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in Section 4 "Compensation and Method of Payment" of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 "Compensation and Method of Payment" of this Agreement.
- (e) Upon written notice, City may suspend all or any portion of Consultant's performance under this Agreement at its sole option and for its convenience for a reasonable period of time not to exceed six (6) months. City will pay to Consultant a sum equivalent to the reasonable value of the services satisfactorily provided up to the date of suspension. City may rescind the suspension prior to or at six (6) months by providing Consultant with written notice of the rescission, at which time Consultant would be required to resume performance in compliance with the terms and provisions of this Agreement. Consultant will be entitled to an extension of time to complete performance under this Agreement equal to the length of the suspension unless otherwise agreed to in writing by the Parties.

SECTION 21. DEFAULT.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended or reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under Section 20 "Termination of Agreement." Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

SECTION 22. EXCUSABLE DELAYS.

Consultant shall not be liable for damages, including liquidated damage, if any, caused by delay in performance or failure to perform due to causes beyond the control of Consultant. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 23. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the Services shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the Services to be performed under this Agreement.

SECTION 24. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Canyon Lake
Attn: Arron Brown, City Manager
31516 Railroad Canyon Rd,
Canyon Lake, CA 92587

To Consultant: Interwest Consulting Group
Attn: Paul Meschino, President
1500 S. Haven Ave, Suite 220
Ontario, CA 91761

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 25. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Consultant to the performance of its obligations hereunder.

SECTION 26. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 28 "Amendment" and the City Manager's contracting authority under the Canyon Lake Municipal Code.

SECTION 27. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 28. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Consultant and by City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority under the Canyon Lake Municipal Code. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 29. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 30. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venues in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

SECTION 31. ATTORNEY'S FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing Party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 32. ENTIRE AGREEMENT.

This Agreement, including the attached Exhibits and Addendums, along with any amendments thereto, is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid and binding.

SECTION 33. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 34. INCORPORATION AND CONFLICTING TERMS.

(a) The following documents are incorporated and made part of this Agreement by this reference:

1. Insurance requirements (“Addendum 1”)
2. All Exhibits and Addendums
3. All amendments
4. Consultant’s proposal, if any
5. Any laws, regulations, requirements, or restrictions, applicable to the funding source used by City to pay Consultant for any portion of work done under Agreement (“Funding Restrictions”)

(b) The documents listed above shall be referred to collectively as the “Agreement Documents.” The Agreement Documents are intended to be complementary, and a requirement in one Document is effective as if it appeared in all the Documents. In the event of a conflict between any of the Agreement Documents, the Documents shall be given effect in the following order: Funding Restrictions, Amendments (most recent first), this Agreement, Insurance requirements, Exhibits and Addendums, and Consultant’s proposal. Where the requirements of one Document are more stringent than another the more stringent shall govern.

SECTION 35. TIME OF ESSENCE.

Time is of the essence for each and every provision of this Agreement.

[SIGNATURE PAGE FOLLOWS]

**PROFESSIONAL SERVICES AGREEMENT
FOR ENGINEERING SERVICES
BETWEEN THE CITY OF CANYON LAKE AND INTERWEST CONSULTING GROUP**

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

CITY OF CANYON LAKE

Interwest Consulting Group

By: _____
Arron Brown, City Manager

By: 
Paul Meschino, President

ATTEST:

By: _____
Sheryl L. Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

By: _____
Steven Graham Pacifico, City Attorney

EXHIBIT “A”
SCOPE OF SERVICES
[To be attached]



March 17, 2025

Arron Brown, City Manager
City of Canyon Lake
31516 Railroad Canyon Road
Canyon Lake, CA 92587

Subject: Interwest Consulting Group - Contract Extension

Dear Mr. Brown,

Interwest Consulting Group, Inc. (Interwest) is pleased to submit our request for a contract extension to continue providing Public Works Engineering services to the City of Canyon Lake. Based on our recent conversations, you suggested renewing our services for another year, effective July 1, 2025. Please find our Scope of Services detailed in Exhibit A, along with our current fee structure that will apply for the remainder of the contract term. Our responsibilities will remain consistent with the current agreement and our assigned work activity.

We appreciate the opportunity to continue serving the City of Canyon Lake. Our team remains dedicated to delivering high-quality work, excellent customer service, and responsive, professional support to the City Manager, City Council, and the Canyon Lake community. We value our partnership and consider it a privilege to serve under your leadership.

Please let us know if you have any questions or require further information from us.

Sincerely yours,

Paul Meschino
President
Interwest Consulting Group

EXHIBIT A

SCOPE OF WORK On-Call/Staff Augmentation Services

Interwest Consulting Group shall provide a variety of anticipated and requested services required by the City over the contract period. Interwest shall also perform additional tasks within the Consultant's area of expertise as requested and approved by the City Manager. Interwest services include the following:

- City Council meeting attendance
- Planning Commission meeting attendance
- Traffic Investigations
- Public Works Maintenance and Operations Review and Response
- Technical and Policy Review and Response to:
 - o Regional, State and Federal funding programs
 - o Issues requiring engineering review/analysis/recommendations
 - o Outside agency and industry questions/issues
 - o General Correspondence
- NPDES/Flood Plain Management
- Technical Review of Outside Agency reports/studies
- Pre-Development Meeting Attendance
- Capital Improvement Program Support
- Grant Funding Application Oversight and Preparation
- Review/Respond to Non-Emergency Correspondence

The Consultant's Personnel shall be deemed to be agents of the City while performing such services, provided such services are within the scope of work authorized by this Contract. Consultant's specific areas of services include, but are not limited to, the following:

- Provide qualified and experienced individuals to represent the City as Public Works Director, City Engineer and City Building Official;
- Provide qualified and experienced working managers and staff support to lead each key service area in the Public Works and Building and Safety Departments;
- Attend City Council, Planning Commission and other meetings as necessary to represent City engineering, building and safety, and other areas as necessary;
- Provide development processing, plan and map checking, and on-site inspection for all new development activity;
- Research, prepare, and coordinate grant funding requests
- Coordinate the City's transportation program with the County of Riverside, Riverside County Transportation Commission, Western Riverside Council of Governments, Southern California Association of Governments, Riverside Transit Agency, and other local, regional, state, and federal programs;
- Represent the City at meetings with other agencies, special districts, community groups, and members of the development community as needed;

- Prepare and administer the City's Development Services Budget and Capital Improvement Program Budget;
- Develop specific finance plans and strategies necessary to implement development projects;
- Prepare, review, and administer public facilities infrastructure master plans;
- Provide project management services for the preparation of contract documents and specifications for public infrastructure projects;
- Provide design services for various public works projects;
- Provide Real Estate Acquisition and Relocation Services for City projects;
- Provide services in support of the preparation of environmental documents for City projects or for development projects being processed by the City;
- Provide construction management services including administering labor compliance and field observation of the construction of infrastructure projects;
- Establish and manage appropriate levels of proactive maintenance of the City's infrastructure;
- Manage third party agreements with the City;
- Provide City Traffic Engineering related services such as traffic safety investigations, speed zone surveys, route planning, corridor analysis, capacity evaluations, bicycle and pedestrian facilities analysis, traffic impact reports, computer modeling, congestion management programs, traffic signal and control systems, traffic management plans for construction zones; parking facilities, street signage and marking programs, and street lighting;
- Direct street maintenance and beautification programs;
- Prepare a comprehensive package of application forms, informational handouts, FEMA maps, and other materials in order to make information accessible and useful to the public and allow the processing of projects for Public Works and Building and Safety Departments;
- Oversee and manage the preparation of a comprehensive pavement management system;
- Manage the City's storm water program and coordinate with other regional, state, and federal agencies as may be necessary including the preparation for emergency situations, address specific areas of concern as may arise, coordinate the City's NPDES requirements with the County and take actions as may be appropriate for the City;
- As part of developing the City's long-range Capital Improvement Program, undertake a comprehensive review of all finance programs currently underway or proposed including all debt finance programs, developer fee programs, specific development finance plans, other regional, state, and federal funding programs;
- Provide creative solutions to difficult and unforeseen problems;
- Keep the City Council and City Manager abreast in current technology, materials, grant funding availability and methods in the Public Works and Building and Safety arena;
- Provide services to support other City departments as requested such as administrative, City Clerk Services, Finance, and Accounting, Information Technology; and
- Provide additional expertise and services in the areas of public works, water/wastewater engineering, street and roadway engineering, traffic engineering, building and safety plan check and inspection, capital facilities and infrastructure financing, or other areas which may be required by the City.
- Work with the City Attorney in the preparation of ordinances and agreement.

Billing Rates

Effective January 1, 2025

Beginning on the 1st anniversary of the Effective Date of the Agreement and annually thereafter, the hourly rates listed below shall be automatically increased based upon the annual increase in the Department of Labor, Bureau of Labor Statistics or successor thereof, Consumer Price Index (United States City Average, All Items (CPI-U), Not Seasonally adjusted, All Urban Consumers, referred to herein as the "CPI"). Such increase shall not exceed 4% per annum. The increase will become effective upon publication of the applicable CPI data. If the index decreases, the rates listed shall remain unchanged.

Classification

Hourly Billing Rate

Engineering

Principal in Charge.....	\$265
Principal Engineer	240
City Surveyor	230
City Engineer	235
Project Manager	220
Senior Traffic Engineer.....	210
Traffic Engineer III	200
Traffic Engineer II	190
Traffic Engineer I.....	180
Traffic Engineering Associate II.....	165
Traffic Engineering Associate I.....	155
Transportation Engineer	220
Supervising Engineer	215
Senior Engineer.....	210
Licensed Land Surveyor.....	200
Engineering Associate III.....	165
Engineering Associate II.....	155
Engineering Associate I.....	145
Survey Technician	135
Senior Engineering Technician	135
Engineering Technician III.....	135
Engineering Technician II.....	120
Engineering Technician I.....	110
Student Trainee.....	55
Grading Plans Examiner.....	170

Building Safety Services

Certified Building Official.....	170
Deputy Building Official.....	160
Licensed Plan Review Engineer (structural, civil, electrical, mechanical) / Architect	165
Supervising Structural Engineer	210
Senior Structural Engineer.....	195
Senior Plans Examiner.....	150
CASp.....	145
Inspector III	120
Inspector II	110

Inspector I	100
Permit Technician	85
Fire Protection Engineer	170
Senior Fire Plans Examiner	140
Fire Plans Examiner / Fire Inspector	130
ICC Building Plans Examiner	130
Senior Code Enforcement Officer	145
Code Enforcement Officer	135
Trainee	75

Construction Management

Construction Manager	190
Assistant Construction Manager	170
Supervising Public Works Observer	185
Senior Public Works Observer	180
Public Works Observer III	165
Public Works Observer II	150
Public Works Observer I	135

Real Estate

Supervising Corporate Broker	270
Senior Project Manager	210
Project Manager	190
Senior Acquisition / Relocation Agent	145
Acquisition / Relocation Agent	130
ROW Technician	120
ROW Coordinator	105
Administrative Support	80

Landscape Design Review Services

Project Manager	195
Senior Landscape Design Reviewer	175
Landscape Design Reviewer	160
Landscape Maintenance Inspector	135
Landscape Field Supervisor	135

Planning Services

Community Development Director	230
Project Manager	210
Planning Manager	210
Principal Planner	190
Senior Planner	175
Associate Planner	140
Assistant Planner	115
Planning Technician	95

Environmental Services

CEQA/NEPA Project Manager	225
CEQA/NEPA Principal Planner	215
CEQA/NEPA Senior Planner	195

CEQA/NEPA Associate Planner.....	160
CEQA/NEPA Assistant Planner.....	130
CEQA/NEPA Planning Tech.....	110

Administrative

Grant Manager.....	170
Grant Writer	160
Management Analyst II.....	130
Management Analyst I.....	120
Senior Administrative	120
Administrative III.....	100
Administrative II.....	95
Administrative I.....	80

Miscellaneous

Work Outside Standard Hours - Services **provided in excess of 8 hours per day, outside regular business hours, nights, weekends and holidays will be invoiced at 150% of the above standard rates.**

Prevailing Wages – Where work is required under the CA Labor Code for prevailing wages per jurisdiction, there will be a supplemental charge per hour to the above rates per applicable job classification, established at the time of commencement of work and adjusted from time to time in accordance with future wage determinations pursuant to the labor rates as determined by the CA Department of Industrial Relations.

Mileage & Tolls – For inspection staff reporting to the job site from out of town, mileage will be reimbursed to and from the employee's reporting location, including their home location if not reporting to a company office, at the effective standard federal rate established at time of service. Tolls will be billed with no markup.

EXHIBIT "B"
COMPENSATION

Total compensation shall not exceed Eighty Thousand Dollars (\$80,000.00), during which services are provided, notwithstanding any contrary indications that may be contained in Provider's proposal, for services to be performed and reimbursable costs incurred under this Agreement.

EXHIBIT “B”
COMPENSATION

Total compensation for the Services shall not exceed eighty thousand dollars (\$80,000.00).

ADDENDUM “1”

INSURANCE

(A) INSURANCE REQUIREMENTS. Consultant shall provide and maintain insurance, acceptable to the City, in full force and effect throughout the term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Consultant, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best’s rating of no less than A:VII. Consultant shall provide the following scope and limits of insurance:

1. MINIMUM SCOPE OF INSURANCE. Consultant shall maintain the following types and limits of insurance.
2. MINIMUM LIMITS OF INSURANCE.

GENERAL LIABILITY INSURANCE. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

AUTOMOBILE LIABILITY INSURANCE. Consultant shall maintain automobile liability insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

PROFESSIONAL LIABILITY (ERRORS & OMISSIONS) INSURANCE. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

WORKERS’ COMPENSATION INSURANCE. Consultant shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000 per accident or disease). Consultant shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees and volunteers.

UMBRELLA OR EXCESS LIABILITY INSURANCE. [Optional depending on limits required]. As an option to meet the limits of insurance required by this Agreement, Consultant may obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages

set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(B) OTHER PROVISIONS. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either Party to this Agreement, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City.

(C) OTHER REQUIREMENTS. Consultant agrees to deposit with City, at or before the effective date of this Agreement, certificates of insurance necessary to satisfy City that the insurance provisions of this contract have been complied with. The City Attorney may require that Consultant furnish City with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Upon request from the City, Consultant shall furnish certificates and endorsements from each subcontractor identical to those Consultant provides.
2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.
3. The procuring of such required policy or policies of insurance shall not be construed to limit Consultant's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.
4. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to

contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

5. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.
6. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Mike Borja, Community Development Director

DATE: June 11, 2025

SUBJECT: Approve the Services Agreement between the City of Canyon Lake and CTAI Pacific Greenscape for Landscape and Irrigation Maintenance Services

Recommendation

Approve the Services Agreement with CTAI Pacific Greenscape to extend the term to June 30, 2026, for Landscape and Irrigation Maintenance Services.

Background

At the meeting of June 12, 2024, the City Council approved a Professional Services Agreement with CTAI Pacific Greenscape for Landscape and Irrigation Maintenance Services for Railroad Canyon Road and the Canyon Lake Fire Department. The term for the Professional Services Agreement with CTAI Pacific Greenscape was for one (1) year, ending on June 30, 2025, with the option of renewing the agreement for an additional year, upon City Council approval. With the current term for the Professional Services Agreement with CTAI Pacific Greenscape expiring on June 30, 2025, CTAI Pacific Greenscape has requested the City's consideration to exercise its option to extend the Agreement another year.

Under the City's Procurement Policy, 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.

Over the past year, CTAI has vastly improved the overall landscape services of Railroad Canyon Road and the Fire Station. They continue to provide quality landscape and irrigation maintenance services and they have continued to maintain a positive relationship with City staff whenever immediate help was needed. Because of that, staff is recommending that City

Council exercise the City Council Waiver as outlined in Section 3.080.060 of the City's Procurement Policy to maintain its current services with CTAI Pacific Greenscape.

Fiscal Impact

The City's current not-to-exceed annual costs for Landscape and Irrigation Maintenance Services with CTAI Pacific Greenscape is \$63,324.00, which includes the services for Railroad Canyon Road and the Canyon Lake Fire Department. Based on experience and projections for the upcoming fiscal year, CTAI Pacific Greenscape has agreed to maintain the same not-to-exceed annual cost of \$63,324.00. The annual not-to-exceed cost of the Agreement has been budgeted as part of the Fiscal Year 2025-26 budget. As with the original agreement, the proposed agreement is structured so that the City is obligated to only pay a monthly flat fee that's based on services provided by CTAI Pacific Greenscape.

Attachments

1. Services Agreement

ATTACHMENT 1

**SERVICES AGREEMENT
FOR LANDSCAPE & IRRIGATION MAINTENANCE SERVICES
BETWEEN THE CITY OF CANYON LAKE AND CTAI PACIFIC GREENSCAPE**

THIS SERVICES AGREEMENT (“Agreement”) is made and entered into this 1st day of July 2025 (“Effective Date”), by and between the City of Canyon Lake (“City”), a California municipal corporation and CTAI Pacific Greenscape, a California limited liability company (“Service Provider”). For the purposes of this Agreement City and Service Provider are sometimes hereinafter referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

1. City has sought by direct contract the performance of the routine landscape and irrigation maintenance services defined and described particularly in Section 2, “Scope of Services and Schedule of Performance” of this Agreement.
2. Service Provider was selected by City on the basis Service Provider demonstrates competence and the professional qualifications necessary for the satisfactory performance of the services required.
3. Service Provider was selected by City on the basis Service Provider provides the best value to the City and that it is in the best interest of City to do so.
4. City has the authority to enter into this Agreement, and the City Manager has the authority to execute this Agreement.
5. The Parties desire to formalize the selection of Service Provider for performance of those services defined and described particularly in Section 2 “Scope of Services” of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, for and in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. TERM OF AGREEMENT

- (a) This Agreement shall commence on the Effective Date and shall remain and continue in effect for a period of one (1) year unless sooner terminated pursuant to the provisions of Section 21 “Termination of Agreement” of this Agreement.

- (b) The City Manager may, in his or her sole discretion, unilaterally exercise an option to extend this Agreement for one (1) additional year on the same terms and conditions, including compensation as set forth in section 4 “Compensation.”
- (c) Service Provider acknowledges that the Agreement term may extend over multiple City fiscal years, and that work and compensation under this Agreement is contingent on the City Council appropriating funding for and authorizing such work and compensation for those fiscal years. This Agreement may be terminated by the City Manager at the end of a fiscal year when sufficient funding is not appropriated and authorized for the subsequent fiscal year. City is not obligated to pay Service Provider for any amounts not duly appropriated and authorized by City Council.

SECTION 2. SCOPE OF SERVICES

Subject to this Agreement, all addendums and exhibits attached and incorporated hereto, Service Provider agrees to perform the services and tasks set forth in Exhibit “A,” “Scope of Services” (hereinafter, the “Services”), and the City agrees to retain and does hereby retain Service Provider for the Services.

SECTION 3. ADDITIONAL SERVICES

Service Provider shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 25 “Administration and Implementation” or Section 27 “Amendment” of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. COMPENSATION

- (a) Subject to any limitations set forth in this Agreement, City agrees to pay Service Provider the amounts specified in Exhibit “B” “Compensation” and made a part of this Agreement by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed sixty-three thousand three hundred twenty-four dollars (\$63,324.00) (“Not to Exceed Amount”), unless additional compensation is approved in writing in accordance with Section 25 “Administration and Implementation” or Section 27 “Amendment” of this Agreement.
- (b) Payment to Service Provider for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Service Provider.
- (c) If this Agreement is extended pursuant to Section 1 “Term of Agreement,” the City shall pay the same rates specified in Exhibit “B” “Compensation.”

SECTION 5. METHOD OF PAYMENT AND INVOICING

- (a) Payment shall be made in accordance with City's usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 23, "Notices" hereof. Under no circumstances shall the total amount paid to Service Provider under this Agreement exceed the City Manager's authority without approval by the City Council.
- (b) Service Provider shall submit within 30 days of the end of each month a complete and accurate written itemized invoice for services performed and/or goods provided. The invoice must be in a format approved by City. In order to receive payment, Service Provider shall submit to City an itemized invoice, on a monthly basis, for services performed pursuant to this Agreement. Each itemized invoice shall identify at the top of the first page, the Not to Exceed Amount (as set by Section 4(a) above), the total amount billed to date, the services rendered during the billing period, and the amount due for the statement invoice for which reimbursement is sought in the statement invoice. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub provider contracts. Sub provider charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in Section 4(a) and Exhibit "B" include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of tasks performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Service Provider to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Service Provider for correction and resubmission.
- (c) Except as to any charges for work performed or expenses incurred by Service Provider which are disputed by City, City will use its best efforts to cause Service Provider to be paid within forty-five (45) days of receipt of Service Provider's correct and undisputed invoice.
- (d) The Parties estimate that performance of this Agreement will be accomplished without an increase in the Not to Exceed Amount. Service Provider shall notify the City in writing whenever it has reason to believe that the costs the Service Provider expects to incur under this Agreement in the following sixty (60) days, when added to all costs previously incurred, will exceed eighty percent (80%) of the Not to Exceed Amount specified herein. As part of the notification, the Service Provider shall provide the City with a revised estimate of the total cost of performing this Agreement.

SECTION 6. INSPECTION AND FINAL ACCEPTANCE

City may inspect and accept or reject any of Service Provider's work under this Agreement, either during performance or when completed. City shall reject or finally accept Service Provider's work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Service Provider's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Service Provider's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 17 "Indemnification" and Section 18 "Insurance."

SECTION 7. SERVICE PROVIDER'S BOOKS AND RECORDS

- (a) Service Provider shall maintain any and all documents and records demonstrating or relating to Service Provider's performance of the Services. Service Provider shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the Services provided by Service Provider pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.
- (b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Service Provider's address indicated for receipt of notices, "Section 23," of this Agreement.
- (c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of Service Provider's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors in interest and authorized representatives.

SECTION 8. INDEPENDENT CONTRACTOR

- (a) Service Provider is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Service Provider shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred

under this Agreement or is otherwise expressly conferred in writing by City.

- (b) The personnel performing the Services under this Agreement on behalf of Service Provider shall at all times be under Service Provider's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Service Provider or any of Service Provider's officers, employees, sub providers or agents except as set forth in this Agreement. Service Provider shall not at any time or in any manner represent that Service Provider or any of Service Provider's officers, employees, or agents are in any manner officials, officers, employees or agents of City.
- (c) Neither Service Provider, nor any of Service Provider's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Service Provider expressly waives any claim Service Provider may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE

Service Provider represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Service Provider shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Service Provider shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Service Provider under this Agreement, and shall use such skill, prudence, and diligence as other members of Service Provider's profession commonly possess and exercise. In addition to the general standards of performance set forth this section, additional specific standards of performance and performance criteria may be set forth in Exhibit "A" "Scope of Services" that shall also be applicable to Service Provider's work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES

Service Provider shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Service Provider shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Service Provider represents and warrants that Service Provider has obtained or shall promptly obtain all necessary licenses to perform the Services set forth in this Agreement and that such licenses are in good standing, including but not limited to obtaining a City business license. Service Provider further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Service Provider to comply with this section.

SECTION 11. PREVAILING WAGE LAWS

Service Provider is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. To the extent applicable, Service Provider shall defend, indemnify, and hold the City, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Service Provider to comply with the Prevailing Wage Laws.

SECTION 12. NONDISCRIMINATION

Service Provider and sub providers shall not unlawfully discriminate, harass, or allow harassment against any person because of sex, sexual orientation, gender, gender identity, gender expression, reproductive health decision-making, race, color, religious creed, marital status, ancestry, national origin, medical condition, genetic information, age, disability (mental and physical), or military or veteran status in connection with or related to the performance of this Agreement. Service Provider and sub providers shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code, § 12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Code of Regs, tit. 2, § 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, § 12990 (a)-(f), are incorporated into this Agreement by reference and made a part hereof as set forth in full (Cal. Code of Regs, tit. 2, § 7285.0, et seq.). Service Provider shall include the non-discrimination and compliance provisions of this section in all subcontracts to perform work under this Agreement.

SECTION 13. CONFLICTS OF INTEREST

- (a) Service Provider covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Service Provider’s performance of the Services. Service Provider further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Service Provider agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.
- (b) City understands and acknowledges that Service Provider is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Service Provider is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.
- (c) City understands and acknowledges that Service Provider will, perform non-related services for other governmental agencies and private parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION

- (a) All information gained or work product produced by Service Provider in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Service Provider. Service Provider shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.
- (b) Service Provider, its officers, employees, agents or sub providers, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Service Provider gives City notice of such court order or subpoena.
- (c) If Service Provider, or any officer, employee, agent or sub provider of Service Provider, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Service Provider for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Service Provider's conduct.
- (d) Service Provider shall promptly notify City should Service Provider, its officers, employees, agents or sub providers be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Service Provider or be present at any deposition, hearing or similar proceeding. Service Provider agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Service Provider. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 15. INDEMNIFICATION

- (a) To the fullest extent permitted by law, Service Provider shall indemnify, protect, defend (with legal counsel reasonably selected by the City) and hold harmless City and any and all of its elected and appointed officials, officers, employees, representatives and agents ("Indemnified Parties") from and against any and all claims, actions and proceedings (whether at law or equity, administrative or judicial), demands, orders, judgments, losses, injuries (including, without limitation, injury to or death of an employee of Service Provider or sub providers), liabilities of every kind (including, without limitation, incidental and consequential damages, court costs, and litigation expenses, and fees of expert providers or expert witnesses incurred in connection therewith and cost of investigation), damages, costs and expenses, including attorney's fees and costs, (collectively "Claims") that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, performance of Services by Service Provider, its officers, agents,

employees, representatives, sub providers, anyone directly or indirectly employed by any of them, or anyone that they control. Service Provider's duty to indemnify, protect, defend and hold harmless Indemnified Parties, shall not include any Claims arising from the sole negligence or willful misconduct of the Indemnified Parties.

- (b) Service Provider agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every sub provider, subcontractor or any other person or entity involved by, for, with or on behalf of Service Provider in the performance of this Agreement naming the Indemnified Parties as additional indemnitees. In the event Service Provider fails to obtain such indemnity obligations from others as required here, Service Provider agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns or heirs of Service Provider and shall survive the termination of this Agreement and this section.

SECTION 16. INSURANCE

Service Provider agrees to obtain and maintain in full force and effect during the Term of this Agreement the insurance policies set forth in Exhibit "C" "Insurance" and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Service Provider agrees to provide City with copies of required policies upon request.

SECTION 17. ASSIGNMENT

The expertise and experience of Service Provider are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Service Provider under this Agreement. In recognition of that interest, Service Provider shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Service Provider's duties or obligations under this Agreement without the prior written consent of the City, which may be given in the sole and absolute discretion of the City Manager. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 21 "Termination of Agreement." City acknowledges, however, that Service Provider, in the performance of its duties pursuant to this Agreement, may utilize sub providers.

If in the performance of its duties Service Provider utilizes sub providers or subcontractors, Service Provider covenants that subcontracts, if any, shall contain a provision making sub providers or subcontractors subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 18 "Insurance." The Service Provider acknowledges and agrees that the City is an intended beneficiary of any work performed by any sub provider or subcontractor for purposes of establishing a duty of care between any sub provider or subcontractor and the City.

SECTION 18. CONTINUITY OF PERSONNEL

Service Provider shall make every reasonable effort to maintain the stability and continuity of Service Provider's staff and subcontractors / sub providers, if any, assigned to perform the Services. Service Provider shall notify City of any changes in Service Provider's staff and subcontractors/sub providers, if any, assigned to perform the Services prior to and during any such performance.

SECTION 19. TERMINATION OF AGREEMENT

- (a) City may terminate this Agreement in its sole and absolute discretion, with or without cause, at any time by giving written notice of termination to Service Provider. In the event such notice is given, Service Provider shall cease immediately all work in progress.
- (b) Service Provider may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.
- (c) If either Service Provider or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Service Provider, or City may terminate this Agreement immediately upon written notice.
- (d) Upon termination of this Agreement by either Service Provider or City, all property belonging exclusively to City which is in Service Provider's possession shall be returned to City. Service Provider shall furnish to City a final invoice for work performed and expenses incurred by Service Provider, prepared as set forth in Section 5 "Method of Payment and Invoicing" of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 5 "Method of Payment and Invoicing" of this Agreement.
- (e) Upon written notice, City may suspend all or any portion of Service Provider's performance under this Agreement at its sole option and for its convenience for a reasonable period of time not to exceed six (6) months. City will pay to Service Provider a sum equivalent to the reasonable value of the services satisfactorily provided up to the date of suspension, in accordance with the compensation terms set forth in Section 4 and Exhibit "B" of this Agreement. City may rescind the suspension prior to or at six (6) months by providing Service Provider with written notice of the rescission, at which time Service Provider would be required to resume performance in compliance with the terms and provisions of this Agreement. Service Provider will be entitled to an extension of time to complete performance under this Agreement equal to the length of the suspension unless otherwise agreed to in writing by the Parties.

SECTION 20. EXCUSABLE DELAYS

Neither Party shall be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of either Party. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state

or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 21. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Canyon Lake
Attn: Arron Brown, City Manager
31516 Railroad Canyon Road
Canyon Lake, CA 92587

To Service Provider: CTAI Pacific Greenscape
Attn: Charles Andrews, Owner
23520 Kettle Road
Murrieta, CA 92562

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 22. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Service Provider represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Service Provider to the performance of its obligations hereunder.

SECTION 23. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 27 "Amendment" and the City Manager's contracting authority under the City of Canyon Lake Municipal Code.

SECTION 24. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 25. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Service Provider and by City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 26. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Service Provider shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 27. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

SECTION 28. ATTORNEY'S FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing Party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 29. ENTIRE AGREEMENT.

This Agreement, including the attached exhibits and addendums, along with any amendments thereto, is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Service Provider and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid and binding.

SECTION 30. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 31. INCORPORATION AND CONFLICTING TERMS.

- (a) The following documents are incorporated and made part of this Agreement by this reference:
1. All exhibits and addendums
 2. All amendments
 3. Service Provider's proposal, if any
 4. Any laws, regulations, requirements, or restrictions, applicable to the funding source used by City to pay Service Provider for any portion of work done under Agreement ("Funding Restrictions")
- (b) The documents listed above shall be referred to collectively as the "Agreement Documents." The Agreement Documents are intended to be complementary, and a requirement in one Document is effective as if it appeared in all the Documents. In the event of a conflict between any of the Agreement Documents, the Documents shall be given effect in the following order: Funding Restrictions, Amendments (most recent first), this Agreement, Insurance requirements, exhibits and addendums, and Service Provider's proposal. Where the requirements of one Document are more stringent than another the more stringent shall govern.

SECTION 32. TIME OF THE ESSENCE.

Time is of the essence for each and every provision of this Agreement.

SIGNATURE BLOCK ON NEXT PAGE

**SERVICES AGREEMENT
FOR LANDSCAPE & IRRIGATION MAINTENANCE SERVICES
BETWEEN THE CITY OF CANYON LAKE AND CTAI PACIFIC GREENSCAPE**

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

CITY OF CANYON LAKE

CTAI PACIFIC GREENSCAPE

By: _____
Arron Brown, City Manager

By: Charles Andrews
Charles Andrews, Owner

ATTEST:

By: _____
Sheryl L. Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

By: _____
Steven Graham Pacifico, City Attorney

**EXHIBIT “A”
SCOPE OF SERVICES**

[To be attached]

CTAI PACIFIC GREENSCAPE
LANDSCAPE SERVICE

23520 Kettle Road

Murrieta CA 92562

Office (951) 696-2277

Fax (951) 461-0760

email ctai@me.com



PROPOSAL

DATE: 03/05/2025

TO: City of Canyon Lake

REFERENCE: City of Canyon Lake
31516 Railroad Canyon Road
Canyon Lake, CA 92587

WORK DESCRIPTION:

Weekly -Full Landscape Maintenance Service

SCOPE OF WORK: EXHIBIT A - EXTERIOR LANDSCAPE MAINTENANCE SPECIFICATIONS

PLEASE SEE ATTACHED "SCOPE OF WORK"

TOTAL MONTHLY/ANNUAL LANDSCAPE MAINTENANCE COST FY 25/26:

Landscape Maintenance Service- Monthly Cost: \$5,014.00

Fire Station #1 Monthly Service Cost : \$263.00

City Of Canyon Lake Cost: **Annually \$60,168.00**

Fire Station Cost: **Annually \$3,156.00**



EXHIBIT A

SCOPE OF WORK - Our Company will furnish all labor, tools, equipment, materials, and supervision for landscape maintenance at this site.

INTENT:

It is our every intent to be awarded this contract for the Landscape Maintenance Services for your property. All maintenance will be performed with the best landscape maintenance practices and will be kept in the highest aesthetic level of the facility being maintained. This effort is to complete professional care of landscape maintenance. Weekly landscape maintenance-service will be provided. Maintenance-service includes, but is not limited too; litter control, tree trimming weed control, fertilization, v-ditches, edging and cultivating as necessary. All plant materials, and trees are to be kept in healthy, growing condition, as well as all planted areas neat, attractive, and free of trash and debris. We are fully aware that the required maintenance specifications for this contract. We will maintain adequate staffing for the term of the landscaping service contract to complete all terms and conditions, weekly, semi-monthly and monthly tasks requirements, periodic requirements, and special event requirements, etc.

SHRUBS AND PLANTS:

All shrubs shall be pruned as required. Some plants are to be maintained with a “Natural Appearance” according to city standards. There will be minimal pruning/ trimming on these specified shrubs. Planters shall be kept free of weeds and debris, and raked as required. Fertilizer shall be applied as necessary to maintain a healthy growth.

TREES:

Pruning of all limbs for pedestrians to pass safely, prevent safety hazards, and remove all dead growth and broken limbs. Spraying of trees disease or pest shall be at an additional cost.

**NON-PLANTED AREAS:**

All sidewalk joints and cracks, and asphalt and curb joints shall be kept free of weeds.

IRRIGATION SYSTEM:

CTAI will be responsible for seasonal adjustment and weekly regulation of all control devices required for adequate watering. CTAI shall repair and or replace all/any broken or damaged sprinkler parts at no charge to the customer. (*Main line breaks repairs are excluded) Irrigation shall be confined to lawn and planted areas. Under no circumstances shall water be allowed to accumulate on sidewalks for pedestrian safety. Timer shall be adjusted to turn on early mornings or late nights to avoid sprinkling of parked cars. All major irrigation repair will be approved by management before work is performed.

FERTILIZERS:

CTAI's monthly price for maintenance includes seasonal fertilizing required to maintain a healthy green growth for all shrub and turf areas. Fertilizing shall occur quarterly (3 times per year) during Spring, Summer and Fall months, fertilizer types depend on season.

****PESTICIDE/HERBICIDE PROGRAM:**

All pesticides are included in the monthly price and are as follows: 1. Pre- emergent - will be applied as needed 2. Weed Abatement - completed as needed 3. Rodent Control - will include gophers/ground squirrels as required. We will maintain accurate and complete written records and reports of any/all applications of chemical, pesticides and herbicides. We will use photo-sensitive dyes when applying pesticides for weed control, and we will adhere to all safety precautions when applying all chemicals.

**TRASH/DEBRIS:**

All litter, trash, debris and dead plant material(s) will be removed from all turf, shrub, planter areas and walk way and disposed of appropriately. Our maintenance crew will sweep or blow-off all walk ways, curbs and gutters as needed.

INSPECTIONS/QUALITY CONTROL

Our Field Supervisors and Quality Control Inspectors will conduct weekly routine inspections of the facility, and will regularly inspect all landscaped areas for the presence of disease, insect and/or vertebrate pest infestations. We will notify the owner, within three (3) working days if any unusual disease or insect infestation is found and will follow the State of California Food and Agricultural code guidelines when when disposing of material.

EXTRA WORK:

In event that we are required to perform extra work, we will provide a written estimate cost of the requested work to Property Management for approval. All extra work will approved and signed off before performing any extra work.

SERVICE DAY:

Our scheduled service day to perform these duties will take place on Friday of every week.

**EXHIBIT “B”
COMPENSATION**

Total compensation for the Services shall not sixty-three thousand three hundred twenty-four dollars (\$63,324.00) (“Not to Exceed Amount”).

Breakdown: City of Canyon Lake Cost: Annually \$60,168.00
Fire Station Cost: Annually \$3,156.00

EXHIBIT “C” INSURANCE

(A) INSURANCE REQUIREMENTS. Service Provider shall provide and maintain insurance, acceptable to the City, in full force and effect throughout the Term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Service Provider, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. Service Provider shall provide the following scope and limits of insurance:

1. MINIMUM SCOPE OF INSURANCE. Service Provider shall maintain the following types and limits of insurance.

2. MINIMUM LIMITS OF INSURANCE.

GENERAL LIABILITY INSURANCE. Service Provider shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

AUTOMOBILE LIABILITY INSURANCE. Service Provider shall maintain automobile liability insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Service Provider arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

WORKERS’ COMPENSATION INSURANCE. Service Provider shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000 per accident or disease). Service Provider shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees and volunteers.

UMBRELLA OR EXCESS LIABILITY INSURANCE. As an option to meet the limits of insurance required by this Agreement, Service Provider may obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer’s liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;

- Policies shall “follow form” to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(B) OTHER PROVISIONS. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either Party to this Agreement, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City.

(C) OTHER REQUIREMENTS. Service Provider agrees to deposit with City, at or before the effective date of this Agreement, certificates of insurance necessary to satisfy City that the insurance provisions of this contract have been complied with. The City Attorney may require that Service Provider furnish City with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Upon request from the City, Service Provider shall furnish certificates and endorsements from each subcontractor identical to those Service Provider provides.

2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Service Provider shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit Service Provider's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

4. Coverage provided by Service Provider shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

5. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Service Provider or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Service Provider hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its sub providers.

6. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such

policies, with coverage at least as broad as ISO form CG 20 10. This provision shall also apply to any excess/umbrella liability policies.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Sheryl Garcia, Administrative Services Director/ City Clerk

DATE: June 11, 2025

SUBJECT: Adopt a Resolution Authorizing the City Manager to Obtain City Credit Cards through Citizens Business Bank

Recommendation

Adopt Resolution No. 2025-27 authorizing the City Manager to execute all necessary applications and documents to establish credit card accounts with Citizens Business Bank.

Background

The City currently maintains credit card accounts with California Bank and Trust (CBT). While these cards have been functional, Staff have encountered ongoing challenges with CBT's customer service and administrative processes.

At the time the City originally applied for credit, Citizens Business Bank (CBB) did not offer a municipal credit card program with rewards. However, CBB has since made this product available, and Staff believes transitioning to CBB for primary credit card use will offer significant operational benefits to the City.

Discussion

The CBB credit card program includes features such as automated invoice processing and integrated receipt tracking software. These tools are expected to improve efficiency, reduce administrative workload, and enhance internal control and recordkeeping.

Staff recommends maintaining the existing CBT accounts as a backup but shifting the City's primary credit card usage to CBB moving forward.

Fiscal Impact

No direct fiscal impact is anticipated.

Attachments

1. Resolution No. 2025-27

ATTACHMENT 1

RESOLUTION NO. 2025-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTATION TO OBTAIN CREDIT CARDS FROM CITIZENS BUSINESS BANK

WHEREAS, the City of Canyon Lake currently utilizes credit cards issued by California Bank and Trust for operational and administrative purposes; and

WHEREAS, Citizens Business Bank now offers a municipal credit card program that provides enhanced features, including automated invoice processing and receipt tracking software, which will improve efficiency and internal controls; and

WHEREAS, Staff recommends obtaining credit cards from Citizens Business Bank while retaining the existing credit card accounts with California Bank and Trust as a secondary option; and

WHEREAS, it is necessary to authorize the City Manager to execute all documentation required to apply for and obtain credit card accounts through Citizens Business Bank.

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 is hereby authorized to prepare, sign, and submit all applications, agreements, and other necessary documentation to establish and maintain credit card accounts with Citizens Business Bank.

Section 3. The City Manager is authorized to designate signatories on the Citizens Business Bank credit card account, including appropriate City personnel, and to make changes to the account as necessary to support City operations.

Section 4. 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 5. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 6. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED the 11th day of June 2025.

Mark Terry, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk



ITEM NO. 13

STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager
Steven Graham Pacifico, City Attorney

DATE: June 11, 2025

SUBJECT: Adopt a Resolution Authorizing the City Manager to Negotiate and Execute Lease Agreements

Recommendation

Adopt Resolution No. 2025-28 authorizing the City Manager to negotiate and execute Lease Agreements.

Background and Analysis

The City of Canyon Lake owns a number of office suites and buildings that, while not needed for immediate municipal operations, represent a potential revenue stream and opportunity to foster local economic activity. At the same time, the City periodically needs to lease space from third-party owners to accommodate short-term projects, seasonal programs, or emergent operational demands.

Historically, each lease—whether incoming or outgoing—has required individual City Council action. This process provides oversight but more often delays the process and diminishes the City's negotiating position. The proposed Resolution strikes a balance by:

- Delegating limited authority to the City Manager to execute leases within clearly defined monetary caps, term limits, and policy safeguards;
- Requiring City Council approval for leases that exceed those limits or present unique policy concerns; and
- Mandating transparent yearly reporting so that the City Council maintains continuous visibility.

Section	Topic	Highlights
1	Delegation of Authority	City-owned space: City Manager may execute leases that meet all “Standard Lease” criteria. City-occupied space: Authority to lease up to \$150,000/yr in aggregate base rent, not to exceed 105 % of fair-market value.
2	Standard Lease Terms	Minimum terms include 3-year base term, CPI-indexed rent $\geq$ 85 % of market, insurance/indemnity, maintenance split, early termination for City need, and strong default remedies.
3	Council-Review Triggers	City Council must pre-approve leases exceeding 5-year total term, annual rent > \$120k, sub-85 % market rent, City-funded tenant improvements, cannabis uses, etc.
4	Reporting	City Manager to deliver a yearly summary of all leasing actions.
5-7	Standard Resolution Clause	Standard legal provisions.

Adopting the proposed resolution would usher in a more nimble and strategically focused leasing program that advances the City’s operational and fiscal goals on several fronts. First and foremost, it would streamline day-to-day administration: instead of waiting several weeks for a City Council agenda cycle, staff could secure or dispose of modest office space quickly, allowing the City to seize market opportunities, avoid hold-over penalties, and accommodate sudden space needs without disrupting core services.

From a fiscal perspective, the resolution hard-wires discipline into every transaction. Outgoing leases must clear an 85-percent-of-market-rent threshold and track the regional Consumer Price Index, ensuring that City property never drifts into under-valued “sweetheart” arrangements and that revenue keeps pace with inflation. On the inbound side, the \$150,000 annual cap and 105-percent-of-market ceiling prevent departments from over-committing, while still giving the City Manager enough headroom to cover urgent programmatic needs.

The resolution embeds comprehensive risk-management safeguards. Mandatory multi-million-dollar insurance coverage, robust indemnity language, and the City’s retained control over structural systems markedly reduce exposure to liability. The ability for the City Council to reclaim any leased-out suite on 90 days’ notice for a bona fide municipal purpose preserves long-term flexibility: should City operations expand, the space can be re-absorbed without costly buy-outs.

Finally, transparency remains paramount. By requiring the City Manager to publish a detailed yearly report, the measure ensures that every lease—large or small—remains subject to legislative review. Combined with the explicit list of triggers that send atypical or high-value deals to the City Council before execution, this reporting structure maintains the policy-making role squarely in the hands of elected officials while freeing staff to carry out routine transactions efficiently. In sum, the resolution marries speed with accountability, revenue growth with cost control, and short-term agility with long-term stewardship of public assets.

Fiscal Impact

Outgoing (City-owned) Leases: Positive—market-rate rents will generate unrestricted General Fund revenue.

Incoming (City-occupied) Leases: Appropriations up to \$150,000 annually are within existing departmental operating budgets; no new appropriation is required.

Administrative costs associated with lease negotiation and monitoring are absorbed within current staffing levels.

Attachments

1. Resolution No. 2025-28

ATTACHMENT 1

RESOLUTION NO. 2025-28

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE LEASE AGREEMENTS FOR CITY-OWNED OFFICE SPACE SUBJECT TO SPECIFIED TERMS, CONDITIONS, AND EXCEPTIONS

WHEREAS, the City of Canyon Lake (“City”) owns certain office buildings and individual office suites that are not presently required for the performance of municipal functions and therefore may be leased to third parties in order to generate revenue, foster local economic development, and ensure efficient use of public assets; and

WHEREAS, the City occasionally requires supplemental facilities for municipal purposes and therefore must from time to time lease or license real property from private or public third parties; and

WHEREAS, on-going leasing activity requires timely negotiation and execution of agreements that conform to established municipal policy, legal requirements, and best practices; and

WHEREAS, the City Council finds that delegating limited leasing authority to the City Manager, subject to strict standard terms, mandatory conditions, and explicit exceptions, promotes administrative efficiency while preserving appropriate legislative oversight; and

WHEREAS, the City Council desires to rescind any prior resolutions inconsistent herewith and to establish a comprehensive framework governing the leasing of City-Owned Office Space.

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. Authority Delegated to City Manager.

2.1 Authority to Lease City Property for Third Party Use. The City Manager is hereby authorized and directed to: (a) solicit prospective tenants; (b) negotiate all economic and non-economic terms; and (c) execute, deliver, administer and terminate lease agreements and related instruments (including amendments, estoppel certificates, subordination-non-disturbance agreements, and memoranda of lease) for City-Owned Office Space, provided each lease conforms to the limitations and requirements set forth in this Resolution.

2.2 Authority to Lease Property for City Use. The City Manager is authorized to negotiate, execute, terminate and administer lease agreements for the City’s occupancy of real property owned by third parties, provided that: (a) the aggregate base rent payable by the City under any such lease or combination of contemporaneously executed leases does not exceed One Hundred Fifty Thousand Dollars (\$150,000) per calendar year; and (b) the base rent for any individual lease shall not exceed one-hundred-five percent (105%) of the fair-market rental value for comparable

space, as demonstrated by an MAI appraisal or a broker's comparative market analysis dated within ninety (90) days prior to execution. Leases executed pursuant to this subsection shall be approved as to form by the City Attorney and each such lease shall be disclosed in the report required by Section 4.

Section 3. Standard Lease Terms and Conditions. Each lease executed pursuant to this Resolution ("Standard Lease") shall, at a minimum, contain the following provisions. The City Manager shall not waive or materially modify any item without prior City Council approval:

- (a) **Term & Options.** An initial term not to exceed three (3) years. Up to two (2) additional years may be granted in the form of an option/options, exercisable only by written notice received at least +0 days before expiration and conditioned upon tenant's full compliance with the lease.
- (b) **Rent.** An average base rental rate at or above Two Dollars (\$2.00) per square foot. Annual CPI adjustments (All Urban Consumers, Riverside Area) shall apply, with a two-percent (2 %) floor and five-percent (5 %) cap per annum.
- (c) **Security Deposit.** Security deposit equal to one (1) month's then-current base rent (or greater if warranted by tenant's credit profile) held in an interest-bearing account.
- (d) **Use.** Permitted use limited to general administrative, professional, or governmental office functions. Any material change in use requires prior written City approval. No use shall: (1) create a nuisance; (2) violate City zoning, building, fire, or health codes; (3) generate hazardous materials beyond incidental office products; or (4) conflict with existing City operations.
- (e) **Maintenance & Utilities.** Tenant pays: electrical, telephone/data, janitorial, and interior suite janitorial supplies. City pays: structural, roof, HVAC replacement, and common-area utilities. Tenant responsible for ordinary interior maintenance and repair; City responsible for exterior and systems.
- (f) **Tenant Improvements (TI).** Tenant may perform non-structural TI at tenant's sole cost, subject to (i) City's prior written approval of plans, permits, contractors, and insurance; and (ii) building permits. All improvements become City property upon installation.
- (g) **Insurance.** Tenant to procure and maintain throughout the term: (i) Commercial General Liability insurance with limits of at least \$2 million per occurrence/\$4 million aggregate, naming both the City of Canyon Lake and the Canyon Lake Merchants Association, their officers, officials, employees, member and volunteers as additional insureds; (ii) Workers' Compensation as required by law with waiver of subrogation; and (iii) commercial property insurance on tenant's personal property.
- (h) **Indemnification.** Tenant indemnifies, defends (with counsel acceptable to the City), and holds harmless the City and its elected/appointed officials, officers, agents, and employees from and against any and all claims, demands, losses, damages, liabilities, lawsuits, costs, or expenses (including reasonable attorney's fees) arising from tenant's occupancy or use of the premises, except to the extent caused by the gross negligence or willful misconduct of the City.
- (i) **Compliance with Laws.** Tenant shall, at its expense, comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, including but not limited to the Americans with Disabilities Act, the Civil Rights Act, and the City's Municipal Code.

- (j) **Assignment & Subletting.** Prohibited without City's prior written consent, which may be withheld in the City's sole and absolute discretion.
- (k) **Default & Remedies.** Standard Lessor remedies, including (i) late charge; (ii) interest; (iii) right to terminate on ten (10) days' notice for monetary default or thirty (30) days' notice for non-monetary default; and (iv) recovery of attorney's fees.
- (l) **Early Termination by City.** City may terminate the lease upon at least ninety (90) days' prior written notice if the premises are needed for a bona fide municipal purpose, as determined by City Council resolution, or if the premises are conveyed to another public agency.
- (m) **Public Records.** Tenant acknowledges the lease and related documents may be subject to disclosure under the California Public Records Act (Gov. Code § 7920.000 et seq.).
- (n) **Conflict of Interest.** Tenant represents and warrants that no City official has a financial interest in the lease.
- (o) **Governing Law & Venue.** Lease governed by California law; venue for any dispute shall lie exclusively in the Riverside County Superior Court.

Section 4. **Exceptions Requiring Advance City Council Approval.** Notwithstanding Section 1, the City Manager shall submit any proposed lease to the City Council for prior review and approval if any of the following conditions exist:

- (1) **Extended Term.** Aggregate lease term (initial plus all options) exceeds five (5) years; or
- (2) **High-Value Rent.** Average annual base rent exceeds One Hundred Twenty Thousand Dollars (\$120,000) or rent is proposed at less than eighty-five percent (85 %) of fair-market value; or
- (3) **City-Funded Improvements.** City has contribution toward tenant improvements; or
- (4) **Cannabis Uses.** Proposed use involves cannabis uses; or
- (5) **Displacement of City Functions.** Lease would reduce or impair space presently programmed for City staff, official City meetings, or emergency operations; or
- (6) **Litigation/Conflict Potential.** Prospective tenant (or its parent/subsidiaries) is a current adverse party in litigation against the City or has an unresolved code-enforcement case.

Section 5. **Reporting Requirements.** The City Manager shall provide the City Council with a written report summarizing all leases executed, renewed, amended, or terminated under this Resolution in conjunction with the yearly budget presentation. The report shall include for each lease: (a) party name; (b) premises address; (c) square footage; (d) term; (e) base rent and escalation schedule; (f) key optional provisions; and (g) any other significant information.

Section 6. **Severability.** 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 7. **Certification.** That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 8. **Effective Date; Supersession.** This Resolution shall take effect immediately upon its adoption. Any other prior resolutions inconsistent with the provisions herein are hereby repealed or superseded to the extent of such inconsistency.

PASSED, APPROVED AND ADOPTED the 11th day of June 2025.

Mark Terry, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Mike A. Borja, Community Development Director

DATE: June 11, 2025

SUBJECT: Approve an Agreement between the City of Canyon Lake and VC3, Inc. for Information Technology (IT) Services

Recommendation

(1) Approve an Agreement with VC3, Inc. for Information Technology (IT) Services for a five-year term, effective July 1, 2025, and ending June 30, 2030, with a total contract value not to exceed \$354,025.56; and (2) authorize the City Manager to execute all documents necessary to effectuate this transaction on a form approved by the City Attorney.

Background

The City's Information Technology infrastructure is critical to the delivery of services across all city departments. To ensure continuity, security, and modernization of IT operations, the City periodically contracts with external professional IT service providers with demonstrated expertise and a strong track record.

The City's current IT services agreement with Syntech Group is set to expire on June 30, 2025. In anticipation of this, staff recently evaluated current and future IT needs and conducted a thorough review of qualified vendors. VC3, Inc., a firm with extensive experience in municipal IT support, was selected as the preferred provider due to their proven capabilities, robust cybersecurity offerings, and cost-effective service model. They specialize in managed IT services tailored to local governments and have a demonstrated record of improving efficiency, security, and strategic planning in public-sector environments.

In support of the City's future Police Department, VC3, Inc. emerged as the top candidate based on its experience delivering managed IT services to municipalities with law enforcement agencies across the country. Notably, they provide third-party IT support that complies with Criminal Justice Information Services (CJIS) and California Law Enforcement Telecommunications System (CLETS) requirements—critical standards for handling sensitive criminal justice and law enforcement data. They have the ability to support public safety systems, maintaining secure and compliant access to state and federal criminal justice

databases. Their services are designed to ensure proper documentation, audit readiness, and technical safeguards required under CJIS and CLETS standards.

The proposed Professional Services Agreement with VC3, Inc. outlines the scope of IT services to be provided, which includes but is not limited to:

- 24/7 help desk support
- Network monitoring and management
- Data backup, disaster recovery, and cloud support
- Cybersecurity monitoring and response
- Strategic IT planning and consulting

The term of the agreement is five years, beginning July 1, 2025, and concluding June 30, 2030, with the following monthly and annual pricing schedule:

Year	Monthly Cost	Annual Cost
• Year 1 (2025–2026)	\$4,790.50	\$57,486.00
• Year 2 (2026–2027)	\$5,951.00	\$71,412.00
• Year 3 (2027–2028)	\$6,099.78	\$73,197.36
• Year 4 (2028–2029)	\$6,252.27	\$75,027.24
• Year 5 (2029–2030)	\$6,408.58	\$76,902.96

Total Contract Value: \$354,025.56

All services are detailed in the attached Scope of Work and are designed to align with the City’s operational needs and compliance standards.

Fiscal Impact

The agreement’s costs will be included in the City’s annual Information Technology budget, subject to Council approval each fiscal year. The total cost of the five-year agreement is \$354,025.56. Funding for Year 1 is already included in the City’s FY 2025–26 Operating Budget.

Attachments

1. Proposal & Scope of Work for Information Technology Services

ATTACHMENT 1



VC3 Manage Order

City of Canyon Lake

31516 Railroad Canyon Rd
Canyon Lake, California 92587
United States

Mike Borja

mborja@canyonlakeca.gov
(951) 246-2024

VC3

1301 Gervais St.
Suite 1800
Columbia, SC 29201
United States

Prepared by: Daniel Napolitan

Account Executive
daniel.napolitan@vc3.com

Products & Services

PRODUCTS & SERVICES	QUANTITY	UNIT PRICE	PRICE
VC3 Manage - Full User 24x7x365 Remote & Onsite Support: Users, Servers, Network Foundational Protection Components: EDR Including 24x7x365 SOC, Cloud Protect, Cloud Data Recovery, Cyber Aware Complete, Dark Web Credential Monitoring, Web Protection & Content Filtering, Email Protection & Spam Filtering, VC3 Security Team Proactive Monitoring, Maintenance & Patching: Workstations, Servers, Network Strategic IT Planning: Alignment with IT Best Practices, IT Budgeting, Technology Roadmap M365 License Management Vendor Co-Ordination Hardware, Software, Domain and License Procurement / Renewals	24	\$160.00 / month	\$3,840.00 / month for 5 years
VC3 Manage - Shared User 24x7x365 Remote & Onsite Support: Users using a shared workstation. Foundational Protection Components: EDR Including 24x7x365 SOC, Cloud Protect, Cloud Data Recovery, Cyber Aware Complete, Dark Web Credential Monitoring, Web Protection & Content Filtering, Email Protection & Spam Filtering, VC3 Security Team Proactive Monitoring, Maintenance & Patching: Shared Workstations.	7	\$60.00 / month	\$420.00 / month for 5 years

PRODUCTS & SERVICES	QUANTITY	UNIT PRICE	PRICE
VC3 Manage - Email Only User Support for email only users includes troubleshooting send/ receive issues and access issue to email platform. Foundational Protection Components: Cloud Protect, Cloud Data Recovery, Cyber Aware Complete, Dark Web Credential Monitoring, Email Protection & Spam Filtering, VC3 Security Team	5	\$20.00 / month	\$100.00 / month for 5 years
VC3 Managed Services Onboarding	1	\$5,045.00	\$5,045.00
M365 MFA Tenant Configuration	1	\$819.00	\$819.00
Microsoft 365 F3 NCE, Annual Commit, Paid Monthly	10	\$8.40 / month	\$84.00 / month for 1 year
Microsoft 365 E3 NCE Annual Commitment, Paid Monthly	34	\$36.00 / month	\$1,224.00 / month for 1 year
Microsoft Defender for Office 365 (Plan 1) NCE Annual Commitment, Paid Monthly This can be dropped once yearly commitment has been satisfied Modern email protection techniques such as Safe Links and Safe Attachment, complementing the defense of Exchange Online Protection to protect your mailboxes against sophisticated attacks.	40	\$2.10 / month	\$84.00 / month for 1 year
Exchange Online (Plan 1) NCE Annual Commitment, Paid Monthly Messaging, calendaring, and email archiving plan accessible from Outlook on PCs, the Web and mobile devices.	7	\$4.20 / month	\$29.40 / month for 1 year

PRODUCTS & SERVICES	QUANTITY	UNIT PRICE	PRICE
Visio Plan 2 NCE Annual Commitment, Paid Monthly Makes it easier than ever for individuals and teams to create data-linked diagrams that simplify complex information. It includes support for BPMN 2.0, AutoCAD file import, and UML 2.4. Each user can install Visio on up to five PCs running Windows 10/11, Windows 8.1, Windows 8, or Windows 7.	2	\$15.75 / month	\$31.50 / month for 1 year
Office 365 Extra File Storage NCE Annual Commitment, Paid Monthly Priced per gigabyte, Office 365 offers additional file storage options to support an organization's file growth.	150	\$0.21 / month	\$31.50 / month for 1 year
Microsoft Entra ID P1 NCE Annual Commitment, Paid Monthly Microsoft Entra ID P1 provides single sign-on to thousands of cloud (SaaS) apps and access to web apps you run on-premises. Built for ease of use, Microsoft Entra ID P1 features multi-factor authentication (MFA); access control based on device health, user location, and identity; and holistic security reports, audits, and alerts.	17	\$6.30 / month	\$107.10 / month for 1 year
SUMMARY			
Monthly subtotal			\$5,951.50
One-time subtotal			\$5,864.00

Comments

Prices shown above are valid for 30 days from date of Order.

Adjusted 5-Year Agreement Pricing Proposed:

Year 1 -- \$4,790.50/month (\$57,486/year)

Year 2 -- \$5,951.00/month (\$71,412/year)

Year 3 -- \$6099.78/month (\$73,197.36/year)

Year 4 -- \$6252.27/month (\$75,027.24/year)

Year 5 -- \$6408.58/month (\$76,902.96/year)

This Order is entered into as of June 4, 2025 between VC3 Inc., a Delaware corporation ("Company") and City of Canyon Lake ("Client")

Order Governed by the Master Agreement

This Order is subject to and governed by Company's Master Agreement in effect on the date this Order is entered into between Company and Client. The Master Agreement is available [here](#) and is incorporated in full into and made a part of this Order by this reference. The Client may also request a copy of the Master Agreement by submitting an email request to betterit@vc3.com identifying the Client and the applicable Orders. Company's entering into this Order is conditioned on Client's agreement to the Master Agreement, and by entering into this Order with Company, Client accepts and agrees to the Master Agreement.

Deliverables & Services

Discovery & Deployment

Setup the Client System for management and provide training to help the Client get the most out of the services. This includes:

1. Deployment of all services listed above.
2. Full documentation and inventory of your network
3. Best-practice configuration of the network for monitoring and management
4. Orientation and training for your staff
5. MacOS Note: If Client is utilizing Mac OS, Company will provide documentation to end users on how to install Company's monitoring and management platform. MacOS does not allow a remote deployment of standard Company tools. Should Mac OS users require onsite assistance to install VC3's monitoring and management platform, support will be provided on a Time and Materials basis at the rates detailed within Client Master Agreement.
6. Implement performance monitoring of client's network prior to and during implementation.
7. Deployment of Self-Service Password Reset service.
8. Provision Client Portal.

24x7 Monitoring and Incident Response Services

1. Provide 24X7 Incident response services for all included user, server, and network devices.
2. Provide phone, remote and onsite support to authorized users for all included devices.
3. Track all incidents through an ITIL (Information Technology Infrastructure Library) based Service Desk system. All requests will be prioritized and processed per the 'Priority' guidelines listed in Addendum A.
4. Provide 24x7 collection of performance data for the client's included server and network devices per Company's best practices.
5. Utilize industry best practices for remote access, control, and management of all devices.
6. Patching: Deploy, manage, and monitor the installation of approved service packs, security updates and firmware updates as deemed necessary on all applicable devices. Some devices such as tablets and cell phones may not be compatible with included patching methodologies.
7. Resolution of monitoring alerts.
8. Resolution of performance issues.
9. Resolution of availability issues.
10. Resolution of end-user reported problems.
11. Routine additions, deletions, and changes to included devices and users.

Foundational Protection

1. Deployment & Implementation Services:

1. Provision **Dark Web Protect** -Dark web monitoring platform, including provisioning Client's domain(s), reviewing existing data with Client point of contact, and configuring real time alerting:
 1. Configure monitoring service to monitor corporate domains in scope.
2. Provision **Cyber Aware** – Cyber Security Training platform. Includes synchronizing employees between Client's domain and training platform. Company will configure initial and ongoing testing and training at a frequency determined by Client.
 1. Whitelisting emails from the Cyber Aware server to maximize delivery rates.
 2. Maintaining active user list within the platform.
 3. Creating phishing campaigns targeting users on Client domain.
 4. Management of phishing campaigns monthly.
 5. Creating training campaigns, educating users on Client domain.
 6. Management of training campaigns monthly.

7. Providing phishing / training reports to Client.
3. Configure **Endpoint Protect** – Endpoint Detection & Response (EDR).
 1. Deploy Endpoint Protect agent to all devices with Company RMM deployed.
 2. Configure initial policy settings for application whitelisting.
4. Provision **Email Protect** – Advanced Email Threat Protection platform.
 1. Deploy Email protect to Client Microsoft 365 environment.
 2. Updating MX Records.
 3. Customizing Spam settings.
 4. Creating filter policies and approve/block sensor list items.
5. Provision **Web Protect** – Advanced DNS/Web protection platform. Filters content accessible by employees when connected to the corporate network or using corporate devices:
 1. Deployment of agent to all devices with Company RMM deployed.
 2. Initial configuration of web and content filtering policy within the solution.
6. Provision **Cloud Protect** – Cloud Platform Security Event and Incident Reporting platform.
 1. Authentication with Client Microsoft 365 and/or G Suite tenant.
 2. Alerting threshold tuned to meet industry best practices.
7. Provision **Cloud Data Recovery** – Microsoft 365 and/or G Suite Backup Service:
 1. Configure backups for all accounts licensed with appropriate Microsoft 365 and/or G Suite license.
 2. Backup the following items within Clients Microsoft 365 environment:
 1. SharePoint
 2. Teams
 3. OneDrive
 4. Exchange Online
 3. Backup the following items within Clients G Suite environment:
 1. Google Drive
 2. Google Calendar
 3. Gmail
 4. Google Shared Drives
 4. Configure infinite backup data retention.
 5. Configure backups to occur 3 times a day.

8. M365 MFA

1. Deployment & Implementation Services:

1. MFA Configuration: Configure all 365 users to have MFA enforced. Using authenticator app only.
 1. Kickoff Meeting with Client
 2. Create Conditional Access Policy to Enforce MFA on All Users
 3. Create Conditional Access Policy to Block Legacy Authentication
 4. Create Azure Conditional Access Policy to Enforce MFA on Administrators
 5. Create Azure Conditional Access Policy to Enforce MFA on Azure Management
 6. Enable but do not enforce MFA
 7. Create/Send Guide for MFA Enrolment
 8. Run Script/Report to confirm all users have enrolled
 9. Enforce MFA
 10. Provide End-User MFA support
2. Provision/Setup M365 Entra ID Standards:
 1. Setting up base policy for all users accessing remote materials.
 2. Create Breakglass Account
 3. Setup/Confirm Auditing is enabled
 4. Limit GA roles and cloud only
 5. Consent for Apps
 6. Limit Guest invites to Guest users.

2. General Managed Security Services

1. 24x7 Monitoring and Incident Response Services:

1. Provide 24X7 Incident response services for all included deployed services.
2. Track all incidents through an ITIL (Information Technology Infrastructure Library) based Service Desk system. All requests will be prioritized and processed per the 'Priority' guidelines listed in Addendum A.

3. Provide 24x7 Partner Security Operations Centre (SOC) monitoring for all endpoints with Endpoint Protect deployed.
4. 24X7 response to critical event driven Incidents.
5. Utilize industry best practices for remote access, control and management of all devices.
6. Monitor and maintain backups for the applicable M365 and/or G Suite tenant and accounts protected.
7. Perform periodic updates to the backup software such as patches, and updates.
8. Perform data recovery actions at the request of Client in line with priorities outlined in Addendum A

Application Support

1. Provide support for client licensed 3rd party applications. If it is determined from the initial discovery and/or from third-party application vendors that an application requires additional servers, licensing or support resources, additional monthly costs may be required before the application can be supported.
2. Microsoft Applications:
 1. Includes Microsoft Office and Office 365 core applications. This is limited to Microsoft Access, Excel, OneDrive for Business, OneNote, Outlook, PowerPoint, SharePoint, Teams and Word.
 2. Application installs, synchronization issues, permission management and general troubleshooting are all within scope for these applications.

Strategic IT Planning

Provide the client with a named Strategic resource to assist Client with the following:

1. **Budgeting:** Work with the client to develop an annual technology budget for recurring expense items and new capital requirements in alignment with organizational goals.
2. **Strategic Planning:** Recommend technology solutions as well as provide roadmaps that support key business processes in order to help the client leverage technology appropriately. The Company will work with the client as part of the annual planning process to understand the current business drivers and goals and make recommendations targeted toward maximizing the effectiveness of the client's technology investment.
3. **Analyze IT Health data:** Perform a periodic analysis of the data collected by Company's monitoring systems to proactively resolve issues and assess potential risks within the environment. The Company will make this analysis available to key stakeholders and provide direction on business decisions regarding the level of investment.

IT Asset Administration

1. Hardware and software asset and warranty expiration tracking
2. Domain name expiration tracking
3. Hardware and software purchase specification
4. Web portal access for ticket creation and management
5. Maintaining network documentation and secure password storage
6. Interfacing with vendors such as internet service providers (ISPs)

Procurement

1. Server, Networking, and Power equipment.
2. Desktops, laptops, tablets.
3. Peripherals, including Printers.
4. Software, including subscription-based services.
5. Domain names and security certificates.

M365 MFA

1. **Deployment & Implementation Services:**
 1. MFA Configuration: Configure all 365 users to have MFA enforced. Using authenticator app only.
 1. Kickoff Meeting with Client
 2. Create Conditional Access Policy to Enforce MFA on All Users
 3. Create Conditional Access Policy to Block Legacy Authentication
 4. Create Azure Conditional Access Policy to Enforce MFA on Administrators
 5. Create Azure Conditional Access Policy to Enforce MFA on Azure Management
 6. Enable but do not enforce MFA
 7. Create/Send Guide for MFA Enrolment
 8. Run Script/Report to confirm all users have enrolled

9. Enforce MFA
10. Provide End-User MFA support
2. Provision/Setup M365 Entra ID Standards:
 1. Setting up base policy for all users accessing remote materials.
 2. Create Breakglass Account
 3. Setup/Confirm Auditing is enabled
 4. Limit GA roles and cloud only
 5. Consent for Apps
 6. Limit Guest invites to Guest users.

Exclusions

Items other than those included above are expressly excluded from the Services provided within this Order. The following exclusions and clarifications are intended to clarify the scope of services for this order:

1. Excluded services are those related to functionality upgrades, such as those required to evaluate, specify, purchase, and implement client system or server upgrades such as operating systems, Microsoft Office suite software unless included with a specific Company product, third party software deployments or upgrades, or equipment related to these services whose scope exceeds that defined above. Company will provide these services to the client on a Time & Materials Order basis at the rates outlined in the Master Agreement. If modification or replacement of a hardware device or component is required, client is responsible for all hardware and hardware vendor services costs, excluding Company owned hardware explicitly provided through this Order.
2. Software development, training and project work, including client-owned PC upgrades and non-patch upgrades of software, are not included.
3. When client requests services by Company not explicitly included in this agreement, they are agreeing to invoicing of said services per the terms outlined in the Master Agreement. For all services which incur additional hourly fees, Company will notify the client that these services are outside the scope of this work order and will receive approval from client prior to rendering these additional services.
4. Software and licensing purchased by the client directly from a third-party vendor are not included as a part of services to be supported.
5. Architectural changes, mass deployment, database management, data visualization and business process automation / troubleshooting are considered excluded from this Order.
6. Cybersecurity event or incident response activities or remediation efforts exceeding eight (8) hours of technician, engineer or project management time.
7. Should deficiencies, malware infections, or critical vulnerabilities be discovered during the deployment of services, Company will bring to Client attention and discuss the impact of the deficiencies on Company's ability to provision the Services and provide client with options to correct the deficiencies. Initial remediation hours will be billed outside of this Order unless otherwise explicitly stated in this Order.

Assumptions

1. The Order will not become effective unless and until it is agreed upon and signed by the Client and Company.
2. Client agrees to the Microsoft terms and conditions as stated in the Microsoft Customer Agreement found here: <https://www.microsoft.com/licensing/docs/customeragreement>
3. Microsoft NCE licenses and subscriptions run on an annual basis and cannot be terminated nor altered mid-term.
4. Company will audit client Microsoft License usage during onboarding. Any licenses in use by Client but not shown in the products and services section above will be added to Client invoice at the MSRP set by Microsoft.
5. Company reserves the right, at its discretion, to pass onto the client any changes to obligations, such as terms or pricing imposed on Company by a given vendor, for an offering that is currently resold to the client at any time during the current agreement term.
6. Company will make reasonable efforts to resolve all issues remotely prior to dispatching an engineer onsite. Travel hours incurred will be invoiced according to the Master Agreement.
7. The items defined in this Order are designed to enhance the security of the customer environment. There is no guarantee that any security measure will prevent a data breach, infection, or other cyber security incident.
8. Company is authorized to obtain any documentation or information regarding any and all accounts at all locations the Client may have with any telecommunications vendor. Company also has the authority to be added as an account contact and speak on behalf of the Client in negotiating services, billing, credits and/or connectivity of this Client's

services with the Telecommunications company and/or vendor with the proviso that only the Client has authority to enter into contracts with any vendor or supplier.

9. Throughout the relationship between Company and Client, the Company will also make extensive use of Remote Management software. This software is used across all clients to monitor workstations and servers in real time. Company will also use this software to remotely connect and assist the Client's users when they have a technological problem if the user has an internet connection. In addition, endpoint protection software, ticketing, and asset management are managed through this software.

Client Responsibilities

1. Client will provide a primary point of contact for Company to work with on all services provided in this Order.
2. Client is responsible for authorizing access for Company to sites that are owned / controlled by third parties.
3. Client is responsible for proper disposal of client-owned devices.
4. Client will make a best effort to maintain the minimum infrastructure requirements as defined by Company.
5. Client will maintain both hardware and software maintenance agreements with the source Vendor whenever possible to allow for ongoing access to security updates and to provide quick replacement of non-functioning components.
6. Client must assign Company as their Microsoft Partner of record.
7. Client is responsible for procurement and ownership of all licenses, maintenance, and vendor support agreements required for support of their third-party applications, excluding the Microsoft licensing explicitly included in the per seat packages identified in Products & Services section.
8. Third party tool licensing may be required for additional cost.
9. Client will be financially responsible for any remaining or ongoing charges from Microsoft. Microsoft subscriptions can each have their own terms and renewal dates. It is the client's responsibility to engage Company to adjust Microsoft subscription counts and terminations prior to 12 months from the original work order or subsequent change order purchase date.

Invoicing

1. Recurring services, if included, shall be provided for term indicated in Products & Services, starting from the date of the first recurring invoice (Effective Services Start Date), unless terminated in accordance with the terms of this Order or the Master Agreement.
2. Upon execution of an Order, Company shall invoice Client for all non-recurring charges due for Company to commence Services, including any onboarding fees. Upon activation of the Services, billing shall commence, and Company shall invoice Client for monthly recurring charges in advance of providing managed services. If the Order start date does not fall on the first calendar day of a month, Company shall calculate the first month's Services on a prorated basis.
3. Any taxes related to services purchased or licensed pursuant to this Order shall be paid by Client or Client shall present an exemption certificate acceptable to the taxing authorities. Applicable taxes and freight charges shall be billed as a separate item on the invoice.
4. Unit rates will automatically increase annually on the anniversary of the Effective Services Start Date equivalent to the CPI change for All Urban Consumers or by 4.00%, whichever is higher.
5. The terms of this Order will automatically renew for an additional term of equivalent length to the current active term unless notice of termination is provided by either party no fewer than 90 calendar days prior to expiration of the current active term.
6. Company will audit the Client's usage of the quantity of Services on a monthly basis; for each quantity of Services found in excess of the amount stated in this Order above, Company will increase the monthly service fee amount by the corresponding unit price stated above.
7. At no time during the term of this Order will the fees payable under this Order (i.e. the monthly subtotal amount) drop below seventy-five percent (75%) of the initially agreed upon monthly subtotal stated above.
8. In the event of the early termination of the Agreement in accordance with Section 3.3 of the Master Agreement, Client agrees that the initially agreed upon monthly subtotal stated above shall be used for calculating fees due for the remaining term of the Agreement.
9. Additional services may be added at any time during the life of this Order at the unit price listed above.

Addendum A – Service Desk Priorities

Incidents and Service Requests are triaged and prioritized to effectively resolve the most important issues in a timely manner. Company utilizes the following priorities, criteria and response metrics:

- **Priority 1:**

- System/device/application down causing work to cease and critical impact to the entire organization, a whole department, or a C-level executive or VIP user; no interim solution available; Client is in danger of or is experiencing a financial loss or the ability to make strategic business decisions is impaired.
- **24x7 Support:** Priority 1 incidents will be addressed on a 24 hours a day, 7 days a week basis including holidays.
- **Priority 2:**
 - System/device/application down causing work to cease and potential business impact for up to 5 users, a C-level executive, or a VIP user; no interim solution available.
 - **24x7 Support:** Priority 2 incidents will be addressed on a 24 hours a day, 7 days a week basis including holidays.
- **Priority 3:**
 - Level of service degraded causing impact to an individual user; no interim solution available. Operational impact to the organization or a whole department though work continues as a result of implementing an interim solution or use of other system/device/service.
 - **Business Hours Support:** Priority 3 incidents will be addressed during normal business hours Monday-Friday, 8:00am to 5:00pm excluding holidays.
- **Priority 4:**
 - Minor inconvenience to a department or user exists though work continues as a result of implementing an interim solution or use of another system/device/service.
 - **Business Hours Support:** Priority 4 incidents will be addressed during normal business hours Monday-Friday, 8:00am to 5:00pm excluding holidays.
- **Priority 5:**
 - Maintenance tasks, audits, or alignment work that is not requested by the client.
 - **Business Hours Support:** Priority 5 incidents will be addressed during normal business hours Monday-Friday, 8:00am to 5:00pm excluding holidays.

Call Priority	Initial Client Contact Guidelines	Initial Client Contact Percentages
1	1 Hour	90%
2	2 Hours	90%
3	4 Business Hours	90%
4	8 Business Hours	90%
5	N/A	N/A

Addendum B - Maintenance Windows

All work performed within Company's Hosting or Client Infrastructure is a form of maintenance. Such work may or may not result in a disruption of service depending on the scope of the activity.

1. **Scheduled Maintenance:** All planned work performed on Company's Hosting or Client Infrastructure by Company engineers, or staff is defined as "Scheduled Maintenance". During Scheduled Maintenance, some or all of Company's Hosting or Client Infrastructure may be out of service and therefore may not be accessible to users. Regularly Scheduled Maintenance will occur between 2 AM and 6 AM in the local time zone for which the Client Infrastructure being maintained resides. Downtime to perform changes is expected during this window. If Client has a business need to avoid said downtime, they must provide their request via the Company Service Desk ten business days in advance.
 1. **Notification:** Client will be notified via email should Scheduled Maintenance be required to take place outside of the windows specified above.
2. **Emergency Maintenance:** All work performed in response to a disruption or a threat to the availability of a component of Company's Hosting or Client Infrastructure within the control of Company is defined as "Emergency Maintenance". Emergency Maintenance will be conducted based upon the timeframe that the emergency exists. Normal business hours will see an immediate response. For issues that occur during non-business hours, the impact of the event will be evaluated as soon as possible, and appropriate measures taken to return the system to normal availability.
 1. **Notification:** Client will be notified via email should Emergency Maintenance be necessary. Commercially reasonable efforts will be made to notify Client prior to emergency maintenance. Company reserves the right to complete Emergency Maintenance without prior notification to Client if necessary to mitigate risks posed by the need for Emergency Maintenance in a timely manner.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Sheryl Garcia, Administrative Services Director/City Clerk

DATE: June 11, 2025

SUBJECT: Adopt a Resolution Establishing Emergency Medical Services (EMS) Program Fees for Fiscal Year 2025/2026 and Providing for Collection Thereof on the Property Tax Roll

Recommendation

(1) Open the public hearing and take public testimony; and (2) adopt Resolution No. 2025-29 establishing EMS Program Fees Fiscal Year 2025/2026 and providing for collection thereof on the property tax roll.

Background

On November 6, 2019, the City Council adopted Ordinance No. 187, establishing the Emergency Medical Services (EMS) Subscription Program. The EMS program is voluntary and consists of:

1. **EMS Subscription Fee:** A flat annual fee collected via the property tax roll for subscribers.
2. **EMS Response Fee:** A per-call fee charged to non-subscribers receiving emergency medical services.

The EMS program's initial fees, adopted on June 3, 2020, were set at \$192 annually for the EMS Subscription Fee and \$1,483 per call (full cost recovery) for the EMS Response Fee.

On December 14, 2022, the City Council adopted a Comprehensive Citywide User Fee and Rate Study which updated fees for various City services. The fee study recommended that the EMS Response Fee increase from \$192 per year to \$247 per year and the EMS Response Fee be reduced from \$1,483 per call to \$1,356 per call. The City Council deferred the discussion on EMS program fees to a later date.

On March 8, 2023, the City Council considered the EMS program fees and chose to decrease the EMS Response Fee to \$1,356 while maintaining the EMS Subscription Fee at \$192.

On June 12, 2024, the City Council adopted an increased EMS Subscription Fee of \$309 to account for added program costs, including the fire station purchase, equipment reserves, and cost-of-living adjustments, and increased the EMS Response Fee to \$1,545 per call.

Discussion

The City Council annually reviews the EMS program fees and sets a public hearing date to revise or confirm them. A 90-day public notice period allows subscribers to opt-in or opt-out, with existing subscribers remaining enrolled unless they opt out.

The current EMS program fees are set as follows:

- **EMS Subscription Fee:** \$309 annually.
- **EMS Response Fee:** \$1,545 per call.

On February 12, 2025, the City Council reviewed the current EMS program fees and set a public hearing of June 11, 2025, to consider the EMS program fees for Fiscal Year 2025/2026. At the February 12 meeting the City Council recommended maintaining the current fees as it is anticipated that the current fees will adequately cover ongoing costs of the EMS Program.

In compliance with Municipal Code section 3.44.030(c)(4), public notice of the proposed fees for the EMS program was mailed to all residents of the City on March 5, 2025. Residents were given 90 days to opt-out or opt-in to the EMS program. As described in the notice, all current subscribers would continue to be enrolled in the EMS program for the upcoming fiscal year, July 1, 2025, through June 30, 2026, unless the subscriber terminated their subscription by providing written notice to the City Clerk.

Pursuant to Canyon Lake Municipal Code section 3.44.050(a), the City has prepared a report describing the EMS Subscription Program Fees and EMS Response Fees to be placed on the tax rolls. The report describes the real property of eligible participants who are subscribed as well as the real property for each person not covered by the EMS Subscription Program and for which delinquent EMS Response Fees existed after April 1. This document is available on the City's website and is also on file in the Office of the City Clerk.

Fiscal Impact

There is no additional fiscal impact associated with this action. The proposed EMS Subscription and Response Fees for Fiscal Year 2025/2026 are anticipated to cover the ongoing costs of the Emergency Medical Services Program, including operational expenses, equipment reserves, and prior capital investments.

Attachments

1. Resolution No. 2025-29

ATTACHMENT 1

RESOLUTION NO. 2025-29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ESTABLISHING EMS PROGRAM FEES FOR THE 2025/2026 FISCAL YEAR AND PROVIDING FOR COLLECTION THEREOF ON THE PROPERTY TAX ROLL

WHEREAS, Proposition 218 was adopted on November 6, 1996, adding Article XIID, Section 6, to the California Constitution; and

WHEREAS, the City of Canyon Lake has, by Ordinance No. 187, established Chapter 3.44 of the Canyon Lake Municipal Code, Emergency Medical Services Subscription Program (“EMS Program”), to recover the costs of providing emergency medical services to the City of Canyon Lake; and

WHEREAS, the City of Canyon Lake adopted Ordinance No. 209 amending Chapter 3.44 related to the EMS Program and Emergency Medical Services Response Fees; and

WHEREAS, pursuant to the provisions of Chapter 3.44, the City of Canyon Lake may adopt and implement fees and charges to cover the cost of providing emergency medical services and may also establish an EMS Subscription Fee for those residents, property owners, and businesses that desire to voluntarily participate in the EMS Subscription Program and may collect such fees on the property tax rolls; and

WHEREAS, the proposed EMS Program fees are set out on Exhibit “A”, attached and incorporated hereto; and

WHEREAS, although the notice provisions of Proposition 218 do not apply to the EMS Program, as the program consists of a fee for service that is not a property-related fee, the City nevertheless has published notice of the establishment and collection of such fees on the property tax roll in compliance with Section 3.44.030(c)(4) of the Canyon Lake Municipal Code; and

WHEREAS, in compliance to Section 3.44.050(a) of the Canyon Lake Municipal Code, a preliminary report has been prepared and filed with the City Clerk describing the real property of each person covered and not covered by the EMS Program; and

WHEREAS, on June 11, 2025, the City Council conducted a duly noticed public hearing and heard all comments/protests/opt-outs regarding the EMS Program fees; and

WHEREAS, the City Council finds from such reports that the amount of fees is the reasonable cost of service provided, plus direct and indirect overhead; that such fees and charges are proportionate to the amount of service received, and that such fees and charges are not for traditional governmental services such as police, fire, or libraries.

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 EMS Program fees are established in the amounts set out on Exhibit “A” attached hereto and incorporated herein as though set forth in full. Such fees shall be effective immediately the first day of the 2025 through 2026 Fiscal Year.

Section 3. Such EMS Subscription fees shall be collected on the property tax rolls. The City Clerk is directed to file a certified copy of this resolution and the report with the County Auditor. The City Clerk is authorized to remove any residence from the report that terminates their EMS Subscription before the transmission of the report to the County Auditor. The County Auditor is designated and empowered to collect the assessment as set out here as necessary. For purposes of tax roll collection, the fees set forth in the report shall be deemed to constitute special assessments against the respective parcels on which they are levied without regard to property valuation. The assessment shall be collected at the same time and subject to the same procedures provided for such taxes. All laws applicable to the levy, collection and enforcement of ad valorem property taxes shall be applicable to such assessments, except that if any real property to which such fees or charges relate has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attached thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be imposed shall not attach to such real property and the fees or charges and interest shall be transferred to the unsecured roll for collection.

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 the 11th day of June 2025.

Mark Terry, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk

EXHIBIT A
EMERGENCY MEDICAL SERVICES SUBSCRIPTION PROGRAM FEES
EFFECTIVE JULY 1, 2025

EMS Subscription Fee

The EMS Subscription Fee remains unchanged from the previous year.

For residents who are currently **ENROLLED** in the program, the fee will continue to be collected on the property tax roll in the same manner as other City services, such as residential solid waste collection charges, at the following rate:

EMS Subscription Fee	
Annual Fee:	\$309.00

EMS Response Fee

The EMS Response Fee remains unchanged from the previous year.

For residents who have **OPTED-OUT** of the program, the annual fee listed above will not be charged. However, if emergency medical services are then provided by the Canyon Lake Fire Department or by any other first responder agency, you will receive an invoice from the City at the following rate each time services are provided:

EMS Response Fee	
Per Call Rate:	\$1,545.00



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Mike Borja, Community Development Director

DATE: June 11, 2025

SUBJECT: Adoption of Resolutions Approving CPI and Pass-Through Adjustments to Residential Solid Waste Rates and Commercial and Roll-Off Solid Waste Rates

Recommendation

(1) Open the public hearing and take public testimony; (2) adopt Resolution No. 2025-30 approving CPI and pass-through adjustments to residential solid waste rates consistent with Government Code Section 53756; and (3) adopt Resolution No. 2025-31 increasing commercial and roll-off solid waste rates to implement SB 1383.

Background

As provided for in the franchise agreement, and consistent with the City's obligation to protect the public health and safety by ensuring that solid waste is regularly collected and processed in compliance with state law, the City regularly monitors the fees charged for solid waste collection services to ensure they are adequate to fund this necessary service.

On March 21, 2025, the City received correspondence from its contract solid waste hauler, CR&R Incorporated, requesting increases in the various rates charged for their services. A review of the change in the annual data from the Bureau of Labor Statistics (BLS) for calendar year 2024 revealed an increase in the Consumer Price Index (CPI) for All Urban Consumers by 2.61%. In addition, the County of Riverside's Waste Management Department has indicated that they will be adjusting their disposal rate from FY25/26 by 2.88%. Therefore, based upon the data supplied by both BLS and the County of Riverside, CR&R is requesting a new rate schedule which passes these adjustments through to the various rates.

In addition, CR&R is proposing an additional minor rate adjustment for commercial and roll-off customers only. This rate adjustment is meant to address the City's annual Procurement obligations under Senate Bill 1383, organic waste recycling. The additional commercial/roll-off rate adjustment will be 3.90%. For example, a typical commercial customer who has a 3 cubic yard bin serviced one time per week, the additional charge will equal \$1.86 per week.

This rate adjustment will be a part of commercial and roll-off rates only, residential rates will not be impacted by this adjustment. By implementing this rate adjustment, the City will not have to worry about the annual cost of funding the required procurement of compost/mulch each year, nor will the City need to worry about storing thousands of tons of compost/mulch each year.

Fiscal Impact

No impact. Increased revenue to the General Fund from the solid waste franchise fee as well as the utility user tax.

Attachments

1. Resolution No. 2025-30 (Residential)
2. Resolution No. 2025-31 (Commercial)

ATTACHMENT 1

RESOLUTION NO. 2025-30

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, APPROVING CPI AND PASS-THROUGH ADJUSTMENTS TO SOLID WASTE RATES CONSISTENT WITH GOVERNMENT CODE SECTION 53756

WHEREAS, Proposition 218 was adopted on November 6, 1996, adding Article XIID, Section 6, to the California Constitution; and

WHEREAS, the City of Canyon Lake has adopted an exclusive franchise agreement (“Agreement”) with CR&R Environmental Services, Inc. (“CR&R”); and

WHEREAS, under the Agreement, CR&R provides solid waste collection services for the City of Canyon Lake; and

WHEREAS, pursuant to the provisions of State law, including but not limited to Health & Safety Code Sections 5470 et seq., the City of Canyon Lake may adopt and implement fees and charges to cover the cost of collection of solid waste within the City and, when adopted, may collect such fees for residential service on the property tax rolls; and

WHEREAS, the City has received correspondence from its contract solid waste hauler, CR&R, requesting increases in the various rates charged for their services in order to pass through increases in CPI and Riverside County Waste Management Department disposal charges; and

WHEREAS, the proposed solid waste fees are set out in Exhibit “A”, attached, and incorporated hereto.

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 adoption of this Resolution is exempt from the Requirements of the California Environmental Quality Act (“CEQA”) pursuant to Public Resources Code Section 21080(b) and Section 15273 of the State CEQA Guidelines because the Resolution pertains to the approval of rates necessary to maintain services within the City’s existing service area.

Section 3. Pursuant to Government Code section 53756, the City Council authorizes the automatic adjustments to the rates as described in Exhibit “A” beginning July 1, 2025, that pass through the increases tipping fees charged by Riverside County and adjusts for inflation.

Section 4. Such residential solid waste fees shall be collected on the property tax rolls. The City Clerk is directed to file a certified copy of this resolution and of the report with the County Auditor. The County Auditor is designated and empowered to collect the assessment as set out here as necessary. For the purpose of tax roll collection, the

fees set forth in the report shall be deemed to constitute special assessments against the respective parcels on which they are levied without regard to property valuation. The Assessment shall be collected at the same time and subject to the same procedures provided for such taxes. All laws applicable to the levy, collection and enforcement of ad valorem property taxes shall be applicable to such assessments, except that if any real property to which such fees or charges relate has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attached thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be imposed shall not attach to such real property and the fees or charges and interest shall be transferred to the unsecured roll for collection.

Section 5. 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 6. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 11th day of June 2025.

Mark Terry, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk

Exhibit “A”

Schedule of Rates

(to be attached)



March 21, 2025

Mr. Arron Brown
City Manager
City of Canyon Lake
31516 Railroad Canyon Road
Canyon Lake CA 92587

Re: Annual Consumer Price Index Rate Adjustment

Dear Arron,

Pursuant to our current agreement to provide Solid Waste and Recycling Services to the City of Canyon Lake, CR&R Incorporated respectfully submits the attached information which outlines our Annual Rate Adjustment request for fiscal year 2025-2026. As provided for in the contract between the City of Canyon Lake and CR&R Incorporated, the rates illustrated in Exhibit "A" shall be adjusted annually to reflect the change in the Consumer Price Index (CPI).

In reviewing the change in the Annual data from the Bureau of Labor Statistics (BLS) for calendar year 2024, the CPI for All Urban Consumers (Series ID CUURS49CSA0) has increased by 2.61%. In addition, the County of Riverside's Waste Management Department has indicated that they will be adjusting their disposal rate for fiscal year 2025-2026 by 2.88%.

Therefore, based upon the data supplied by both the BLS and the County of Riverside, we have prepared the attached rate schedules which pass these adjustments through to the various rates. We have also prepared a new Exhibit "A" to reflect the incremental increases that will become effective July 1, 2025.

In addition, we also wanted to point out that we are proposing an additional minor rate adjustment request for our commercial and rolloff customers only. This rate adjustment, which is meant to address the City's Procurement obligations under Senate Bill 1383, is reflected in the attached rate schedules as well. ***This one-time rate adjustment will be a part of your commercial and rolloff rates only. Residential rates will not be impacted by this adjustment.***

The additional commercial/rolloff rate adjustment will be 3.90%. For a typical commercial customer who has a three cubic yard bin serviced one time per week, the additional charge will be \$1.86 cents per week.

By implementing this limited rate adjustment, the City will not have to worry about the annual cost of funding the required procurement of compost each year, nor will the City need to worry about where to place the thousands of tons of compost each year.



As an added benefit, the City of Canyon Lake and its residents, will continue to have access to as much loose compost as they would like to use, free of charge. Any compost/mulch not used by the City each year, will be managed by CR&R. This includes not only the cost of the material itself, but also all delivery and transportation costs as well.

As we have stated in prior years, we greatly appreciate our long-standing relationship with the City of Canyon Lake, as well as the opportunity that we have had to be of service to your residents and businesses. It truly has been and continues to be an honor and a privilege to be of service to the City.

Please do not hesitate to call us if you should have any questions or comments. We look forward to any further assistance that we may be able to provide.

Respectfully,

J. Alex Braicovich
Senior Regional Vice President

Cc: Mike Borja, City of Canyon Lake
Chrystal Denning, CR&R
Bill Higginbotham, CR&R

CANYON LAKE

2025 ANNUAL PRICE ADJUSTMENT

CPI - Annual Average

CUURS49CSA0 - All Items, Riverside-SB-0nt

* Provided by County Waste Management Dept

	Previous	New		
	129,545	132,932	2.61%	2.61%
	\$ 38.11	\$ 39.21	2.88%	2.88%
Landfill MRF	\$ 64.26	\$ 66.11	2.88%	2.88%
AD Digester	\$ 95.02	\$ 97.76	2.88%	2.88%

	Previous			New			Change in Rate			Proposed Rate			Procurement Fee		
	Service Component			Service Component			Service Component			Service Component			Service Component		
	% of Rate	Service	20% Fee	% of Rate	Service	20% Fee	Change	Extra-ordinary	Disposal	Change	Landfill	% of Rate	Total	% Change	% Change
Standard service Additional Cart Additional Bulky pick up Temporary 3 cubic yard bin Re-deliver and re-instatement 40 cubic yard roll-off 10 cubic yard roll-off Roll-off compactor service	87%	\$ 24.09	\$ 6.02	13%	\$ 34.61	\$ 6.18	\$ 0.63	\$ -	\$ 0.13	\$ -	\$ 4.63	87%	\$ 35.53	2.7%	2.7%
	87%	\$ 10.38	\$ 2.60	13%	\$ 14.92	\$ 3.06	\$ 0.27	\$ -	\$ 0.06	\$ -	\$ 2.00	87%	\$ 15.32	2.7%	2.7%
	87%	\$ 10.99	\$ 2.75	13%	\$ 15.73	\$ 2.82	\$ 0.29	\$ -	\$ 0.06	\$ -	\$ 2.11	87%	\$ 16.21	2.7%	2.7%
	87%	\$ 106.66	\$ 26.67	13%	\$ 153.25	\$ 27.36	\$ 2.79	\$ -	\$ 0.57	\$ -	\$ 20.50	87%	\$ 157.31	2.6%	6.7%
	100%	\$ 57.22	\$ 14.31	0%	\$ 71.53	\$ 14.68	\$ 1.50	\$ -	\$ -	\$ -	\$ -	0%	\$ 73.40	2.6%	6.6%
	100%	\$ 300.34	\$ 75.08	0%	\$ 375.42	\$ 77.05	\$ 7.85	\$ -	\$ -	\$ -	\$ -	0%	\$ 385.24	2.6%	6.6%
	100%	\$ 300.34	\$ 75.08	0%	\$ 375.42	\$ 77.05	\$ 7.85	\$ -	\$ -	\$ -	\$ -	0%	\$ 385.24	2.6%	6.6%
	100%	\$ 300.34	\$ 75.08	100%	\$ 538.67	\$ -	\$ -	\$ -	\$ 15.51	\$ -	\$ 554.18	100%	\$ 554.18	2.9%	6.9%
	100%	\$ 2.39	\$ 0.60	0%	\$ 2.99	\$ 0.62	\$ 0.07	\$ -	\$ -	\$ -	\$ -	0%	\$ 3.08	3.0%	3.0%
	100%	\$ 8.62	\$ 2.20	0%	\$ 11.02	\$ 2.26	\$ 0.23	\$ -	\$ -	\$ -	\$ -	0%	\$ 11.31	2.6%	2.6%
Residential Organic AD Rate Additional Food Scrap Pail Residential Recycling Fee	100%	\$ 0.80	\$ 0.20	0%	\$ 1.00	\$ 0.20	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 1.00	0.0%	0.0%
	100%	\$ 32.70	\$ 8.18	0%	\$ 40.88	\$ 8.39	\$ 0.86	\$ -	\$ -	\$ -	\$ -	0%	\$ 41.95	2.6%	6.6%
	100%	\$ 65.44	\$ 16.36	0%	\$ 81.80	\$ 16.79	\$ 1.71	\$ -	\$ -	\$ -	\$ -	0%	\$ 83.94	2.6%	6.6%
	100%	\$ 50.39	\$ 12.60	0%	\$ 62.99	\$ 12.93	\$ 1.32	\$ -	\$ -	\$ -	\$ -	0%	\$ 64.64	2.6%	6.6%
	100%	\$ 59.72	\$ 14.93	0%	\$ 74.65	\$ 15.32	\$ 1.56	\$ -	\$ -	\$ -	\$ -	0%	\$ 76.60	2.6%	6.6%
	100%	\$ 65.44	\$ 16.36	0%	\$ 81.80	\$ 16.79	\$ 1.71	\$ -	\$ -	\$ -	\$ -	0%	\$ 83.94	2.6%	6.6%
	100%	\$ 68.64	\$ 17.16	0%	\$ 85.80	\$ 17.61	\$ 1.79	\$ -	\$ -	\$ -	\$ -	0%	\$ 88.04	2.6%	6.6%
	100%	\$ 99.85	\$ 24.96	0%	\$ 124.81	\$ 25.61	\$ 2.61	\$ -	\$ -	\$ -	\$ -	0%	\$ 128.07	2.6%	6.6%
	100%	\$ 111.07	\$ 27.77	0%	\$ 138.84	\$ 28.49	\$ 2.90	\$ -	\$ -	\$ -	\$ -	0%	\$ 142.47	2.6%	6.6%
	100%	\$ 230.50	\$ 57.63	0%	\$ 288.13	\$ 59.13	\$ 3.03	\$ -	\$ -	\$ -	\$ -	0%	\$ 295.66	2.6%	6.6%
Organic (Food/Green) - Bin Additional Pick up Commercial Organic Cart Replacement Fee Commercial Organics Contamination Fee Commercial Bulky Item Shiner Truck Fee	100%	\$ 50.03	\$ 12.51	0%	\$ 62.54	\$ 12.84	\$ 1.31	\$ -	\$ -	\$ -	\$ -	0%	\$ 64.18	2.6%	6.6%
	100%	\$ 50.03	\$ 12.51	0%	\$ 62.54	\$ 12.84	\$ 1.31	\$ -	\$ -	\$ -	\$ -	0%	\$ 64.18	2.6%	6.6%
	100%	\$ 19.47	\$ 4.87	0%	\$ 24.34	\$ 5.00	\$ 0.51	\$ -	\$ -	\$ -	\$ -	0%	\$ 24.98	2.6%	6.6%
	100%	\$ 30.43	\$ 7.61	0%	\$ 38.04	\$ 7.81	\$ 0.80	\$ -	\$ -	\$ -	\$ -	0%	\$ 39.03	2.6%	6.6%
	87%	\$ 140.11	\$ 35.03	13%	\$ 201.31	\$ 35.94	\$ 3.66	\$ -	\$ 0.75	\$ -	\$ 26.92	87%	\$ 206.64	2.6%	6.7%
	87%	\$ 278.98	\$ 69.75	13%	\$ 400.84	\$ 71.57	\$ 7.29	\$ -	\$ 1.50	\$ -	\$ 53.61	87%	\$ 411.46	2.6%	6.7%
	87%	\$ 417.86	\$ 104.46	13%	\$ 600.37	\$ 107.20	\$ 10.93	\$ -	\$ 2.25	\$ -	\$ 80.30	87%	\$ 616.27	2.6%	6.7%
	87%	\$ 556.70	\$ 139.17	13%	\$ 799.85	\$ 142.81	\$ 14.56	\$ -	\$ 2.99	\$ -	\$ 106.98	87%	\$ 821.04	2.6%	6.7%
	87%	\$ 695.59	\$ 173.90	13%	\$ 999.41	\$ 178.44	\$ 18.19	\$ -	\$ 3.74	\$ -	\$ 133.67	87%	\$ 1,025.88	2.6%	6.7%
	87%	\$ 834.44	\$ 208.61	13%	\$ 1,198.91	\$ 214.06	\$ 21.82	\$ -	\$ 4.49	\$ -	\$ 180.35	87%	\$ 1,230.67	2.6%	6.7%
Complete Refuse 3 yd Bin Rates	1 x week	\$ 70.06	\$ 17.51	0%	\$ 87.57	\$ 17.97	\$ 1.83	\$ -	\$ -	\$ -	\$ -	0%	\$ 89.86	2.6%	6.6%
	2 x week	\$ 140.14	\$ 35.03	0%	\$ 175.17	\$ 35.95	\$ 3.66	\$ -	\$ -	\$ -	\$ -	0%	\$ 179.75	2.6%	6.6%
	3 x week	\$ 210.19	\$ 52.55	0%	\$ 262.74	\$ 53.92	\$ 5.50	\$ -	\$ -	\$ -	\$ -	0%	\$ 269.61	2.6%	6.6%
	4 x week	\$ 280.29	\$ 70.07	0%	\$ 350.36	\$ 71.90	\$ 7.33	\$ -	\$ -	\$ -	\$ -	0%	\$ 359.52	2.6%	6.6%
	5 x week	\$ 350.33	\$ 87.58	0%	\$ 437.91	\$ 89.87	\$ 9.16	\$ -	\$ -	\$ -	\$ -	0%	\$ 449.36	2.6%	6.6%
	6 x week	\$ 420.40	\$ 105.10	0%	\$ 525.50	\$ 107.85	\$ 10.99	\$ -	\$ -	\$ -	\$ -	0%	\$ 539.24	2.6%	6.6%
Recycle 95-gallon cart	1x week	\$ 44.12	\$ 11.03	0%	\$ 55.15	\$ 11.32	\$ 1.15	\$ -	\$ -	\$ -	\$ -	0%	\$ 56.59	2.6%	6.6%
	Each additional cart	\$ 36.52	\$ 9.13	0%	\$ 45.65	\$ 9.37	\$ 0.95	\$ -	\$ -	\$ -	\$ -	0%	\$ 46.84	2.6%	6.6%
	Recycle Container	\$ 62.40	\$ 15.60	0%	\$ 78.00	\$ 16.01	\$ 1.63	\$ -	\$ -	\$ -	\$ -	0%	\$ 80.04	2.6%	6.6%
	Organic (AD) Rates														
	1 x week	\$ 155.64	\$ 38.91	43%	\$ 341.27	\$ 39.93	\$ 4.07	\$ -	\$ 4.23	\$ -	\$ 150.94	43%	\$ 350.58	2.7%	6.7%
	2 x week	\$ 304.01	\$ 76.00	44%	\$ 673.17	\$ 77.99	\$ 7.95	\$ -	\$ 8.44	\$ -	\$ 301.60	44%	\$ 691.55	2.7%	6.7%
2- Yard Commercial Food Waste Bin	3 x week	\$ 454.95	\$ 113.74	44%	\$ 1,008.39	\$ 116.71	\$ 11.89	\$ -	\$ 12.66	\$ -	\$ 452.37	44%	\$ 1,035.92	2.7%	6.7%
	4 x week	\$ 605.86	\$ 151.47	44%	\$ 1,343.56	\$ 155.43	\$ 15.84	\$ -	\$ 16.88	\$ -	\$ 603.12	44%	\$ 1,380.24	2.7%	6.7%
	5 x week	\$ 758.80	\$ 189.20	44%	\$ 1,678.77	\$ 194.15	\$ 19.79	\$ -	\$ 21.10	\$ -	\$ 753.88	44%	\$ 1,724.61	2.7%	6.7%
	6 x week	\$ 907.74	\$ 226.94	44%	\$ 2,014.00	\$ 232.87	\$ 23.73	\$ -	\$ 25.32	\$ -	\$ 904.65	44%	\$ 2,068.99	2.7%	6.7%
	2- Yard Commercial Green Waste Only Bin														
	1 x week	\$ 159.54	\$ 39.89	27%	\$ 274.62	\$ 40.93	\$ 4.17	\$ -	\$ 2.17	\$ -	\$ 77.36	27%	\$ 282.00	2.7%	6.7%
64-gal Food Waste Cart	2 x week	\$ 311.68	\$ 77.92	28%	\$ 539.88	\$ 79.96	\$ 8.15	\$ -	\$ 4.33	\$ -	\$ 154.61	28%	\$ 554.39	2.7%	6.7%
	3 x week	\$ 466.42	\$ 116.60	28%	\$ 808.41	\$ 119.65	\$ 12.19	\$ -	\$ 6.49	\$ -	\$ 231.88	28%	\$ 830.14	2.7%	6.7%
	4 x week	\$ 621.16	\$ 155.29	28%	\$ 1,076.97	\$ 159.35	\$ 16.24	\$ -	\$ 8.65	\$ -	\$ 309.17	28%	\$ 1,105.93	2.7%	6.7%
	5 x week	\$ 775.91	\$ 193.98	28%	\$ 1,345.53	\$ 199.05	\$ 20.29	\$ -	\$ 10.82	\$ -	\$ 386.46	28%	\$ 1,381.71	2.7%	6.7%
	6 x week	\$ 930.67	\$ 232.67	28%	\$ 1,614.11	\$ 238.75	\$ 24.33	\$ -	\$ 12.98	\$ -	\$ 463.75	28%	\$ 1,657.51	2.7%	6.7%
	per month	\$ 35.17	\$ 8.79	44%	\$ 78.90	\$ 9.02	\$ 0.92	\$ -	\$ 1.01	\$ -	\$ 35.95	44%	\$ 81.06	2.7%	6.7%
per month	2 x week	\$ 71.79	\$ 17.95	44%	\$ 159.68	\$ 18.42	\$ 1.88	\$ -	\$ 2.01	\$ -	\$ 71.95	44%	\$ 164.04	2.7%	6.7%
	3 x week	\$ 107.71	\$ 26.93	44%	\$ 239.56	\$ 27.63	\$ 2.92	\$ -	\$ 3.02	\$ -	\$ 107.94	44%	\$ 246.10	2.7%	6.7%
	4 x week	\$ 143.60	\$ 35.90	44%	\$ 319.50	\$ 36.84	\$ 3.75	\$ -	\$ 4.03	\$ -	\$ 143.93	44%	\$ 328.12	2.7%	6.7%
	5 x week	\$ 179.50	\$ 44.88	44%	\$ 399.24	\$ 46.05	\$ 4.69	\$ -	\$ 5.04	\$ -	\$ 179.90	44%	\$ 410.14	2.7%	6.7%
	6 x week	\$ 215.41	\$ 53.85	44%	\$ 479.10	\$ 55.26	\$ 5.63	\$ -	\$ 6.04	\$ -	\$ 215.88	44%	\$ 492.18	2.7%	6.7%
	per month	\$ 215.41	\$ 53.85	44%	\$ 479.10	\$ 55.26	\$ 5.63	\$ -	\$ 6.04	\$ -	\$ 215.88	44%	\$ 492.18	2.7%	6.7%

CITY OF CANYON LAKE

Schedule of Rates (effective July 1, 2025)

2 Fully automated single family residential collection, fully mechanized recycling, composting, transfer and disposal:			
Monthly Rate: (includes Extraordinary Recycling Fee)	\$	36.53	
3 Fully automated single family residential additional refuse, recycling or composting container:			
Monthly Rate Per Container:	\$	15.32	
4 Single family residential additional bulky item pick up:			
Per Pick Up (two items per pick up):	\$	16.21	
Residential Organic AD Service	\$	3.08	
Additional Food Scrap Pail	\$	11.31	
5 Commercial, industrial, and multi-family residential refuse monthly bin rates (one 3 cubic yard bin) with the following pick ups per week:			
1 x week	\$	214.70	
2 x week	\$	427.51	
3 x week	\$	640.30	
4 x week	\$	853.06	
5 x week	\$	1,065.89	
6 x week	\$	1,278.67	
6 Commercial, industrial, and multi-family residential recycle monthly bin rates (one 3 cubic yard bin) with the following pick ups per week:			
1 x week	\$	93.36	
2 x week	\$	186.76	
3 x week	\$	280.12	
4 x week	\$	373.54	
5 x week	\$	466.89	
6 x week	\$	560.27	
Commercial, industrial, and multi-family residential recycle monthly cart rate (one 96 gallon cart) with the following pick ups per week:			
1 x week	\$	58.80	
Each Additional Commercial Recycling Cart	\$	48.67	
Each Additional Commercial Organic Bin Per Pick Up*	\$	307.19	
Commercial Organic Cart Replacement Fee*	\$	66.68	
Commercial Convert To Locking Bin- One Time Fee Per Bin*	\$	79.59	
Organic Container Contamination Fee Per Occurrence*	\$	66.68	
Recycle Container Contamination Fee	\$	83.16	
7 Temporary 3 cubic yard bin rate:	\$	163.45	per bin
8 Redeliver and reinstatement rate:	\$	76.26	per occurrence

CITY OF CANYON LAKE

Schedule of Rates (effective July 1, 2025)

9 40 cubic yard roll-off bin rate:	\$	400.26	+ MRF/landfill fees
10 10 cubic yard roll-off/lowboy bin rate:	\$	400.26	+ MRF/landfill fees
Compactor roll-off bin rate*:	\$	575.79	
Commercial Bin Delivery (Permanent /Temp)*	\$	67.16	
Rolloff New Account Set up	\$	87.21	
Commercial Overflow	\$	91.47	
Commercial Bulky Item Per Item*	\$	25.95	
Rolloff Delivery	\$	133.06	
Rolloff False Run	\$	133.06	
Rolloff Relocation	\$	148.03	
Stinger Truck Fee Per Bin, Per Frequency*	\$	40.55	
Organic AD Rates			
Anaerobic Digester Rate Per Ton	\$	97.76	

Commercial, industrial, and multi-family residential food monthly bin rates (one 2 cubic yard bin) with the following pick ups per week:

1 x week	\$	364.25
2 x week	\$	718.52
3 x week	\$	1,076.32
4 x week	\$	1,434.07
5 x week	\$	1,791.87
6 x week	\$	2,149.68

Commercial, industrial, and multi-family residential non-food monthly bin rates (one 2 cubic yard bin) with the following pick ups per week:

1 x week	\$	293.00
2 x week	\$	576.01
3 x week	\$	862.52
4 x week	\$	1,149.06
5 x week	\$	1,435.60
6 x week	\$	1,722.15

Commercial, industrial, and multi-family residential food monthly cart rate (one 64-gallon cart) with the following pick ups per week:

1 x week	\$	84.22
2 x week	\$	170.44
3 x week	\$	255.70
4 x week	\$	340.92
5 x week	\$	426.14
6 x week	\$	511.38

Databases, Tables & Calculators by Subject

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Data extracted on: February 17, 2025 (7:47:20 PM)

Consumer Price Index for All Urban Consumers (CPI-U)

Series Id: CUURS49CSA0
 Not Seasonally Adjusted
Series Title: All items in Riverside-San Bernardino-Ontario, CA, all urban consumers, not seasonally adjusted
Area: Riverside-San Bernardino-Ontario, CA
Item: All items
Base Period: DECEMBER 2017=100

Download:  [.xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2017												100.000			
2018	100.916		101.897		102.929		103.139		103.241		103.616		102.732	102.023	103.441
2019	103.991		104.749		105.959		105.816		106.412		106.573		105.697	104.998	106.397
2020	107.143		107.162		106.899		107.640		108.201		108.626		107.672	107.068	108.275
2021	109.550		110.981		113.222		114.682		115.557		117.206		113.875	111.588	116.162
2022	118.963		122.127		123.893		125.262		125.272		125.983		123.784	122.018	125.551
2023	127.683		127.707		128.768		129.525		131.372		131.372		129.545	128.130	130.961
2024	131.358		133.144		133.943		133.113		133.179		132.853		132.932	132.817	133.046
2025	135.215														

12-Month Percent Change

Series Id: CUURS49CSA0
 Not Seasonally Adjusted
Series Title: All items in Riverside-San Bernardino-Ontario, CA, all urban consumers, not seasonally adjusted
Area: Riverside-San Bernardino-Ontario, CA
Item: All items
Base Period: DECEMBER 2017=100

Download:  [.xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2019	3.0		2.8		2.9		2.6		3.1		2.9		2.9	2.9	2.9
2020	3.0		2.3		0.9		1.7		1.7		1.9		1.9	2.0	1.8
2021	2.2		3.6		5.9		6.5		6.8		7.9		5.8	4.2	7.3
2022	8.6		10.0		9.4		9.2		8.4		7.5		8.7	9.3	8.1
2023	7.3		4.6		3.9		3.4		4.9		4.3		4.7	5.0	4.3
2024	2.9		4.3		4.0		2.8		1.4		1.1		2.6	3.7	1.6
2025	2.9														

U.S. BUREAU OF LABOR STATISTICS Postal Square Building 2 Massachusetts Avenue NE Washington, DC 20212-0001

Telephone:1-202-691-5200 Telecommunications Relay Service:7-1-1 www.bls.gov [Contact Us](#)



Andy Cortez, General Manager-Chief Engineer

February 5, 2025

Alex Braicovich
CR&R
P.O. Box 1208
Perris, CA 92570

RE: Disposal Fee Increase – FY 2025/26

The Riverside County Department of Waste Resources (Department) is responsible for assuring that there is, and will be in the future, sufficient and accessible landfill space to properly serve the population of the County in its disposal needs. To fulfill this mandate, the Department continually maintains and expands County landfill sites, and encourages, supports, and develops recycling programs that minimize the dependence on landfill disposal facilities.

Due to sustained increases in labor expenses, capital improvement costs, regulatory compliance costs, and closed site maintenance, an increase in disposal rates is essential to allow for continued and improved services. This letter serves as a notice that subject to approval by the Riverside County Board of Supervisors, landfill disposal rates will increase in FY 25/26 by the Consumer Price Index (CPI), which is 2.88% for calendar year 2024. The FY 25/26 rate for the Perris Valley Transfer Station will be \$43.77 per ton and \$40.10 per ton for the Area 8 Transfer Station(s). The new rates will become effective for tonnage deliveries starting on July 1, 2025.

Thank you for your past cooperation and support.

cc: Crystal D.
Bill H.
Nate W.
Barbara J.

Sincerely,

Andy Cortez
General Manager-Chief Engineer

cc: Jeff Johnson, LEA (via email)

2/6/25

ATTACHMENT 2

RESOLUTION NO. 2025-31

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, INCREASING COMMERCIAL AND ROLLOFF SOLID WASTE COLLECTION RATES TO IMPLEMENT PROCUREMENT OBLIGATIONS UNDER SB 1383

WHEREAS, Proposition 218 was adopted on November 6, 1996, adding Article XIID, Section 6, to the California Constitution; and

WHEREAS, the City of Canyon Lake has adopted an exclusive franchise agreement (“Agreement”) with CR&R Environmental Services (“CR&R”); and

WHEREAS, under the Agreement, CR&R provides solid waste collection services for the City of Canyon Lake; and

WHEREAS, pursuant to the provisions of State law, including but not limited to Health & Safety Code Sections 5470 *et seq.*, the City of Canyon Lake may adopt and implement fees and charges to cover the cost of collecting solid waste within the City; and

WHEREAS, the City desires to increase such fees and charges to commercial and roll-off customers to implement new regulations adopted under SB 1383; and

WHEREAS, the proposed solid waste fees are set out on Exhibit “A”, attached and incorporated hereto; and

WHEREAS, a written report of prospective solid waste collection fees has been prepared and filed with the City Clerk; and

WHEREAS, on June 11, 2025, the City Council conducted a duly noticed public hearing and heard all comments/protests regarding the solid waste fees; and

WHEREAS, the City Council finds from such reports that the amount of fees is the reasonable cost of service provided, plus direct and indirect overhead; that amounts collected will be used only for immediately available (and not standby) solid waste collection services; that such fees and charges are proportionate to the amount of service received, and that such fees and charges are not for traditional governmental services such as police, fire, or libraries; and

WHEREAS, the City Council further finds that this increase in rates is for the purpose of meeting operating expenses, including wage rates and fringe benefits, required for the collection of solid waste within the City pursuant to its existing franchise, and that such action therefore is statutorily exempt from CEQA under Public Resources Code Section 21080(b) and Section 15273 of the CEQA guidelines.

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. As to the solid waste collection fees set forth in Exhibit “A”, the City Council finds and determines as follows:

- a. The City of Canyon Lake has provided the required written notice in accordance with Article XIID of the California Constitution. (Cal. Const., art. XIID, § 6(a)(1)).
- b. The public hearing has occurred not less than 45 days after the mailing of the written notice. (Cal. Const., art. XIID, § 6(a)(2)).
- c. Revenues derived from the proposed adjustments to the rates do not exceed the funds required to provide the services. (Cal. Const., art. XIID, § 6(b)(1)).
- d. Revenues derived from the proposed adjustments to the rates are not used for any other purpose other than to provide the services. (Cal. Const., art. XIID, § 6(b)(2)).
- e. The amount of the proposed adjustments to the rates imposed upon any parcel or person does not exceed the proportional cost of providing the services to that parcel. (Cal. Const., art. XIID, § 6(b)(3)).
- f. The services are actually used by, or immediately available to, the owner of the parcels subject to the proposed adjustments to the rates. (Cal. Const., art. XIID, § 6(b)(4)).
- g. The proposed adjustments to the rates are not imposed for general governmental services, where the service is available to the public in substantially the same manner as it is to property owners. (Cal. Const., art. XIID, § 6(b)(5)).
- h. The City of Canyon Lake has received _____ written protests timely filed.
- i. Of those timely filed written protests received, _____ valid protests were submitted by the record owners of one or more of the parcels mailed Proposition 218 notices.
- j. _____ protests were determined not to be valid for one of more of the following reasons: _____.
- k. The City Council conducted a fully noticed public hearing on June 11, 2025, at which time the public had the opportunity to provide testimony regarding the proposed increases and the City Council considered the testimony prior to making a final decision to adopt the proposed adjustments to the rates.

Section 3. The adoption of this Resolution is exempt from the Requirements of the California Environmental Quality Act (“CEQA”) pursuant to Public Resources Code Section 21080(b) and Section 15273 of the State CEQA Guidelines because the Resolution pertains to the adoption of rates necessary to maintain services within the City's existing service area.

Section 4. The total number of valid protests received by the City of Canyon Lake does not constitute a majority of the parcels mailed Proposition 218 notices.

Section 5. The effect of the results of the protest count as described above in Section 4 is that the City Council is authorized to adopt the proposed adjustments to the rates as described in Exhibit “A” attached hereto and incorporated herein as though set forth in full.

Section 6. The commercial and roll-off solid waste collection fees are increased in the amounts set out on Exhibit “A” attached hereto and incorporated herein as though set forth in full. Such increase shall be effective as of July 1, 2025.

Section 7. 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 8. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 11th day of June 2025.

Mark Terry, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk

Exhibit “A”

Schedule of Rates

(to be attached)



March 21, 2025

Mr. Arron Brown
City Manager
City of Canyon Lake
31516 Railroad Canyon Road
Canyon Lake CA 92587

Re: Annual Consumer Price Index Rate Adjustment

Dear Arron,

Pursuant to our current agreement to provide Solid Waste and Recycling Services to the City of Canyon Lake, CR&R Incorporated respectfully submits the attached information which outlines our Annual Rate Adjustment request for fiscal year 2025-2026. As provided for in the contract between the City of Canyon Lake and CR&R Incorporated, the rates illustrated in Exhibit "A" shall be adjusted annually to reflect the change in the Consumer Price Index (CPI).

In reviewing the change in the Annual data from the Bureau of Labor Statistics (BLS) for calendar year 2024, the CPI for All Urban Consumers (Series ID CUURS49CSA0) has increased by 2.61%. In addition, the County of Riverside's Waste Management Department has indicated that they will be adjusting their disposal rate for fiscal year 2025-2026 by 2.88%.

Therefore, based upon the data supplied by both the BLS and the County of Riverside, we have prepared the attached rate schedules which pass these adjustments through to the various rates. We have also prepared a new Exhibit "A" to reflect the incremental increases that will become effective July 1, 2025.

In addition, we also wanted to point out that we are proposing an additional minor rate adjustment request for our commercial and rolloff customers only. This rate adjustment, which is meant to address the City's Procurement obligations under Senate Bill 1383, is reflected in the attached rate schedules as well. ***This one-time rate adjustment will be a part of your commercial and rolloff rates only. Residential rates will not be impacted by this adjustment.***

The additional commercial/rolloff rate adjustment will be 3.90%. For a typical commercial customer who has a three cubic yard bin serviced one time per week, the additional charge will be \$1.86 cents per week.

By implementing this limited rate adjustment, the City will not have to worry about the annual cost of funding the required procurement of compost each year, nor will the City need to worry about where to place the thousands of tons of compost each year.



As an added benefit, the City of Canyon Lake and its residents, will continue to have access to as much loose compost as they would like to use, free of charge. Any compost/mulch not used by the City each year, will be managed by CR&R. This includes not only the cost of the material itself, but also all delivery and transportation costs as well.

As we have stated in prior years, we greatly appreciate our long-standing relationship with the City of Canyon Lake, as well as the opportunity that we have had to be of service to your residents and businesses. It truly has been and continues to be an honor and a privilege to be of service to the City.

Please do not hesitate to call us if you should have any questions or comments. We look forward to any further assistance that we may be able to provide.

Respectfully,

J. Alex Braicovich
Senior Regional Vice President

Cc: Mike Borja, City of Canyon Lake
Chrystal Denning, CR&R
Bill Higginbotham, CR&R

CANYON LAKE

2025 ANNUAL PRICE ADJUSTMENT

CPI - Annual Average

CUURS49CSA0 - All Items, Riverside-SB-0nt

* Provided by County Waste Management Dept

	Previous	New		
	129,545	132,932	2.61%	2.61%
	\$ 38.11	\$ 39.21	2.88%	2.88%
	\$ 64.26	\$ 66.11	2.88%	2.88%
	\$ 95.02	\$ 97.76	2.88%	2.88%

	Service Component		Previous Rate		Change in Rate		Proposed Rate		Procurement Fee	
	% of Rate	Service	20% Fee	Landfill	Service Change	Extraordinary	Landfill	% of Rate	Service	20% Fee

Standard service	87%	\$ 24.09	\$ 6.02	13%	\$ 4.50	\$ 0.63	\$ -	87%	\$ 24.72	\$ 6.18
Additional Cart	87%	\$ 10.38	\$ 2.60	13%	\$ 1.94	\$ 0.27	\$ -	87%	\$ 10.66	\$ 2.66
Additional Bulky pick up	87%	\$ 10.99	\$ 2.75	13%	\$ 2.05	\$ 0.29	\$ -	87%	\$ 11.28	\$ 2.82
Temporary 3 cubic yard bin	87%	\$ 106.66	\$ 26.67	13%	\$ 19.92	\$ 2.79	\$ 0.57	87%	\$ 109.45	\$ 27.36
Re-deliver and re-instatement	100%	\$ 57.22	\$ 14.31	0%	\$ -	\$ 1.50	\$ -	100%	\$ 58.72	\$ 14.68
40 cubic yard roll-off	100%	\$ 300.34	\$ 75.08	0%	\$ -	\$ 7.85	\$ -	100%	\$ 308.19	\$ 77.05
10 cubic yard roll-off	100%	\$ 300.34	\$ 75.08	0%	\$ -	\$ 7.85	\$ -	100%	\$ 308.19	\$ 77.05
Roll-off compactor service	100%	\$ 300.34	\$ 75.08	100%	\$ 538.67	\$ -	\$ 15.51	0%	\$ -	\$ -

Residential Organic AD Rate	100%	\$ 2.39	\$ 0.60	0%	\$ -	\$ 0.07	\$ -	100%	\$ 2.46	\$ 0.62
Additional Food Scrap Pail	100%	\$ 8.62	\$ 2.20	0%	\$ -	\$ 0.23	\$ -	100%	\$ 9.05	\$ 2.26
Residential Recycling Fee	100%	\$ 0.80	\$ 0.20	0%	\$ -	\$ -	\$ -	100%	\$ 0.80	\$ 0.20

Residential New Account Set up	100%	\$ 32.70	\$ 8.18	0%	\$ -	\$ 0.86	\$ -	100%	\$ 33.56	\$ 8.39
Commercial New Account Set up	100%	\$ 65.44	\$ 16.36	0%	\$ -	\$ 1.71	\$ -	100%	\$ 67.15	\$ 12.93
Commercial Bin Delivery	100%	\$ 50.39	\$ 12.60	0%	\$ -	\$ 1.32	\$ -	100%	\$ 51.71	\$ 12.93

Commercial Convert To Locking Bin	100%	\$ 59.72	\$ 14.93	0%	\$ -	\$ 1.56	\$ -	100%	\$ 61.28	\$ 15.32
Roll-off New Account Set up	100%	\$ 65.44	\$ 16.36	0%	\$ -	\$ 1.71	\$ -	100%	\$ 67.15	\$ 12.93
Commercial Overflow	100%	\$ 68.64	\$ 17.16	0%	\$ -	\$ 1.79	\$ -	100%	\$ 70.43	\$ 17.61
Commercial Delivery	100%	\$ 99.85	\$ 24.96	0%	\$ -	\$ 2.61	\$ -	100%	\$ 102.46	\$ 25.61

Roll-off False Run	100%	\$ 99.85	\$ 24.96	0%	\$ -	\$ 2.61	\$ -	100%	\$ 102.46	\$ 25.61
Roll-off Relocation	100%	\$ 111.07	\$ 27.77	0%	\$ -	\$ 2.90	\$ -	100%	\$ 113.98	\$ 28.49
Organic (Food/Green) - Bin Additional Pick up	100%	\$ 230.50	\$ 57.63	0%	\$ -	\$ 6.03	\$ -	100%	\$ 236.53	\$ 59.13
Commercial Organic Cart Replacement Fee	100%	\$ 50.03	\$ 12.51	0%	\$ -	\$ 1.31	\$ -	100%	\$ 51.34	\$ 12.84

Commercial Organics Contamination Fee	100%	\$ 50.03	\$ 12.51	0%	\$ -	\$ 1.31	\$ -	100%	\$ 51.34	\$ 12.84
Commercial Bulky Item	100%	\$ 19.47	\$ 4.87	0%	\$ -	\$ 0.51	\$ -	100%	\$ 19.98	\$ 5.00
Slinger Truck Fee	100%	\$ 30.43	\$ 7.61	0%	\$ -	\$ 0.80	\$ -	100%	\$ 31.23	\$ 7.81

Complete Refuse 3 yd Bin Rates	87%	\$ 140.11	\$ 35.03	13%	\$ 26.17	\$ 3.66	\$ -	87%	\$ 143.78	\$ 35.94
1 x week	87%	\$ 278.98	\$ 69.75	13%	\$ 52.11	\$ 7.29	\$ -	87%	\$ 286.28	\$ 71.57
2 x week	87%	\$ 417.86	\$ 104.46	13%	\$ 78.05	\$ 10.93	\$ -	87%	\$ 428.78	\$ 107.20
3 x week	87%	\$ 556.70	\$ 139.17	13%	\$ 103.98	\$ 14.56	\$ -	87%	\$ 571.25	\$ 142.81
4 x week	87%	\$ 695.59	\$ 173.90	13%	\$ 129.92	\$ 18.19	\$ -	87%	\$ 713.78	\$ 178.44
5 x week	87%	\$ 834.44	\$ 208.61	13%	\$ 155.86	\$ 21.82	\$ -	87%	\$ 856.26	\$ 214.06
6 x week	87%	\$ 834.44	\$ 208.61	13%	\$ 155.86	\$ 21.82	\$ -	87%	\$ 856.26	\$ 214.06

Complete Recycle 3 yd Bin Rates	100%	\$ 70.06	\$ 17.51	0%	\$ -	\$ 1.83	\$ -	100%	\$ 71.89	\$ 17.97
1 x week	100%	\$ 140.14	\$ 35.03	0%	\$ -	\$ 3.66	\$ -	100%	\$ 143.80	\$ 35.95
2 x week	100%	\$ 210.19	\$ 52.55	0%	\$ -	\$ 5.50	\$ -	100%	\$ 215.69	\$ 53.92
3 x week	100%	\$ 280.29	\$ 70.07	0%	\$ -	\$ 7.33	\$ -	100%	\$ 287.62	\$ 71.90
4 x week	100%	\$ 350.33	\$ 87.58	0%	\$ -	\$ 9.16	\$ -	100%	\$ 359.49	\$ 89.87
5 x week	100%	\$ 420.40	\$ 105.10	0%	\$ -	\$ 10.99	\$ -	100%	\$ 431.39	\$ 107.85
6 x week	100%	\$ 420.40	\$ 105.10	0%	\$ -	\$ 10.99	\$ -	100%	\$ 431.39	\$ 107.85

Recycle 95-gallon cart	100%	\$ 44.12	\$ 11.03	0%	\$ -	\$ 1.15	\$ -	100%	\$ 45.27	\$ 11.32
1x week	100%	\$ 36.52	\$ 9.13	0%	\$ -	\$ 0.95	\$ -	100%	\$ 37.47	\$ 9.37
Each additional cart	100%	\$ 62.40	\$ 15.60	0%	\$ -	\$ 1.63	\$ -	100%	\$ 64.03	\$ 16.01

Recycle Container Contamination Fee	100%	\$ 62.40	\$ 15.60	0%	\$ -	\$ 1.63	\$ -	100%	\$ 64.03	\$ 16.01
Organic (AD) Rates	57%	\$ 155.64	\$ 38.91	43%	\$ 146.72	\$ 4.07	\$ -	57%	\$ 159.71	\$ 39.93
2- Yard Commercial Food Waste Bin	56%	\$ 304.01	\$ 76.00	44%	\$ 293.15	\$ 7.95	\$ -	56%	\$ 311.96	\$ 77.99
1 x week	56%	\$ 454.95	\$ 113.74	44%	\$ 439.70	\$ 11.89	\$ -	56%	\$ 466.84	\$ 116.71
2 x week	56%	\$ 605.86	\$ 151.47	44%	\$ 586.23	\$ 15.84	\$ -	56%	\$ 621.70	\$ 155.43
3 x week	56%	\$ 756.80	\$ 189.20	44%	\$ 732.77	\$ 19.79	\$ -	56%	\$ 776.58	\$ 194.15
4 x week	56%	\$ 907.74	\$ 226.94	44%	\$ 879.32	\$ 23.73	\$ -	56%	\$ 931.48	\$ 232.87
5 x week	56%	\$ 907.74	\$ 226.94	44%	\$ 879.32	\$ 23.73	\$ -	56%	\$ 931.48	\$ 232.87
6 x week	56%	\$ 907.74	\$ 226.94	44%	\$ 879.32	\$ 23.73	\$ -	56%	\$ 931.48	\$ 232.87

2- Yard Commercial Green Waste Only Bin	73%	\$ 159.54	\$ 39.89	27%	\$ 75.19	\$ 2.17	\$ -	73%	\$ 163.71	\$ 40.93
1 x week	72%	\$ 311.68	\$ 77.92	28%	\$ 150.28	\$ 4.15	\$ -	72%	\$ 319.83	\$ 79.96
2 x week	72%	\$ 466.42	\$ 116.60	28%	\$ 225.39	\$ 6.19	\$ -	72%	\$ 478.61	\$ 119.65
3 x week	72%	\$ 621.16	\$ 155.29	28%	\$ 300.52	\$ 8.65	\$ -	72%	\$ 637.40	\$ 159.35
4 x week	72%	\$ 775.91	\$ 193.98	28%	\$ 375.64	\$ 10.82	\$ -	72%	\$ 796.20	\$ 199.05
5 x week	72%	\$ 930.67	\$ 232.67	28%	\$ 450.77	\$ 12.98	\$ -	72%	\$ 955.01	\$ 238.75
6 x week	72%	\$ 930.67	\$ 232.67	28%	\$ 450.77	\$ 12.98	\$ -	72%	\$ 955.01	\$ 238.75

64-gal Food Waste Cart	56%	\$ 35.17	\$ 8.79	44%	\$ 34.94	\$ 0.92	\$ -	56%	\$ 36.08	\$ 9.02
1 x week	56%	\$ 71.79	\$ 17.95	44%	\$ 69.94	\$ 1.88	\$ -	56%	\$ 73.67	\$ 18.42
2 x week	56%	\$ 107.71	\$ 26.93	44%	\$ 104.92	\$ 2.82	\$ -	56%	\$ 110.53	\$ 27.63
3 x week	56%	\$ 143.60	\$ 35.90	44%	\$ 139.90	\$ 3.75	\$ -	56%	\$ 147.36	\$ 36.84
4 x week	56%	\$ 179.50	\$ 44.88	44%	\$ 174.86	\$ 4.69	\$ -	56%	\$ 184.19	\$ 46.05
5 x week	56%	\$ 215.41	\$ 53.85	44%	\$ 209.84	\$ 5.63	\$ -	56%	\$ 221.04	\$ 55.26
6 x week	56%	\$ 215.41	\$ 53.85	44%	\$ 209.84	\$ 5.63	\$ -	56%	\$ 221.04	\$ 55.26

CITY OF CANYON LAKE

Schedule of Rates (effective July 1, 2025)

- 2 Fully automated single family residential collection, fully mechanized recycling, composting, transfer and disposal:

Monthly Rate: (includes Extraordinary Recycling Fee) \$ 36.53

- 3 Fully automated single family residential additional refuse, recycling or composting container:

Monthly Rate Per Container: \$ 15.32

- 4 Single family residential additional bulky item pick up:

Per Pick Up (two items per pick up): \$ 16.21

Residential Organic AD Service \$ 3.08

Additional Food Scrap Pail \$ 11.31

- 5 Commercial, industrial, and multi-family residential refuse monthly bin rates (one 3 cubic yard bin) with the following pick ups per week:

1 x week	\$ 214.70
2 x week	\$ 427.51
3 x week	\$ 640.30
4 x week	\$ 853.06
5 x week	\$ 1,065.89
6 x week	\$ 1,278.67

- 6 Commercial, industrial, and multi-family residential recycle monthly bin rates (one 3 cubic yard bin) with the following pick ups per week:

1 x week	\$ 93.36
2 x week	\$ 186.76
3 x week	\$ 280.12
4 x week	\$ 373.54
5 x week	\$ 466.89
6 x week	\$ 560.27

Commercial, industrial, and multi-family residential recycle monthly cart rate (one 96 gallon cart) with the following pick ups per week:

1 x week	\$ 58.80
----------	----------

Each Additional Commercial Recycling Cart \$ 48.67

Each Additional Commercial Organic Bin Per Pick Up* \$ 307.19

Commercial Organic Cart Replacement Fee* \$ 66.68

Commercial Convert To Locking Bin- One Time Fee Per Bin* \$ 79.59

Organic Container Contamination Fee Per Occurrence* \$ 66.68

Recycle Container Contamination Fee \$ 83.16

- 7 Temporary 3 cubic yard bin rate: \$ 163.45 per bin

- 8 Redeliver and reinstatement rate: \$ 76.26 per occurrence

CITY OF CANYON LAKE

Schedule of Rates (effective July 1, 2025)

9 40 cubic yard roll-off bin rate:	\$	400.26	+ MRF/landfill fees
10 10 cubic yard roll-off/lowboy bin rate:	\$	400.26	+ MRF/landfill fees
Compactor roll-off bin rate*:	\$	575.79	
Commercial Bin Delivery (Permanent /Temp)*	\$	67.16	
Rolloff New Account Set up	\$	87.21	
Commercial Overflow	\$	91.47	
Commercial Bulky Item Per Item*	\$	25.95	
Rolloff Delivery	\$	133.06	
Rolloff False Run	\$	133.06	
Rolloff Relocation	\$	148.03	
Stinger Truck Fee Per Bin, Per Frequency*	\$	40.55	
Organic AD Rates			
Anaerobic Digester Rate Per Ton	\$	97.76	

Commercial, industrial, and multi-family residential food monthly bin rates (one 2 cubic yard bin) with the following pick ups per week:

1 x week	\$	364.25
2 x week	\$	718.52
3 x week	\$	1,076.32
4 x week	\$	1,434.07
5 x week	\$	1,791.87
6 x week	\$	2,149.68

Commercial, industrial, and multi-family residential non-food monthly bin rates (one 2 cubic yard bin) with the following pick ups per week:

1 x week	\$	293.00
2 x week	\$	576.01
3 x week	\$	862.52
4 x week	\$	1,149.06
5 x week	\$	1,435.60
6 x week	\$	1,722.15

Commercial, industrial, and multi-family residential food monthly cart rate (one 64-gallon cart) with the following pick ups per week:

1 x week	\$	84.22
2 x week	\$	170.44
3 x week	\$	255.70
4 x week	\$	340.92
5 x week	\$	426.14
6 x week	\$	511.38

Databases, Tables & Calculators by Subject

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Change Output Options:

From: To: 

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Data extracted on: February 17, 2025 (7:47:20 PM)

Consumer Price Index for All Urban Consumers (CPI-U)

Series Id: CUURS49CSA0
 Not Seasonally Adjusted
Series Title: All items in Riverside-San Bernardino-Ontario, CA, all urban consumers, not seasonally adjusted
Area: Riverside-San Bernardino-Ontario, CA
Item: All items
Base Period: DECEMBER 2017=100

Download:  [.xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2017												100.000			
2018	100.916		101.897		102.929		103.139		103.241		103.616		102.732	102.023	103.441
2019	103.991		104.749		105.959		105.816		106.412		106.573		105.697	104.998	106.397
2020	107.143		107.162		106.899		107.640		108.201		108.626		107.672	107.068	108.275
2021	109.550		110.981		113.222		114.682		115.557		117.206		113.875	111.588	116.162
2022	118.963		122.127		123.893		125.262		125.272		125.983		123.784	122.018	125.551
2023	127.683		127.707		128.768		129.525		131.372		131.372		129.545	128.130	130.961
2024	131.358		133.144		133.943		133.113		133.179		132.853		132.932	132.817	133.046
2025	135.215														

12-Month Percent Change

Series Id: CUURS49CSA0
 Not Seasonally Adjusted
Series Title: All items in Riverside-San Bernardino-Ontario, CA, all urban consumers, not seasonally adjusted
Area: Riverside-San Bernardino-Ontario, CA
Item: All items
Base Period: DECEMBER 2017=100

Download:  [.xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2019	3.0		2.8		2.9		2.6		3.1		2.9		2.9	2.9	2.9
2020	3.0		2.3		0.9		1.7		1.7		1.9		1.9	2.0	1.8
2021	2.2		3.6		5.9		6.5		6.8		7.9		5.8	4.2	7.3
2022	8.6		10.0		9.4		9.2		8.4		7.5		8.7	9.3	8.1
2023	7.3		4.6		3.9		3.4		4.9		4.3		4.7	5.0	4.3
2024	2.9		4.3		4.0		2.8		1.4		1.1		2.6	3.7	1.6
2025	2.9														

U.S. BUREAU OF LABOR STATISTICS Postal Square Building 2 Massachusetts Avenue NE Washington, DC 20212-0001

Telephone: 1-202-691-5200 Telecommunications Relay Service: 7-1-1 www.bls.gov [Contact Us](#)



Andy Cortez, General Manager-Chief Engineer

February 5, 2025

Alex Braicovich
CR&R
P.O. Box 1208
Perris, CA 92570

RE: Disposal Fee Increase – FY 2025/26

The Riverside County Department of Waste Resources (Department) is responsible for assuring that there is, and will be in the future, sufficient and accessible landfill space to properly serve the population of the County in its disposal needs. To fulfill this mandate, the Department continually maintains and expands County landfill sites, and encourages, supports, and develops recycling programs that minimize the dependence on landfill disposal facilities.

Due to sustained increases in labor expenses, capital improvement costs, regulatory compliance costs, and closed site maintenance, an increase in disposal rates is essential to allow for continued and improved services. This letter serves as a notice that subject to approval by the Riverside County Board of Supervisors, landfill disposal rates will increase in FY 25/26 by the Consumer Price Index (CPI), which is 2.88% for calendar year 2024. The FY 25/26 rate for the Perris Valley Transfer Station will be \$43.77 per ton and \$40.10 per ton for the Area 8 Transfer Station(s). The new rates will become effective for tonnage deliveries starting on July 1, 2025.

Thank you for your past cooperation and support.

cc: Crystal D.
Bill H.
Nate W.
Barbara J.

Sincerely,

Andy Cortez
General Manager-Chief Engineer

cc: Jeff Johnson, LEA (via email)

2/6/25



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Steven Graham Pacifico, City Attorney

DATE: June 11, 2025

SUBJECT: (1) Adopt Urgency Ordinance No. 254 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178, and Declaring the Urgency Thereof; and (2) Introduction and First Reading of Ordinance No. 255 - An Ordinance of the City Council of Canyon Lake, California, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178

Recommendation

(1) Adopt Urgency Ordinance No. 254 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178, and Declaring the Urgency Thereof; and (2) introduce and read by title only Ordinance No. 255 - An Ordinance of the City Council of Canyon Lake, California, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178.

Background and Analysis

On March 24, 2025 the Office of the State Fire Marshal (OSFM), a program of CAL FIRE, released the first comprehensive update to the Local Responsibility Area (LRA) Fire Hazard Severity Zone maps since 2007. The 2025 release applies current fire-science modeling—incorporating topography, prevailing fire-weather, fuel loads, ember transport and historical fire perimeters—to classify parcels based on fire severity as Moderate, High, or Very High hazard.

California Government Code § 51179 requires the City to “designate, by ordinance, moderate, high, and very high fire hazard severity zones in its jurisdiction within 120 days of receiving recommendations from the State Fire Marshal...” The statute further prohibits a city from removing areas or reducing a CAL FIRE-recommended hazard classification. The City may

add parcels to the very high fire severity zone if adding the parcel is supported by substantial evidence in the record.

For Canyon Lake, the 120-day deadline to adopt the new map is July 22, 2025. Failure to adopt would leave the City in statutory non-compliance, potentially affecting eligibility for state wildfire-mitigation grants and complicating enforcement of the California Building Code standards.

The City’s current Very High Fire Hazard Severity Zone (VHFHSZ) boundary is now 15 years old and predates updates to the Safety Element of the General Plan and recent severe-weather fire seasons; it no longer reflects present-day fuel conditions or ember-casting dynamics.

Staff imported the OSFM GIS shapefiles into the City’s parcel layer for a preliminary, parcel-level comparison. Key observations:

Indicator	Current Map	Updated Map	Net Change
VHFHSZ (Acres)	~430	~520	+90 (18%)
VHFHSZ (Parcels)	602	680	78
% of City Land Area	17%	21%	+4%

Key Areas

North Shoreline – expansion upslope to include additional canyon-side fuel beds.

Lakeside Core – remains “Moderate,” reflecting irrigated defensible-space conditions around the POA common areas and homes.

The adjustments align with CAL FIRE’s statewide trend of migrating more acreage into higher hazard bands as climate-driven fire behavior intensifies.

Building Standards. Once the City designates the updated VHFHSZ, all new buildings and qualifying remodels within that zone must comply with Wildland-Urban Interface (WUI) building codes and defensible-space & vegetation management.

Grant Eligibility. Alignment with the OSFM map positions the City favorably for upcoming grant opportunities such as CAL FIRE Fire-Prevention and FEMA BRIC grant cycles, both of which score applications on current hazard mapping consistency.

Public Outreach. Staff has posted the interactive map on the City website.

Updating the VHFHSZ map implements Safety Element Policy SF-3.6, which provides that the City will regularly re-evaluate specific fire hazard areas.

Due to the statutory deadline established by the California Department of Forestry and Fire Protection (CAL FIRE) for the adoption of the updated Fire Hazard Severity Zone Map for Local Responsibility Areas, the City was unable to meet the required timelines for a standard ordinance adoption under regular noticing procedures. As a result, an urgency ordinance is

necessary to ensure timely compliance with state law and to avoid any potential regulatory or legal gaps. In parallel, a regular version of the ordinance is also being introduced to provide continuity and reinforce the urgency measure through the standard legislative process, consistent with best practices and transparency in governance.

Fiscal Impact

There is no fiscal impact associated with the adoption of the maps.

Attachments

1. Ordinance No. 254 (Urgency)
2. Ordinance No. 255

ATTACHMENT 1

URGENCY ORDINANCE NO. 254

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ADOPTING UPDATED FIRE HAZARD SEVERITY ZONES AS RECOMMENDED BY THE CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION PURSUANT TO GOVERNMENT CODE SECTION 51178, AND DECLARING THE URGENCY THEREOF

WHEREAS, under California Government Code section 51178, the Office of the State Fire Marshal (OSFM), a program of the California Department of Forestry and Fire Protection (CAL FIRE), must identify areas in the City of Canyon Lake (“City”) that constitute Moderate, High, and Very High Fire Hazard Severity Zones (FHSZs); and

WHEREAS, on March 24, 2025, OSFM transmitted to the City an updated map designating proposed FHSZs within the City (“Fire Hazard Severity Zone Map”). The map was posted to the City’s website and made available for public review and comment; and

WHEREAS, Government Code section 51179 requires the City to adopt the OSFM-recommended FHSZ map by ordinance within 120 days of receipt—i.e., on or before July 22, 2025—and prohibits any reduction in the recommended hazard classifications absent substantial evidentiary findings; and

WHEREAS, prolonged drought, extreme wind events, and the City’s location at the wildland–urban interface create an imminent threat to public health, safety, and welfare. Immediate adoption of the updated map will (1) trigger the wildfire-resistant building and defensible-space standards applicable to Very High FHSZs, (2) preserve the City’s eligibility for CAL FIRE and FEMA wildfire-mitigation funding, and (3) assure timely compliance with state law. For these reasons, the City Council finds that an urgency ordinance is necessary for the immediate preservation of public peace, health, and safety, as authorized by Government Code section 36937(b).

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

Section 2. CEQA Exemption. The City Council, exercising its independent judgment, determines that this ordinance is exempt from the California Environmental Quality Act (CEQA) because the ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment; the ordinance is not a “project” because it merely adopts a state-mandated map without discretionary changes; and the ordinance constitutes an action by a regulatory agency for the protection of the environment.

Section 3. Adoption of Fire Hazard Severity Zone Map. The Fire Hazard Severity Zone Map entitled “City of Canyon Lake Fire Hazard Severity Zones” attached hereto as Exhibit A, is hereby adopted and designated as the official FHSZ map of the City. The Fire Chief shall maintain the map on file and ensure that a searchable digital copy is posted on the City’s website.

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 (Urgency).** This Ordinance shall become effective immediately upon adoption by four-fifths of the City Council as this ordinance relates to the immediate preservation of the public peace, health, or safety for the reasons set forth above.

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.

PASSED APPROVED AND ADOPTED this 11th day of June 2025.

Mark Terry, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney

EXHIBIT “A”

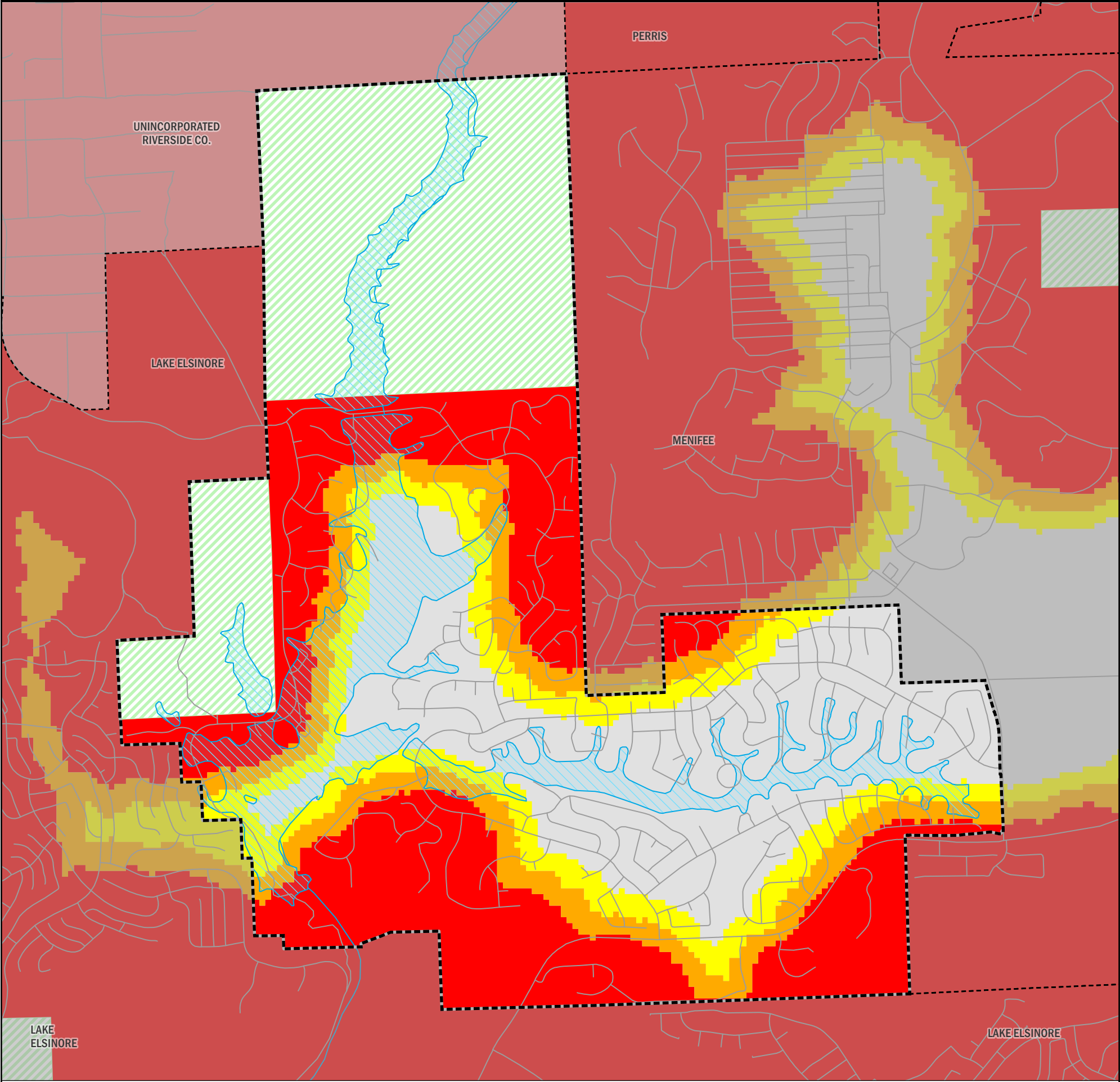
CITY OF CANYON LAKE FIRE HAZARD SEVERITY ZONES MAP

(to be attached)



Local Responsibility Area Fire Hazard Severity Zones

As Identified by the
State Fire Marshal
March 24, 2025



Fire Hazard Severity Zones (FHSZ) in Local Responsibility Area (LRA), as Identified by the State Fire Marshal

Very High High Moderate

Fire Hazard Severity Zones in State Responsibility Area (SRA), Effective April 1, 2024

Very High

Mi 0 1

Km 0 1

Projection: NAD 83 California Teale Albers

Scale: 1:22,000 at 11" x 17"

Incorporated City

Unzoned LRA

Waterbody

Federal Responsibility Area (FRA)

Government Code section 51178 requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent

statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Moderate, high, and very high fire hazard severity zones shall be based on fuel loading, slope, fire weather,

and other relevant factors including areas where winds have been identified by the Office of the State Fire Marshal as a major cause of wildfire spread.

The State of California and the Department of Forestry and Fire Protection make no representations or warranties regarding the accuracy of data or maps. Neither the State nor the Department shall be liable under any circumstances for any direct, special, incidental, or consequential damages with respect to any claim by any user or third party on account of, or arising from, the use of data or maps.

Gavin Newsom, Governor, State of California

Wade Crowfoot, Secretary for Natural Resources, CA Natural Resources Agency

Joe Tyler, Director/Fire Chief, CA Department of Forestry and Fire Protection

Daniel Berlant, State Fire Marshal, CA Department of Forestry and Fire Protection

Data Sources:

CAL FIRE Fire Hazard Severity Zones (FHSZSRA23_3, FHSZLRA_25_1)

CAL FIRE State Responsibility Areas (SRA25_1)

City and County boundaries as of 10/22/24 (CA Board of Equalization)

ATTACHMENT 2

ORDINANCE NO. 255

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ADOPTING UPDATED FIRE HAZARD SEVERITY ZONES AS RECOMMENDED BY THE CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION PURSUANT TO GOVERNMENT CODE SECTION 51178

WHEREAS, under California Government Code section 51178, the Office of the State Fire Marshal (OSFM), a program of the California Department of Forestry and Fire Protection (CAL FIRE), must identify areas in the City of Canyon Lake (“City”) that constitute Moderate, High, and Very High Fire Hazard Severity Zones (FHSZs); and

WHEREAS, on March 24, 2025, OSFM transmitted to the City an updated map designating proposed FHSZs within the City (“Fire Hazard Severity Zone Map”). The map was posted to the City’s website and made available for public review and comment; and

WHEREAS, Government Code section 51179 requires the City to adopt the OSFM-recommended FHSZ map by ordinance within 120 days of receipt—i.e., on or before July 22, 2025—and prohibits any reduction in the recommended hazard classifications absent substantial evidentiary findings.

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

Section 2. CEQA Exemption. The City Council, exercising its independent judgment, determines that this ordinance is exempt from the California Environmental Quality Act (CEQA) because the ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment; the ordinance is not a “project” because it merely adopts a state-mandated map without discretionary changes; and the ordinance constitutes an action by a regulatory agency for the protection of the environment.

Section 3. Adoption of Fire Hazard Severity Zone Map. The Fire Hazard Severity Zone Map entitled “City of Canyon Lake Fire Hazard Severity Zones” attached hereto as Exhibit A, is hereby adopted and designated as the official FHSZ map of the City. The Fire Chief shall maintain the map on file and ensure that a searchable digital copy is posted on the City’s website.

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.

PASSED APPROVED AND ADOPTED this _____ day of _____ 2025.

Mark Terry, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney

EXHIBIT “A”

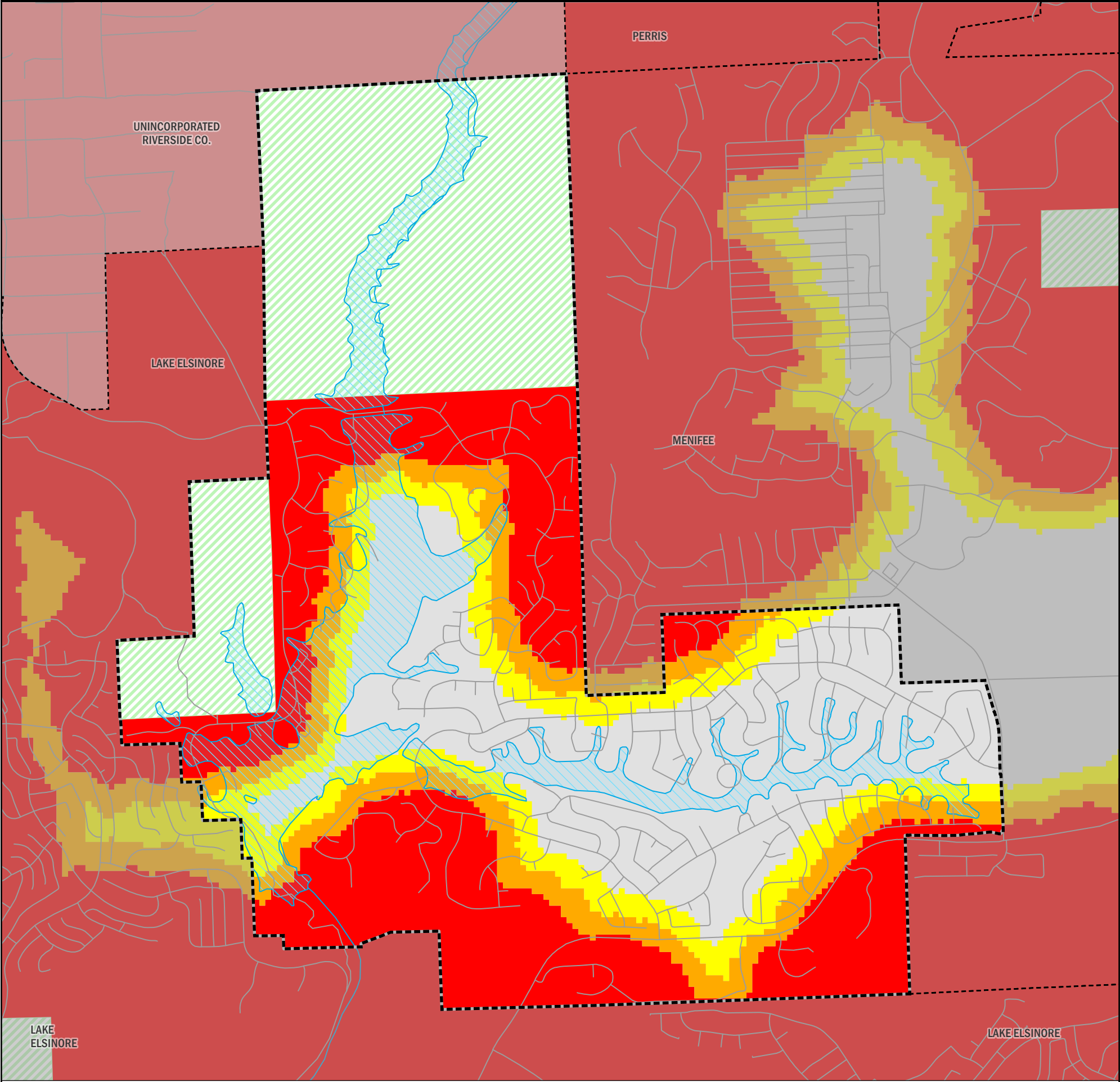
CITY OF CANYON LAKE FIRE HAZARD SEVERITY ZONES MAP

(to be attached)



Local Responsibility Area Fire Hazard Severity Zones

As Identified by the
State Fire Marshal
March 24, 2025



Fire Hazard Severity Zones (FHSZ) in Local Responsibility Area (LRA), as Identified by the State Fire Marshal

Very High High Moderate

Fire Hazard Severity Zones in State Responsibility Area (SRA), Effective April 1, 2024

Very High

Mi 0

Km 0

1

1

Projection: NAD 83 California Teale Albers

Scale: 1:22,000 at 11" x 17"

Incorporated City

Unzoned LRA

Waterbody

Federal Responsibility Area (FRA)

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statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Moderate, high, and very high fire hazard severity zones shall be based on fuel loading, slope, fire weather,

and other relevant factors including areas where winds have been identified by the Office of the State Fire Marshal as a major cause of wildfire spread.

The State of California and the Department of Forestry and Fire Protection make no representations or warranties regarding the accuracy of data or maps. Neither the State nor the Department shall be liable under any circumstances for any direct, special, incidental, or consequential damages with respect to any claim by any user or third party on account of, or arising from, the use of data or maps.

Gavin Newsom, Governor, State of California

Wade Crowfoot, Secretary for Natural Resources, CA Natural Resources Agency

Joe Tyler, Director/Fire Chief, CA Department of Forestry and Fire Protection

Daniel Berlant, State Fire Marshal, CA Department of Forestry and Fire Protection

Data Sources:

CAL FIRE Fire Hazard Severity Zones (FHSZSRA23_3, FHSZLRA_25_1)

CAL FIRE State Responsibility Areas (SRA25_1)

City and County boundaries as of 10/22/24 (CA Board of Equalization)