



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
Tuesday, September 23, 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 - ANTICIPATED LITIGATION, Significant Exposure - Pursuant to Government Code Section 54956.9(d)(2):
Claimant: M. Borja
- (2) 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

Acknowledgement of Service – Retired Riverside County Sheriff's Captain James Rayls

PRESENTATIONS

LIMIT 3 MINUTES

Elsinore Valley Municipal Water District
Canyon Lake Property Owners Association
Canyon Lake Chamber of Commerce
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. 2025-39 Approving Claims and Demands of the City.

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

Recommendation: Approve the Minutes of the Regular City Council Meeting of August 13, 2025.

- (4) **Second Reading and Adoption of Ordinance 256 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 3, Chapter 3.36 (Grading and Planning Fees) of the Canyon Lake Municipal Code**

Recommendation: Conduct second reading and adopt Ordinance 256 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 3, Chapter 3.36 (Grading and Planning Fees) of the Canyon Lake Municipal Code.

- (5) **Second Reading and Adoption of Ordinance No. 257 - An Ordinance of the City Council of the City of Canyon Lake, California, Approving an Amendment to the Canyon Lake Municipal Code, Title 9: Planning and Zoning, Section 9.1 Uses Permitted**

Recommendation: Conduct second reading and adopt Ordinance No. 257 - An Ordinance of the City Council of the City of Canyon Lake, California, Approving and Amendment to the Canyon Lake Municipal Code, Title 9: Planning and Zoning, Section 9.1 Uses Permitted.

- (6) **Second Reading and Adoption of Ordinance No. 258 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code**

Recommendation: Conduct second reading and adopt Ordinance No. 258 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code.

- (7) **Second Reading and Adoption of Ordinance No. 260 - An Ordinance of the City Council of the City of Canyon Lake, California, Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions**

Recommendation: Conduct second reading and adopt Ordinance No. 260 - An Ordinance of the City Council of the City of Canyon Lake, California, to Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions.

- (8) **Second Reading and Adoption of Ordinance 261 - An Ordinance of the City Council of the City of Canyon Lake, California, Adding Title 5, Business Regulations, Chapter 5.30 (Commercial Filming) to the Canyon Lake Municipal Code**

Recommendation: Conduct second reading and adopt Ordinance No. 261 - An Ordinance of the City Council of the City of Canyon Lake, California, Adding Title 5, Business Regulations, Chapter 5.30 (Commercial Filming) to the Canyon Lake Municipal Code.

- (9) **Adopt a Resolution Approving a Budget Adjustment in the Amount of \$11,750 for the Battle of the Cities Golf Tournament**

Recommendation: Adopt Resolution No. 2025-41 approving a budget adjustment of \$11,750 for the Battle of the Cities Golf Tournament.

- (10) **Adopt a Resolution Approving the List of Projects for Fiscal Year 2025-2026 Funded by SB 1: the Road Repair and Accountability Act of 2017**

Recommendation: Adopt Resolution No. 2025-40 approving the Fiscal Year 2025-2026 project list for Senate Bill 1 (Road Repair and Accountability Act of 2017) Road Maintenance and Rehabilitation Account (RMRA) funding.

PULLED CONSENT CALENDAR ITEMS

PUBLIC HEARINGS - None

BUSINESS ITEMS

- (11) **Designation of a Voting Delegate and Alternate(s) for the League of California Cities 2025 Annual Conference and Expo Annual Business Meeting**

Recommendation: Designate a voting delegate and up to two alternates for the League of California Cities 2025 Annual Conference and Expo Annual Business Meeting.

- (12) **Introduction and First Reading of Ordinance No. 263 - An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code**

Recommendation: Waive full reading and introduce by title only Ordinance No. 263 – An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code.

COMMITTEE AND COUNCIL REPORTS/COMMENTS

CITY MANAGER COMMENTS

ANNOUNCEMENTS

The next regular City Council meeting will be held on November 12, 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: September 18, 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: September 23, 2025

SUBJECT: Approve Claims and Demands of the City

Recommendation

Adopt Resolution No. 2025-39 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 demand since the City Council meeting of August 13, 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. 2025-39

ATTACHMENT 1

RESOLUTION NO. 2025-39

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 September 23, 2025; and

WHEREAS, Exhibit A was presented at the regular meeting of the City Council on September 23, 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 September 23rd, in the amount of \$794,928.47 as follows:

Payroll Earnings (Direct Deposit & Check)	\$ 238,111.50	(For Month of August)
Payroll Processing Fees	\$ 494.67	(For Month of August)
Payroll Taxes - Employer & Employee	\$ 71,076.80	(For Month of August)
Payroll CLFAD	\$ 1,292.48	(For Month of August)
Payroll CS	\$ 1,192.56	(For Month of August)
On-line Retirement	\$ 27,648.93	(For Month of August)
On-line Health	\$ 30,389.09	(For Month of August)
Nationwide Deferred Comp.	\$ 10,624.68	(For Month of August)
General	\$ 414,097.76	
TOTAL	<u>\$ 794,928.47</u>	

PASSED, APPROVED AND ADOPTED this 23rd day of September 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
2 Hot Uniforms	Fire Station Uniform for New Employee- Valdivia	2,086.54
	Fire Station Uniform for New Employee-Rivello	2,126.67
	Fire Station Investigator Uniform	113.09
Amazon	Fire Station Office Supplies & Fuel for Tools	193.12
	Fire Station Office Supplies	93.07
Anthony Wade	Reserve Stipend for July 2025	200.00
Carlos Miramontes	Reserve Stipend For July 2025	200.00
Champion Trophy	Fire Station Plaque	32.33
Cintas	Fire Station Mat Service, 7/22/2025	49.08
	Fire Station Mat Service, 7/29/2025	49.08
CL PROPERTY OWNERS	2025 State of the City Event Venue Deposit	250.00
Control Pump	Landscape Booster Station Report July 2025	421.31
Curtis	Fire Station Wildland Helmet Pad	40.50
Decker, Sean	Reserve Stipend for July 2025	200.00
FRIDAY FLYER	Public Hearing Aug 13, 7/18/25	53.55
	Body Art Public Hearing, 8/1/25	47.25
	Grading Fee Public Hearing, 8/1/25	59.85
Hearn	Reserve Stipend for July 2025	200.00
Hernandez, Oscar	Reserve Stipend for July 2025	200.00
Inland Fleet	Fire Station Repairs to Priming Pump E-201	3,330.29
John Hancock	Fire Station PARS EE & ER Contributions Check Date 7/18/2025	6,111.66
Jorn S Rossi	Security Deposit Refund for 31600 RRCR Suite 115-Rental	220.00
Life-Assist	Fire Station Medical Supplies	12.24
Longobardo	Reserve Stipend for July 2025	100.00
Lowe	Security Deposit Refund for 31600 RRCR Suite 104-Rental	444.00
MES	Fire Station Hydro Testing SCBA Bottles	340.17
PZL, Inc.	Planning Services for July 2025	7,280.00
ReNewell Fleet Service	Fire Station Replacement Light E-1	114.98
Santolucito Dore Group	Security Deposit Refund for 31600 RRCR Suite 100-Rental	599.00
SDRMA	Dental and Vision Insurance September 2025	1,651.77
STAPLES	Office Supplies for City Hall & Admin	102.74
The Shredders	City Hall Destruction of Boxes	325.00
Wildomar City	2025 National Night Out Event Contribution	1,000.00
Report Total		28,247.29

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

Vendor ID	Invoice Description	Cash Required
BIO-TOX	Blood Analysis, 6/30/25	788.45
Boatright	Reissue Lost Check 3/6/24 for Reserve Stipend February 2024	100.00
Brianna Hemsley	Reissue Lost Check 4/6/23 for Face Painter Deposit	20.00
	Reissue Lost Check 9/25/24 for Bagels & Donuts 9/11 Event	52.65
Brown, J	Reissue Lost Check 7/11/23 for Reserve Stipend June 2023	200.00
DATA TICKET	Miscellaneous Fees on Invoices May 2025	100.00
	Miscellaneous Fees on Invoices June 2025	100.00
DOJ	Sheriff's Blood Analysis June 2025	35.00
Gordon	Reissue Lost Check 3/6/2024 for Reserve Stipend February 24	100.00
Michel	Reissue Lost Check 7/9/2024 for Reserve Stipend for June 24	50.00
RAMS	Accounting Services for June 2025	11,588.48
Riv Co Sheriff Dept Lake Elsinore	Sheriff's Contract Law 5/29/25-6/30/25	185,351.56
Steve's Towing	Towing Services for Explorer Hybrid, 7/31/2024	195.00
Zach Michel	Reissue Lost Check 11/8/23 for Reserve Stipend October 2023	50.00
Report Total		198,731.14

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

Vendor ID	Invoice Description	Cash Required
ABI	Fire Station Background Check-Rivello	126.45
ABILA	Accounting Software 8/1/2025-8/31/2025	674.01
Amazon	Fire Station Office Supplies	31.98
ANIMAL FRIENDS	Animal Control Services Month of August 2025	3,587.50
California PPE	Fire Station PPE Training for Bratt & LaTendresse	700.00
Champion Trophy	Fire Station Reserve Plaque	64.65
Cintas	Fire Station Weekly Mat Service, 8/5/2025	49.08
	Fire Station Weekly Mat Service, 8/12/2025	49.08
CL PROPERTY OWNERS	Firehouse Note Payment 20	9,359.57
Clark Pest	Pest Control for Rental-31542 RRCR	250.00
Concentra	Fire Station Medical Exam for Rivello	224.00
Corelogic	Database for Code Enforcement July 2025	190.56
CTAI	Landscape for Fire Station August 2025	263.00
	Landscape Maintenance Fee for Medians & Parkways August 2025	5,014.00
Curtis	Fire Station Annual Air Testing Kit	557.25
DATA TICKET	Miscellaneous Fees on Invoices July 2025	100.00
	EMS Response Fee July 2025	100.00
	Code Enforcement Processing July 2025	100.00
	Monthly Parking Fees July 2025	100.00
FRIDAY FLYER	Ordinance No. 257 First Reading, 8/15/25	44.10
	Ordinance No. 258 First Reading, 8/15/25	38.85
	Ordinance No. 260 First Reading, 8/15/25	44.10
	Ordinance No. 261 First Reading, 8/15/25	45.15
	Ordinance No. 256 First Reading, 8/15/25	43.05
	Ordinance No. 255 Second Reading, 8/15/25	42.00
GREENHALGH	Retiree Health Insurance September 2025	284.25
hipprint	Fire Station Business Cards-Valdivia & Moore	120.72
Inland Fleet	Fire Station Repairs to E-201 Aux Pump Gauge Clogged	259.88
iWorQ	iWorQ Systems Internet Software Mgmt & Support 9/2025-8/2026	26,450.00
John Hancock	Fire Station PARS EE & ER Contributions Check Date 8/1/25	6,466.61
	Fire Station PARS EE & ER Contributions Check Date 8/15/25	6,294.12
Kleinberg Tech	Fire Station Fire Prevention Consulting Program	500.00
Lowe	Service Repair to Panic Bar of Main Entrance Door-31600 RRCR	450.00
	Construction for PD-Deposit/Material	60,536.85
Lozano	Mileage Reimbursement for Travel to 2025 SHRM Conference	108.16
PORAC RMT	PORAC Contributions for August 2025	900.00

Date: 8/21/25
09:45:50 AM

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

Vendor ID	Invoice Description	Cash Required
PVM	Street & Facility Maintenance Services 7/1/25-7/31/25	2,633.04
RAMS	Accounting Services for July 2025	16,496.48
RCA	MSHCP Fees Collected July 2025	8,972.00
Rodney Montoyo	Security Deposit Refund for 31600 RRCR Suite 116-Rental	221.00
Stryder Transportation	50% Deposit for Pumpkin Bash Shuttle #1 Service, 10/23/2025	487.50
	50% Deposit for Pumpkin Bash Shuttle #2 Service, 10/23/2025	487.50
TCS	GASB 75-Forward Valuation-2nd Installment	765.00
The Code	Plan Check Services 7/1/2025-7/31/2025	5,025.78
US Bank	See Credit Card Review, 8/6/2025	3,007.87
	See Credit Card Review, 8/6/2025	3,185.49
Report Total		165,450.63

City of Canyon Lake
 Check/Voucher Register - Checks Prior Month
 From 8/1/2025 Through 8/31/2025

Check Number	Vendor Name	Effective Date	Check Amount
EFT 1412	Standard Insurance Company	8/1/2025	139.31
EFT 1413	Standard Insurance Company	8/1/2025	27.90
EFT 1414	Standard Insurance Company	8/1/2025	149.90
EFT 1415	Standard Insurance Company	8/1/2025	26.39
EFT 1416	Standard Insurance Company	8/1/2025	301.60
EFT 1417	Standard Insurance Company	8/1/2025	160.43
EFT 1418	Standard Insurance Company	8/1/2025	27.90
EFT 1419	SOUTHERN CALIFORNIA EDISON	8/5/2025	127.22
EFT 1420	SOUTHERN CALIFORNIA EDISON	8/5/2025	1,051.65
EFT 1421	SOUTHERN CALIFORNIA EDISON	8/5/2025	4.32
EFT 1422	SOUTHERN CALIFORNIA EDISON	8/5/2025	4.32
EFT 1423	SOUTHERN CALIFORNIA EDISON	8/5/2025	26.12
EFT 1424	SOUTHERN CALIFORNIA EDISON	8/5/2025	4.32
EFT 1425	SOUTHERN CALIFORNIA EDISON	8/5/2025	13.96
EFT 1426	SOUTHERN CALIFORNIA EDISON	8/5/2025	688.32
EFT 1427	SOUTHERN CALIFORNIA EDISON	8/5/2025	984.04
EFT 1428	SOUTHERN CALIFORNIA EDISON	8/5/2025	305.05
EFT 1429	SOUTHERN CALIFORNIA EDISON	8/5/2025	2,519.01
EFT 1430	Charter Communications	8/5/2025	5.30
EFT 1431	Aflac	8/5/2025	874.78
EFT 1432	Charter Communications	8/5/2025	290.57
EFT 1433	Bankcard Center	8/14/2025	693.34
EFT 1434	Bankcard Center	8/14/2025	630.00
EFT 1435	Bankcard Center	8/14/2025	3,118.76
EFT 1436	Bankcard Center	8/14/2025	1,942.96
EFT 1437	Bankcard Center	8/14/2025	890.86
EFT 1438	Bankcard Center	8/14/2025	1,372.74
EFT 1439	SOUTHERN CALIFORNIA EDISON	8/18/2025	555.10
EFT 1440	SOUTHERN CALIFORNIA EDISON	8/18/2025	205.55
EFT 1441	SOUTHERN CALIFORNIA EDISON	8/18/2025	328.38
EFT 1442	The Gas Company	8/18/2025	23.25
EFT 1443	ELSINORE VALLEY MUNI WATER DIS	8/18/2025	108.37
EFT 1444	ELSINORE VALLEY MUNI WATER DIS	8/18/2025	114.32
EFT 1445	ELSINORE VALLEY MUNI WATER DIS	8/18/2025	98.06
EFT 1446	ELSINORE VALLEY MUNI WATER DIS	8/18/2025	114.42
EFT 1447	ELSINORE VALLEY MUNI WATER DIS	8/18/2025	294.87
EFT 1448	ELSINORE VALLEY MUNI WATER DIS	8/18/2025	1,160.45
EFT 1449	CR&R	8/18/2025	223.18
EFT 1450	CR&R	8/18/2025	573.81
EFT 1451	Amazon Capital Services	8/20/2025	229.90
EFT 1452	Toshiba America Business Solutions	8/21/2025	311.88
EFT 1453	Toshiba America Business Solutions	8/21/2025	83.22
EFT 1454	Toshiba Financial Services	8/25/2025	120.83
EFT 1455	Toshiba Financial Services	8/25/2025	742.04
Report Total			21,668.70

**MINUTES
REGULAR MEETING OF THE
CANYON LAKE CITY COUNCIL
Canyon Lake City Hall
31516 Railroad Canyon Road
Canyon Lake, CA 92587
Wednesday, August 13, 2025**

Closed Session – 4:30 p.m.

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

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

Open Session – 6:30 p.m.

CALL TO ORDER

Mayor Terry called the meeting to order at 6:30 p.m.

INVOCATION

The Invocation was led by Council Member Smith.

FLAG SALUTE

The Flag Salute was led by Jeff Bill.

ROLL CALL

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

Absent: None.

CLOSED SESSION REPORT

City Attorney Graham reported that as to Items 1 and 2, the City Council gave settlement direction by a vote of 5-0. No other reportable action was taken.

The Mayor requested that the Consent Calendar be considered at this time.

CONSENT CALENDAR

Council Member Smith pulled Item No. 6 for further consideration.

Motion and second by Council Member Smith/Council Member Welty to approve Consent Calendar Items 1 through 5.

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. 2025-32 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 June 11, 2025.

(4) Second Reading and Adoption of Ordinance No. 255, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178

Action taken: The City Council adopted Ordinance No. 255, Adopting Updated Fire Hazard Severity Zones as Recommended by the California Department of Forestry and Fire Protection Pursuant to Government Code Section 51178.

(5) Submission of the FY 2025-26 Budget to the Government Finance Officers Association (GFOA) for Distinguished Budget Presentation Award Consideration

Action taken: The City Council received and filed the report.

PULLED CONSENT CALENDAR ITEMS

Council Member Smith pulled this item for further consideration.

(6) Consideration of a Resolution Opposing the Proposed Crescent Gardens Cemetery in Unincorporated Riverside County (Meadowbrook)

Council Member Smith raised concerns about the project, noting significant traffic and environmental issues in Meadowbrook and strong opposition from residents. He emphasized that the developer has not engaged with the community and that no positive dialogue has occurred. He requested that the City's opposition be shared with all County Supervisors and the Planning Department.

Darcy Burke stated that the water district is mandated to serve customers and has issued a will-serve letter confirming adequate water supply. She noted the project's impact on Canyon Lake's groundwater and surface water, emphasizing that decomposing bodies release toxins that pose a risk to public health.

Motion and second by Mayor Terry/Council Member Smith to Steeber to adopt Resolution No. 2025-38 opposing the Crescent Gardens Cemetery project located in the Meadowbrook area of unincorporated Riverside County.

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

CEREMONIAL MATTERS

None.

PRESENTATIONS

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

Board Treasurer Jeff Bill provided an update on behalf of the Canyon Lake Property Owner's Association.

President Johnny Pineda provided an update on behalf of the Canyon Lake Chamber of Commerce.

Captain Rayls provided an update on behalf of the Riverside County Sheriff's Department.

Fire Chief LaTendresse provided an update on fire statistics.

Council Member Steeber provided a non-profit spotlight on behalf of Michelle's Place.

PUBLIC HEARINGS

(7) Adopt a Resolution Establishing a Grading Inspection Fee and Updating the Master Schedule of Fees and Charges and Introduction and First Reading of Ordinance 256 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 3, Chapter 3.36 (Grading and Planning Fees) of the Canyon Lake Municipal Code

Mayor Terry opened the public hearing at 7:15 p.m.

Community Development Director Borja provided a presentation.

There was no public testimony.

Mayor Terry closed the public hearing at 7:20 p.m.

Motion and second by Council Member Smith/Mayor Terry to: (1) adopt Resolution No. 2025-33 establishing a grading inspection fee of \$1,300 and updating the City's Master Schedule of Fees and charges; and (2) waive full reading and introduce by title only Ordinance 256 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 3, Chapter 3.36 (Grading and Planning Fees) of the Canyon Lake 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.

PUBLIC COMMENT

Art Femister wished his best to RSO Captain Rayls on his retirement. He spoke about the proposed cemetery project in Meadowbrook and noted one single point of contact would be good to have a consolidated voice as there are too many unanswered questions.

PUBLIC HEARINGS (continued)

(8) Introduction and First Reading of Ordinance No. 257 - An Ordinance of the City Council of the City of Canyon Lake, California, Approving an Amendment to the Canyon Lake Municipal Code, Title 9: Planning and Zoning, Section 9.1 Uses Permitted

Mayor Terry opened the public hearing at 7:25 p.m.

City Manager Brown provided a presentation.

There was no public testimony.

Mayor Terry closed the public hearing at 7:28 p.m.

Motion and second by Council Member Welty/Council Member Steeber to: (1) find the proposed Zoning Ordinance amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; and (2) introduce and read by title only Ordinance No. 257 - An Ordinance of the City Council of the City of Canyon Lake, California, Approving an Amendment to the Canyon Lake Municipal Code, Title 9: Planning and Zoning, Section 9.1 Uses Permitted.

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

(9) Approval of a Conditional Use Permit for the Establishment of a Body Art Business in the Mixed Use Zone located at 31606 Railroad Canyon Road, Suite 205

Mayor Terry opened the public hearing at 7:28 p.m.

City Manager Brown provided a presentation.

There was no public testimony.

Mayor Terry closed the public hearing at 7:35 p.m.

Motion and second by Council Member Smith/Mayor Pro Tem Castillo to: (1) find the proposed Zoning Ordinance amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; (2) adopt Resolution No. 2025-34 approving conditional use permit no. 25-02.

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

BUSINESS ITEMS

(10) Consideration of Award of Construction Contract for the Railroad Canyon Road HSIP Project CL-003

City Manager Brown provided a presentation.

There were no public comments.

Motion and second by Council Member Smith/Mayor Terry to: (1) approve the plans and specifications for the Railroad Canyon Road HSIP Project CL-003; (2) award the construction contract to the lowest responsible bidder submitting a responsive bid LC Paving & Sealing, Inc. for the sum of \$1,600,925.00; (3) allocate \$158,880.00 for construction administration and inspection; (4) allocate \$63,000.00 for testing and construction staking; (5) authorize the City Manager to approve change orders up to 10% of the original bid amount; (6) authorize the City Manager to execute the construction contract with LC Paving & Sealing, Inc. Or if LC Paving & Sealing, Inc. Decline to Execute Contract: (1) Approve the plans and specifications for the Railroad Canyon Road HSIP Project CL- 003;(2) award the construction contract to the second lowest responsible bidder submitting a responsive bid All American Asphalt for the sum of \$2,523,357.10; (3) allocate \$158,880.00 for construction administration and inspection; (4) allocate \$63,000.00 for testing and construction staking; (5) authorize the City Manager to approve change orders up to 10% of the original bid amount; (6) authorize the City Manager to execute the construction contract with All American Asphalt.

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

(11) Introduction and First Reading of Ordinance No. 258 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code

City Manager Brown and City Attorney Graham provided a presentation.

Council Member Steeber noted that he was not comfortable raising the current City Manager spending authority.

There were no public comments.

Motion and second by Council Member Smith/Mayor Pro Tem Castillo to waive full reading and introduce by title only Ordinance No. 258 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code.

Motion carried 4-1, with Mayor Pro Tem Castillo, Council Member Smith, Council Member Welty and Mayor Terry voting aye and Council Member Steeber voting no.

(12) (1) Adopt Urgency Ordinance No. 259 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions; and (2) Introduction and First Reading of Ordinance No. 260 - An Ordinance of the City Council of the City of Canyon Lake, California, Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions

City Manager Brown provided a presentation.

There were no public comments.

Motion and second by Mayor Pro Tem Castillo/Council Member Smith to: (1) adopt Urgency Ordinance No. 259 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions; and (2) introduce and read by title only Ordinance No. 260 - An Ordinance of the City Council of Canyon Lake, California, Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions

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

(13) (1) Adopt a Resolution Approving the Proposed Budget Adjustments Transferring \$1.2 Million from the Reserve Fund to Support Start-Up Funds for the Establishment of the Canyon Lake Police Department; (2) Approve Job Descriptions for the Police Chief and Supervising Community Service Officer; (3) and Adopt Resolutions Approving Updated Salary and Wage Schedules for Safety and Non-Safety Employees

City Manager Brown provided a presentation and noted that current cost of law enforcement services as indicated in the staff report is per year, not per month. There were no public comments.

Motion and second by Council Member Smith/Mayor Terry to: (1) adopt Resolution 2025-35 Approving the Proposed Budget Adjustments Transferring \$1.2 Million from the Reserve Fund to Support Start-Up Funds for the establishment of the Canyon Lake Police Department; (2) approve Job Descriptions for the Police Chief and Supervising Community Service Officer; (3) and adopt Resolution No. 2025-36 and Resolution No. 2025-37 approving Updated Salary and Wage Schedules for Safety and Non-Safety Employees

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

The City Council provided direction on the patch design, badge design and vehicle design for the new police department.

(14) Approve Service Agreements with Enterprise Fleet Management for Procuring, Leasing, and Outfitting Fleet Vehicles

City Manager Brown provided a presentation.

There were no public comments.

Motion and second by Council Member Smith/Mayor Terry to approve Service Agreements with Enterprise Fleet Management for procuring, leasing, and outfitting fleet vehicles; and (2) authorize the City Manager to execute all documents necessary to implement this action on forms approved by the City Attorney.

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

(15) Award of Construction Contract to Lowe Construction, Inc. for the Canyon Lake Police Department Construction Project in the Amount of \$637,230

City Manager Brown provided a presentation.

Council Member Smith suggested adding a 10% change order contingency to the motion.

There were no public comments.

Motion and second by Council Member Smith/Mayor Pro Tem Castillo to: (1) award a construction contract to Lowe Construction, Inc. for the Canyon Lake Police Department Construction Project in the amount of \$637,230; (2) approve up to 10% of the contract amount for change orders; and (3) authorize the City Manager to execute all documents necessary to implement the project on forms approved by the City Attorney.

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

(16) Introduction and First Reading of Ordinance 261 - An Ordinance of the City Council of the City of Canyon Lake, California, Adding Title 5, Business Regulations, Chapter 5.30 (Commercial Filming) to the Canyon Lake Municipal Code

City Attorney Graham provided a presentation.

Discussion ensued regarding possible exceptions to the filming ordinance. City Attorney Graham read aloud proposed revised language to the ordinance.

There were no public comments.

Motion and second by Council Member Smith/Council Member Welty to waive full reading and introduce by title only Ordinance No. 261 - An Ordinance of the City Council of the City of Canyon Lake, California, Adding Title 5, Business Regulations, Chapter 5.30 (Commercial Filming) to the Canyon Lake Municipal Code, with revisions as recommended by the City Attorney.

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

(17) Adoption of Urgency Ordinance No. 262 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Amending the Fire Code of the City of Canyon Lake

City Attorney Graham and Fire Chief LaTendresse provided a presentation.

There were no public comments.

Motion and second by Mayor Terry/Council Member Welty to adopt Urgency Ordinance No. 262 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Amending the Fire Code of the City of Canyon Lake.

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

Mayor Pro Tem Castillo noted that kids have gone back to school and wished them a great year.

Council Member Steeber wished everyone a safe labor day weekend and hoped the community would make it to the 9/11 event at the fire station.

CITY MANAGER COMMENTS

City Manager Brown noted he was excited about branding efforts for the new police department and emphasized the importance of selecting the right Police Chief and other positions. He stated his confidence that an agreement with the new Police Chief will be finalized and announced by the next City Council meeting.

ANNOUNCEMENTS

Mayor Terry announced that the next regular City Council meeting will be held on September 23, 2025.

ADJOURNMENT

At 9:43 p.m., Mayor Terry adjourned the meeting.

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: September 23, 2025

SUBJECT: Second Reading and Adoption of Ordinance 256 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 3, Chapter 3.36 (Grading and Planning Fees) of the Canyon Lake Municipal Code

Recommendation

Conduct second reading and adopt Ordinance 256 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 3, Chapter 3.36 (Grading and Planning Fees) of the Canyon Lake Municipal Code.

Background

At the August 13, 2025, City Council meeting, the City Council approved the first reading of Ordinance No. 256, Amending Title 3, Chapter 3.36 (Grading and Planning Fees) of the Canyon Lake Municipal Code and adopted Resolution No. 2025-33 establishing a grading inspection of \$1,300 and updating the City's Master Schedule of Fees and Charges.

The City of Canyon Lake regulates grading activities to ensure protection of public infrastructure, environmental quality, and overall public safety. Historically, grading permit holders were allowed to submit self-certifications from their own engineers to confirm compliance with approved grading and permit conditions.

The ordinance requires inspections by a qualified third-party inspector under contract with the City, ensuring consistent and objective compliance. It also authorizes the City to set inspection fees by resolution for easier updates. The grading inspection fee of \$1,300 was adopted at the August 13, 2025, City Council meeting.

Discussion

The \$1,300 fee is based on actual costs for third-party inspection and City administration and will be charged per inspection to permit applicants. Pursuant to Government Code Section 66014, local agencies may establish fees for services as long as the amount does not exceed the estimated reasonable cost of providing the service. The fee meets this requirement and ensures full cost recovery without generating revenue beyond the City's actual expense.

Fiscal Impact

The adopted fee ensures the City fully recovers the cost of grading inspections, preventing the General Fund from subsidizing private development activities. There is no net fiscal impact beyond cost recovery.

Attachments

1. Ordinance No. 256

ATTACHMENT 1

ORDINANCE NO. 256

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING TITLE 3, CHAPTER 3.36 (GRADING AND PLANNING FEES) OF THE CANYON LAKE MUNICIPAL CODE

WHEREAS, the City of Canyon Lake regulates grading activities to protect public infrastructure, ensure environmental safety, and prevent hazardous conditions; and

WHEREAS, the existing Chapter 3.36 of the Canyon Lake Municipal Code contains outdated references to the Riverside County Ordinance 671.4, which is no longer used by the City; and

WHEREAS, the City Council desires to amend Chapter 3.36 to eliminate obsolete references and to expressly authorize the imposition of a grading inspection fee to recover the costs of necessary site inspections; and

WHEREAS, the City Council finds that the proposed amendments are consistent with the City's General Plan and are necessary to ensure proper administration and enforcement of grading inspection requirements in connection with issued grading permits.

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

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

Section 2. **Municipal Code Amendment.** Title 3, Chapter 3.36 (Grading and Planning Fees) is hereby amended to read as provided in the attached Exhibit "A".

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

Section 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 23rd day of September 2025.

Mark Terry, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney

EXHIBIT “A”

Chapter 3.36

Grading and Planning Fees

3.36.010 Fees set by City Council.

All fees and charges related to grading, plan reviews, inspections, permits, and related services, as well as development and planning processing fees, shall be established by resolution of the City of Canyon Lake in accordance with applicable law. The City Council by resolution may establish any other fees and charges as authorized by law.



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: September 23, 2025

SUBJECT: Second Reading and Adoption of Ordinance No. 257 - An Ordinance of the City Council of the City of Canyon Lake, California, Approving an Amendment to the Canyon Lake Municipal Code, Title 9: Planning and Zoning, Section 9.1 Uses Permitted

Recommendation

Conduct second reading and adopt Ordinance No. 257 - An Ordinance of the City Council of the City of Canyon Lake, California, Approving an Amendment to the Canyon Lake Municipal Code, Title 9: Planning and Zoning, Section 9.1 Uses Permitted.

Background

At the August 13, 2025, City Council meeting, the City Council approved the first reading of Ordinance No. 257 approving an amendment to the Canyon Lake Municipal Code, Title 9: Planning and Zoning, Section 9.1 Uses Permitted, related to the on-site sale of alcoholic beverages and processing of uses in the C-1 Zone.

Discussion

The proposed ordinance amendment clarifies two components within the City's C-1 Zone, which is also the basis for land uses allowed in the Mixed Use Zone, which includes the Canyon Lake Towne Center. The first clarification is the on-site consumption of alcohol. The C-1 Zone specifically excludes restaurants from providing karaoke, live entertainment or the on-site sale of alcoholic beverages, without first obtaining a Conditional Use Permit. However, if other businesses desired the on-site sale of alcohol, the Ordinance does not provide clarity. It would seem reasonable to conclude that other businesses intending to provide alcohol should be required to follow the same practice as a restaurant. As such, the C-1 Zone is proposed to be modified to permit the on-site sale of alcoholic beverages, subject to a Conditional Use Permit. Obtaining any licensing from the State Alcohol and Beverage Control Department would be the responsibility of the business and could be conditioned at the time an application is filed.

The second clarification relates to the processing procedures related to uses in the C-1 Zone. Typically, a use that is proposed within a commercial zone is evaluated to determine compliance with the uses permitted, such as those by right or conditionally permitted through a Conditional Use Permit, for example. The use would also be evaluated to determine compliance with other development standards, such as whether the use was non-conforming and subject to expansion limitations or subject to parking improvements. The proposed amendment intends to clarify that process by listing how a use will be evaluated for compliance with the Zoning Ordinance and provide guidance to the public if the new use will require a building permit, if improvements are undertaken. It is also important to note that within the Zoning Ordinance parking requirements have two different levels of review. If the size of the shopping center is five acres or less, which would include the Eastport Center on Goetz Road and Canyon Lake Drive North, the parking is based upon the “aggregate of the individual uses” in the shopping center and an evaluation of current uses would need to occur. If the new use occurred in the Towne Center, the requirement is four parking spaces for every 1,000 sq. ft. of gross leasable floor area.

Fiscal Impact

None.

Attachments

1. Ordinance No. 257

ATTACHMENT 1

ORDINANCE NO. 257

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, APPROVING AN AMENDMENT TO THE CANYON LAKE MUNICIPAL CODE, TITLE 9: PLANNING AND ZONING, SECTION 9.1 USES PERMITTED

THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES ORDAIN AS FOLLOWS:

Section 1. **Environmental Determination and Findings.** The proposed amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Section 2. **Municipal Code Amendments.** Title 9, Planning and Zoning; Section 9.1 Uses Permitted of the Canyon Lake Municipal Code is hereby amended as provided below (underlined represents additions, strikethroughs represent deletions):

- A. The following uses are permitted; only in enclosed buildings. When a use is proposed within an existing building it shall be evaluated to determine if the use is permitted or permitted by conditional use permit. If said use is permitted and a conditional use permit is not required, the proposed use can be established with a business license, provided all requirements related to available parking spaces have been met, consistent with Section 18.12 Off Street Vehicle Parking, subsection b 7 c (10). The proposed use may also be required to obtain a Building Permit from the Building Department and an inspection from the Fire Department for any tenant improvements. If a permitted use is proposed in conjunction with the construction of a new building, provided a plot plan shall have been approved pursuant to provisions of Section 18.30 of this Ordinance.
- C. The following uses are permitted provided a conditional use permit has been granted pursuant to the provisions of Section 18.28 of this Ordinance:
(28) On-site consumption of alcohol associated with any use

Section 3. **Concluding Facts and Reasons.** Based on the substantial evidence presented to the City Council during the public hearing on the Ordinance, and the specific findings set forth in Sections 1 and 2, above, the City Council hereby concludes that the proposed Amendment to the City of Canyon Lake Municipal Code is consistent with the goals, policies, plans, and exhibits of the General Plan. Staff has thoroughly reviewed the proposed Municipal Code Amendment and the conditions under which it will be implemented and has determined the proposed Municipal Code provisions to be consistent with the applicable goals, policies, plans, and exhibits of the General Plan. Additionally the City Council finds that the proposed Amendment to the City of Canyon Lake Municipal Code would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.

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 23rd day of September 2025.

Mark Terry, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney



ITEM NO. 6

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: September 23, 2025

SUBJECT: Second Reading and Adoption of Ordinance No. 258 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code

Recommendation

Conduct second reading and adopt Ordinance No. 258 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code.

Background/Discussion

At the August 13, 2025, City Council meeting, the City Council approved the first reading of Ordinance No. 258 updating the City's purchasing and procurement procedures.

The City's purchasing ordinance was originally adopted in 1990. On April 10, 2024, the City Council approved several amendments to modernize purchasing procedures, including:

- Updating formal and informal bidding thresholds in accordance with the Uniform Public Construction Cost Accounting Act (UPCCAA);
- Expanding use of cooperative purchasing agreements;
- Clarifying exceptions to competitive bidding; and
- Other process improvements designed to streamline operations and enhance efficiency.

Following the April 2024 updates, Staff have prepared additional revisions which include:

- Reformatting and restructuring of the ordinance for improved readability and navigation;
- Revisions to signing authority thresholds to ensure consistency with current organizational practices;
- Adjustments to purchasing limits for goods and services to align with industry standards and best practices; and
- Integration with recently adopted fiscal policies and internal controls to ensure consistency across procurement-related procedures.

The proposed ordinance retains the City's participation in the Uniform Public Construction Cost Accounting Act (UPCCAA).

Fiscal Impact

There is no direct fiscal impact associated with adoption of the proposed purchasing ordinance. The revisions are intended to improve efficiency, transparency, and accountability in the use of public funds.

Attachments

1. Ordinance No. 258

ATTACHMENT 1

ORDINANCE NO. 258

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, REPEALING AND REPLACING TITLE 3, CHAPTER 3.08 (PURCHASES) OF THE CANYON LAKE MUNICIPAL CODE

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

WHEREAS, the current Chapter 3.08 of the Canyon Lake Municipal Code governs the City’s purchasing procedures; and

WHEREAS, the City Council desires to update and modernize its purchasing regulations to reflect current legal requirements, best practices, and internal procedures related to the procurement of goods, services, and public projects; and

WHEREAS, the revisions include updates to purchasing thresholds, bidding requirements, exemptions, professional services contracting procedures, and authority delegations to improve efficiency and ensure legal compliance; and

WHEREAS, the City Council finds that the repeal and replacement of Chapter 3.08 is necessary to promote transparency, fiscal responsibility, and accountability in City procurement; and

WHEREAS, the City Council now desires to repeal existing Chapter 3.08 of the Canyon Lake Municipal Code in its entirety and replace it with a new Chapter 3.08 to implement these comprehensive updates.

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

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

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

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

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

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

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

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

PASSED APPROVED AND ADOPTED this 23rd day of September, 2025.

Mark Terry, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl L. Garcia, MMC, CPM

Steven Graham, City Attorney

EXHIBIT “A”

Chapter 3.08 Purchases

Section

- 3.08.010 Purpose.
- 3.08.020 Application of this chapter.
- 3.08.030 Exemptions to provisions of this chapter.
- 3.08.040 Definitions of terms used in this chapter.
- 3.08.050 Public access and record retention for procurement information.
- 3.08.060 Reserved.
- 3.08.070 Reserved.
- 3.08.080 Reserved.
- 3.08.090 Delegation of authority by the purchasing manager.
- 3.08.100 Contract administration.
- 3.08.110 Supplemental regulations.
- 3.08.120 General methods of award of contract or purchase order.
- 3.08.130 Purchasing authority.
- 3.08.140 Competitive bidding—Supplies and services.
- 3.08.150 Informal process.
- 3.08.160 Formal process.
- 3.08.170 Formal request for qualifications (RFQ) and request for proposals (RFP) process.
- 3.08.180 Contract or purchase order amendments.
- 3.08.190 General procurement methods for public projects.
- 3.08.200 Purchasing process.
- 3.08.210 Informal public project bidding procedure.
- 3.08.220 Formal public project bidding procedure.
- 3.08.230 Pre-qualification of contractors for public projects.
- 3.08.240 Change orders.
- 3.08.250 Field orders.
- 3.08.260 Acceptance of public projects; notices of completion.
- 3.08.270 Special procurement methods in general.
- 3.08.280 Sole source procurement by the City.
- 3.08.290 Special expertise procurement.
- 3.08.300 Emergency procurement.
- 3.08.310 Acquisition of design-build services.
- 3.08.320 Other exceptions to procurement methods.
- 3.08.330 Reserved.
- 3.08.340 Prevailing wages and benefits.
- 3.08.350 Multi-year contracts.
- 3.08.360 Authorization to execute documents.
- 3.08.370 Authorization for the use of electronic transmissions and payments.
- 3.08.380 Surplus property disposition regulations.
- 3.08.390 Disposition of surplus property.
- 3.08.400 Correction or withdrawal of bids for supplies, services, and public projects.

- 3.08.410 Bid protests.
- 3.08.420 Unclaimed property.
- 3.08.430 Cooperative purchasing programs.
- 3.08.440 Assistance to disadvantaged business enterprises (DBE).
- 3.08.450 Employee conflict of interest.
- 3.08.460 Gratuities and kickbacks.
- 3.08.470 Prohibition against contingent fees
- 3.08.480 Contemporaneous employment prohibited.
- 3.08.490 Waivers from contemporaneous employment prohibition and other conflicts of interest.
- 3.08.500 Use of confidential information.
- 3.08.510 Disclosures required by contractors.
- 3.08.520 Recovered organic material product procurement and recycled-content paper procurement.

3.08.010 Purpose.

The purpose of this chapter is to:

- A. Establish procedures for the procurement of supplies, services, and construction of public projects, including requirements and procedures for competitive bidding and identification of exceptions to competitive bidding requirements, such as sole source contracts and contracts undertaken in response to emergency situations;
- B. Set forth rules and regulations governing the contracting for, purchasing, storing, distribution, or disposal of all supplies required by any office or department of the City government;
- C. Clearly define the authority for the procurement function including signatory authority for purchase orders and contracts which bind the City for the acquisition of supplies or services within the budget approved by the City Council and within the monetary limits established by the City Council;
- D. Establish standards or pre-qualifications for the screening of contractors or providers of supplies and services by a pre-qualification process;
- E. Provide a method for the sale or exchange of personal property not needed in City service or not fit for the purpose for which intended and for the conveyance of title thereto;
- F. Simplify, clarify, centralize, and modernize the ordinance governing procurement and contracting by the City;
- G. Streamline the procurement process by establishing electronic transfer of procurement information authorizing and identifying electronic methods of procurement as preferred when lawful and practicable;
- H. Permit the continued development of procurement policies and practices;
- I. Ensure the fair and equitable treatment of all persons who deal with the procurement system of the City;
- J. Provide increased economy in City procurement activities and maximize to the fullest extent practicable the purchasing value of public monies of the City;
- K. Foster effective broad-based competition within the free enterprise system;
- L. Provide safeguards for the maintenance of a procurement system of quality and integrity;

- M. Obtain in a cost-effective and responsive manner the supplies, services, and construction required by City departments in order for those departments to better serve the City's businesses and residents.

3.08.020 Application of this chapter.

- A. General Application. This chapter applies only to purchase orders and contracts solicited or entered into after the effective date of the ordinance codified in this chapter.
- B. Compliance with Federal Requirements. Notwithstanding the provisions of this chapter, federal and state law and any special conditions pertaining to state and federal grants received by the City that will fund a portion or all of a procurement may supersede and/or supplement the provisions of this chapter. In particular, the City shall ensure all procurement funded in part or in whole with certain federal funding shall comply with those requirements contained in the code of federal regulations, Title 2 "Grants and Agreements," Subtitle A, Chapter II, Part 200, Subpart D "Post Federal Award Requirements," or its successor regulation as may be amended from time to time.
- C. Compliance with California Uniform Public Construction Cost Accounting. The City Council elects to have the City subject to the Uniform Public Construction Cost Accounting Act set forth in Public Contract Code section 22000 et seq. (the "Act") with respect to awarding contracts or through force account to perform public projects, as amended in this chapter. In accordance with the act, the City may utilize the act's procedures when contracting for public projects, or in its sole discretion, when contracting for maintenance work, or for any other work that is not otherwise considered a public project. The City reserves the right to use such other more restrictive procedures as required in this chapter or may be adopted by the City from time to time.
- D. Application to City Procurement and Contracting. This chapter shall apply to every expenditure of public funds irrespective of their source, including federal assistance monies, (except as otherwise specified in subsection B of this section) by this City, under any contract, except that this chapter shall not apply to those exemptions specified in Section 3.08.030. It shall also apply to disposal of City property.

3.08.030 Exemptions to provisions of this chapter.

The provisions of this chapter are not applicable to:

- A. Contracts for professional witnesses if the purpose of such contracts are to provide for professional services or testimony relating to an existing or probable judicial proceeding in which the City is or may become a party to contracts for special investigative services for law enforcement purposes;
- B. Contracts for special investigative services for law enforcement purposes;
- C. Agreements negotiated by the City Attorney or risk manager in settlement of a dispute, claim or litigation or threatened litigation;

- D. Agreements negotiated by the City Attorney regarding worker’s compensation payments for medical and related expenses;
- E. Contracts for the purchase of works of fine art and performing art entertainment;
- F. The award of financial participation agreements; owner participation agreements; disposition and development agreements; development agreements; real estate purchase or lease agreements; covenants; easements; encroachment agreements; memoranda of understanding; or other similar agreements. Such contracts shall be awarded in accordance with applicable legal requirements and/or administrative directives of the City;
- G. Procurement of miscellaneous books, magazines, newspapers, subscriptions, on-line library reference services, film, videos and assorted supplies for library customer check-out purposes for which contracts by competitive bid solicitation are not practicable, or which are exempted from competitive bidding pursuant to applicable laws;
- H. Intergovernmental payments, purchases and agreements;
- I. Public utility purchases of water, power and related services when no competition is available;
- J. Specialized public employee recruitment services, seminar, training and educational classes;
- K. Magazine and media advertisement;
- L. Contracts for election services;
- M. Contracts for legal services required by the City Attorney;
- N. Contracts for employment of public employees, including at-will employment agreements for established exempt positions provided that the salary does not exceed the amounts identified in the City’s classification and compensation plan (salary tables) for that established exempt position; or
- O. Contracts for public employee labor agreements (memoranda of understanding).

3.08.040 Definitions of terms used in this chapter.

As used in this chapter the following terms have the meanings indicated which are applicable to both the singular and plural thereof:

“Awarding authority” means the City Council, the City Manager or the City Manager’s designee who has been given signature authority to approve procurements under this chapter.

“Bid” means an offer or proposal submitted by a bidder setting forth the price for the City’s procurement of supplies, services, or for construction of public projects, on bid or price forms issued by the City. A bid includes a proposal received from a bidder pursuant to an RFP.

“Bidder” means any person or business submitting a bid or proposal to the City in response to an IFB, RFQ, or RFP issued by the City.

“Business” means a corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

“Change order” means any City-issued written document used to amend a purchase order or to amend an existing contract authorizing changes within the scope of work, additions or deletions to the work, an adjustment to the price, or changes to any other terms and conditions of the contract.

“City” means the City of Canyon Lake.

“City Attorney” means the City Attorney of the City as appointed by the City Council.

“City Manager” means the City Manager of the City as appointed by the City Council, or the designee of the City Manager who shall be an Assistant City Manager, Deputy City Manager, department head, or an independent third-party hearing officer.

“Construction” means the process of building, altering, repairing, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property, but excluding the routine operation, routine repair, or routine maintenance of existing structures, buildings or real property.

“Contract” means any type of legally recognized City agreement, including executed purchase orders, for the procurement of supplies, services, or for construction of public projects. Any contract shall include terms and conditions applicable to the procurement as required by the City Attorney.

“Contract administrator” means the department head or other City employee designated by the City Manager to administer a contract between the City and a contractor and oversee and monitor the contractor’s performance under the terms of the contract.

“Contractor” means any person or business that has or could have a contract or purchase order with the City.

“Data” means recorded information regardless of form or characteristic.

“Design-build” means a project delivery method in which the City enters into a single contract for both the design and construction of a public project pursuant to a competitive negotiation process. Design-build includes public projects where in addition to design and construction, other functions may be incorporated, including, but not limited to, financing, operating and/or maintenance.

“Director” means the City Manager or the City Manager’s designee.

“Domestic partner” shall mean any person who has a currently registered domestic partnership with a governmental body pursuant to state or local law authorizing such registration.

“Employee” means an individual drawing a salary or wages from the City, whether elected or not; any non-compensated individual performing personal services for the City or any department, commission, council, board, or any other entity established by the City; and any non-compensated individual serving as an elected official of the City.

“Facility” means any plant, building, structure, ground facility, utility system, real property, streets and highways, or other public project improvement.

“Field order” means an administrative change to the scope of a contract for a public project when a line item allowance for field orders has been included in the bid.

“Force account” means services performed by, or public projects constructed by, employees.

“General services” means the furnishing of labor, time, or effort by a contractor for non-professional services as the City may, from time to time, find necessary and proper for the functioning of the City.

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

“Invitation for bids” (IFB) means all documents, whether attached or incorporated by reference, utilized for soliciting bids for services, including maintenance work, or for construction of public projects.

“Legal services” means professional expert and consultant services in connection with existing and anticipated litigation and/or claim defense or prosecution, and other such related matters, including, but not limited to, expert witnesses, arbitrators, mediators, court transcripts court reporters, process servers, private investigators, court filing and messenger services and other legal support services, all as may be required by and through the City Attorney at the direction of the City Council.

“Maintenance work” has the same meaning as contained in Public Contract Code section 22002, as amended.

“National origin” shall mean place of origin, immigration status, cultural or linguistic characteristics, or ethnicity.

“Procurement” means the buying, purchasing, renting, leasing, or otherwise acquiring of any goods, supplies, services, or for construction of public projects. It also includes all functions that pertain to the obtaining of any supplies, services, or for construction of public projects, including description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration.

“Professional services” means services provided by a person or business engaged in a profession based on a generally recognized special knowledge, skill, license, and/or certification to perform the work. This includes the services of architectural, landscape architectural, engineering, environmental, land surveying, appraisal, construction project management, financial or other

professional services, including but not limited to those defined by Government Code sections 4525 and 4526 as professional services.

“Property” means personal property assets.

“Proposal” means either: (1) an offer submitted by a bidder in response to a request for proposals (RFP), where selection for award is based on criteria specified in the RFP documents; or (2) a bid submitted in response to an invitation for bids (IFB) pursuant to a RFQ/RFP process. All elements of a bidder’s proposal are subject to negotiations.

“Public entity” means a governmental entity such as a country, state, city, district, county or any other organization created by the state as a separate legal public entity.

“Public project” has the same meaning as contained in Public Contract Code section 22002, as amended, which defines a “public project” as:

1. Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly-owned, leased, or operated facility;
2. Painting or repainting of any publicly owned, leased or operated facility;
3. In the case of a publicly owned utility system, the construction erection, improvement or repair of dams, reservoirs, powerplants, and electrical transmission lines of two hundred thirty thousand volts and higher;
4. Public project does not include maintenance work.

“Purchase order” means a City-issued document with any necessary terms and conditions, which authorizes the procurement of supplies or services, or for construction of public projects, pursuant to a contract at a stated price and encumbers City funds for the payment therefore.

“Purchase requisition” means a written request prepared on the applicable City forms or via the City’s online procurement management system and submitted by the using department to the Director identifying the specific procurement, including the items, cost, funds budgeted for the procurement, and associated documentation, including awarding authority’s approval, supporting the issuance of a purchase order for such procurement.

“Request for proposals” (RFP) means a document that solicits persons or businesses to submit a proposal to perform the scope of work associated with a proposed project. Cost is not the sole basis for selection in the RFP; other qualifications including experience, turnaround time and approach to work are important factors when evaluating proposals.

“Request for qualifications” (RFQ) means a document that solicits persons or businesses to submit information about their qualifications and capabilities to perform the type of work associated with a proposed project, often called “statements of qualifications” or “SOQ”. The preparation of the RFQ generally does not require specific project knowledge or scope. The RFQ may be used as a pre-qualification step to receiving a RFP. If a RFQ is issued, only those persons or businesses who successfully respond to the RFQ and meet the qualification criteria stated in the RFQ will be included in the subsequent RFP process.

“Responsible bidder” means a bidder who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the public works contract.

“Responsive bid” means a bid or proposal submitted to the City that conforms in all material respects to the IFB, RFQ, or RFP, without material qualification or exceptions, as determined by the City.

“Services” means the furnishing of labor, time, or effort by a contractor. Services includes maintenance work, general services, and professional services, unless otherwise designated.

“Signature authority” means the level of authorization by which the City Council has delegated to the City Manager, or such other designee, pursuant to this chapter, to approve contracts or purchase orders without the prior approval of the City Council.

“Solicitation” shall mean the City’s process to obtain bids or proposals as provided in this chapter for the purchase of supplies, services, or for construction of public projects.

“Specifications” means any City-issued or referenced definite, detailed written description of the physical or functional characteristics or of the nature of the supplies to be furnished, the services to be performed, or the construction to be performed on a public project. Specifications may include a description of any requirement for inspection, testing or preparing a supply, service or for construction of a public project, including the work to be done and materials to be used under a contract with the City, which specifies the composition, construction, dimension, durability, efficiency, form, nature, performance characteristics and standards, quality, shape, texture, type and utility of the supplies, services or public project desired by the City. Specifications shall promote overall economy for the purposes intended and encourage competition in satisfying the City’s needs.

“Subcontract” shall mean an agreement to: (i) provide supplies and/or services, including construction labor, to a contractor, if such supplies or services are procured or used in the fulfillment of the contractor’s obligations arising from a contract with the City.

“Subcontractor” means any person or business who enters into a subcontract with a contractor. Such term shall include any person or business who enters into an agreement with any subcontractor for the performance of ten percent or more of any subcontract.

“Surplus property” means personal property no longer needed by City departments for their operations, obsolete property, property in poor or non-working condition, or property that is a by-product (e.g., scrap metal, used tires, and oil, etc.)

“Surplus real property” means real property that the City Council has made a determination in accordance with applicable law is no longer needed for City use and has made a declaration of finding that it is surplus.

“Using department” means any City department requiring supplies, services, or construction of a public project procured pursuant to this chapter.

“Written” or “in writing” means the product of any method of forming characters on paper, other materials, or viewable screen, which can be read, retrieved, and reproduced, including information that is electronically transmitted and stored.

3.08.050 Public access and record retention for procurement information.

- A. Public Record. Procurement information shall be a public record to the extent provided in the Public Records Act (Government Code section 7920.000 et seq.) and shall be available to the public as provided in the public records act. The City may charge a reasonable fee for copying records.
- B. Retention of Procurement Records. All procurement records shall be retained and disposed of by the City in accordance with records retention guidelines and schedules approved by the City Council and as required by the Public Records Act. Procurements may be conducted through electronic communication; however, records of the transaction shall be maintained in a retrievable manner. The City clerk’s office shall retain the original copy of all contracts.
- C. Request for Confidentiality. Requests for confidentiality of proprietary information provided in response to a solicitation may be honored after the City determines that the material so requested conforms to the exceptions recognized in the Public Records Act and the case law interpreting its provisions.

3.08.060 Reserved.

3.08.070 Reserved.

3.08.080 Reserved.

3.08.090 Delegation of authority by the purchasing manager.

The City Manager may authorize in writing any using department to purchase specified supplies, services, and to construct public projects independently of the Administrative Services Director, provided that: (1) such purchases shall comply with the procedures established by this chapter; (2) it is deemed necessary for the effective procurement or disposal of those items; and (3) the using department shall be required to make periodic reports to the Director on all purchases made.

3.08.100 Contract administration.

Unless other contract administration is designated by the Director, the following shall apply:

- A. All public projects shall be administered by the Community Development Director or City Manager designee in accordance with the type of public project;

- B. All maintenance work shall be administered by the Community Development Director or City Manager designee;
- C. All master contracts for supplies and services which apply to multiple using departments will be administered by the Administrative Services Director or City Manager designee;
- D. All other contracts shall be administered by the Director of the applicable using department.

3.08.110 Supplemental regulations.

- A. The City Council may, from time to time, adopt one or more resolutions establishing rules and supplemental regulations to clarify the application of this chapter's provisions. Such rules and regulations shall be in conformity with the intent and purpose of this chapter. In the event of any conflict between such rules and regulations and the provisions of this chapter, this chapter shall prevail.
- B. The Director shall have the power to render interpretations of this chapter and to adopt and enforce written rules and supplemental regulations to clarify the application of this chapter's provisions and any resolution(s) adopted pursuant to subsection A, above. Such interpretations, rules and regulations shall be in conformity with the intent and purpose of this chapter and any such resolution(s). Without limiting the nature of the foregoing, such rules and supplemental regulations may include, without limitation, criteria upon which contracts shall be bid and awarded. In the event of any conflict between such rules and regulations and the provisions of this chapter or such resolution(s), this chapter and any such resolution(s) shall prevail.

3.08.120 General methods of award of contract or purchase order.

- A. Method Determined by Cost Estimate. The procedure to be followed in awarding contracts or purchase orders is determined initially by the estimated cost to the City of the supplies or services.
- B. No Division of Procurements. The procurement of supplies or services shall not be knowingly staged or separated into smaller units or segments solely for the purpose of evading the competitive bidding requirements of this chapter.
- C. Cancellation of Solicitation. A solicitation may be cancelled until the opening of bids by the Director, when cancellation or rejection is in the best interests of the City. The reasons therefor shall be made part of the contract file.
- D. Use of electronic means:
 - 1. Consistent with the stated policy of promoting efficient public contract law, consistent with the best of modern practice and research, and pursuant to the authority granted by Public Contract Code sections 1600 and 1601, the Director shall be authorized to utilize electronic means in the procurement of supplies and

services, so long as the purpose and intent of applicable state law, this chapter, and any supplemental rules or regulations are met.

2. Without limiting the nature of the foregoing, the City may utilize online bidding and selling methods, electronic signature in accordance with applicable state, local and federal law, and electronic mail for delivery of notices when “mailed” notice is required herein. For purposes of this chapter, “supporting materials”, as defined in Public Contract Code section 1601, shall be deemed to also include security bonds, which the City may, in its sole and absolute discretion, allow to be submitted electronically, consistent with any supplemental regulations, adopted in accordance with this chapter, implementing the submission of electronic security bonds. Whenever “sealed” bids or proposals are called for, any electronic means may be used so long as such electronic means provide for the secured submission of the required data. Whenever bids are required to be “opened”, such bids shall be deemed “opened” if and when they are made available to both the City and the public simultaneously, in a public setting, including, without limitation, by way of making such bids available in an electronic format that is readable by the public. If provisions of this section are in conflict with any other resolution or ordinance of the City, this section shall prevail.

- E. Use of Purchase Requisitions and Purchase Orders. The Director shall prepare administrative policies and procedures controlling the implementation of each procurement approved pursuant to this chapter through the use of a purchase requisition and purchase order. Each procurement may only be approved after issuance of a purchase requisition and purchase order approved by the Director, unless otherwise exempt pursuant to applicable supplemental regulations.

3.08.130 Purchasing authority.

The purchasing authority applicable for the procurement of supplies and services shall be established as follows:

- A. Signature Authority of the City Manager. The City Manager may approve purchase orders or enter into contracts for supplies and services in an amount not to exceed one hundred thousand (\$100,000) dollars. The City Manager may further delegate signature authority to other City employees as the City Manager deems appropriate not to exceed the signature authority set forth by the City Council herein.

The City Manager may approve purchase orders or enter into contracts for legal services required by the City Attorney where legal services will be performed under separate contract directly with the City outside of and separate from the City’s agreement for legal services with its City Attorney, and where the cost for legal services is within the budget previously appropriated by the City Council. The City Attorney shall provide the City Council with regular updates on all matters requiring legal services and the costs associated therewith.

- B. Authority of the City Council. The City Council shall approve purchase orders and contracts for supplies and services that exceed one hundred thousand (\$100,000) dollars unless such approval is otherwise delegated to the City Manager pursuant to separate action by the City Council. The City Council may also, from time to time, change the City Manager’s signature authority established pursuant to Section 3.08.130(A) by adoption of a resolution setting forth the revised amount of the City Manager’s signature authority as authorized by this Section 3.08.130(B).

3.08.140 Competitive bidding—Goods and services.

The total estimated cost of goods or services determines the procurement process that must be followed, as described below:

- A. Goods, Maintenance Work, and General Services.

\$10,000 dollars or less	By negotiated contract
\$10,000.01 to \$100,000	By the informal process
\$100,000.01 and up	By the formal process

The City Council may from time to time revise the amounts identified herein setting forth the procurement process for goods, maintenance work, and general services by adoption of a resolution identifying the revised amounts therefore.

- B. Professional Services.

\$100,000 or less	May be procured by the informal quote process
\$100,000.01 and up	By the formal request for qualifications (RFQ) and/or request for proposals (RFP) process

3.08.150 Informal process.

- A. Soliciting Informal Bids. The Director shall cause to be prepared by the using department specifications for each procurement and solicit informal bids via posted notice, telephone request, mail, email, fax or any other reasonable solicitation method. All bids shall be documented in writing. If the Director is unable to obtain a minimum of three (3) bids, the Director shall document that reasonable efforts were made to obtain the minimum number of required bids. The Director may follow the formal process.
- B. Award supplies, Maintenance Work, or General Services. Open market procurement shall be based whenever possible on competitive bids awarded to the lowest responsible bidder, or the most qualified bidder, in the best interests of the City, and approved pursuant to the signature authority specified in Section 3.08.130(A).
- C. Award Professional Services. Award of professional services contracts shall be made to the most qualified bidder who will best serve the City’s interests taking into account the demonstrated competence and professional qualifications for the scope of services to be

provided and at fair and reasonable price to the City. Contracts for professional services may be approved pursuant to the signature authority specified in section 3.08.130(1).

3.08.160 Formal process.

The formal process for procurement of supplies, maintenance work, and general services shall comply with all aspects of state and local law governing formal competitive bidding, including, resolutions of the City Council as may be adopted from time to time, this chapter, and applicable supplemental regulations.

- A. Bidder List. The City shall maintain a list of qualified bidders in accordance with policies and procedures established by the Director.
- B. Notice. All qualified bidders on the City's list for the category of work being bid shall be mailed, faxed, or emailed an invitation for bids (IFB). The City may elect to mail, fax, or email the IFB to construction trade journals or through the City's electronic purchasing system registry of bidders. The IFB shall describe the scope of the supplies, maintenance work or general services to be provided in general terms and how to obtain more detailed information about the procurement, and state the time and place for the submission of bids. All mailing of IFB to qualified bidders and/or construction trade journals or through the City's electronic purchasing system registry of bidders shall be completed not less than ten calendar days before bids are due.
- C. Bidder's Security/Failure to Sign Contract. Bidder's security may be required by the Director. If required, the security shall be prescribed in the IFB including provisions for its forfeiture for failure of the lowest bidder to execute a contract, or to furnish supplies, maintenance work or general services pursuant to a purchase order.
- D. Bid Opening Procedure. Bids submitted in paper form shall be submitted to the Director in accordance with the notice inviting bids and shall be identified as a bid on the envelope. Bids shall be opened by the City in public at the time and place stated in the IFB. Alternatively, sealed bids may be received by the City via an electronic bid management system in accordance with this chapter.
- E. Award. If a contract is to be awarded or a purchase order is to be issued, it shall be made with the lowest responsible bidder submitting a responsive bid. Bid irregularities may be waived upon recommendation by the City Attorney. Procurement pursuant to the formal process may be approved pursuant to Section 3.08.130.
- F. Tie Bids. If two or more bids received are determined to be the lowest and responsive bids, the City may accept either bid. Should tie bids be received the following priority list will apply to the award:
 - 1. Business located within City boundaries with a valid business license;
 - 2. Riverside County based business; or
 - 3. State of California based business.

- G. No Bids. If no bids are received, the procurement may be performed by City employees by force account or by negotiated contract without further complying with this chapter.
- H. Rejection of Bids. The Director may reject all bids presented, and shall have the following options:
 - 1. Abandon the procurement; or
 - 2. Issue a new IFB in the manner described in this chapter.

3.08.170 Formal request for qualifications (RFQ) and request for proposals (RFP) process.

The RFQ and/or RFP process shall be utilized for procurement based on demonstrated competence and qualifications of the bidder to be performed or provided and at fair and reasonable prices to the City. The City may use the RFQ process to establish a pre-qualified list of suppliers for a future procurement of supplies. The City may use the RFQ process to establish a pre-qualified list of persons or businesses for a future procurement of services, including professional services through a separate RFP process. The City may utilize a two-step RFQ and RFP process for highly complex or technical procurement. The Director shall establish policies and procedures for implementation of the formal RFQ and/or RFP process meeting the following minimum guidelines:

- A. Invitation for RFQs or RFPs. At a minimum, the invitation for RFQs or RFPs shall: (1) describe the project; (2) state how to obtain more detailed information about the project; (3) state the date, time and place for the submission of statements of qualifications or proposals; (4) describe general parameters for evaluation and selection; and (5) include any other information required by state or local law.
- B. Published Notice. City staff shall solicit RFQs or RFPs via published notice in a newspaper of general circulation and on the City's website for at least ten calendar days before the date for receiving statements of qualifications or proposals, unless urgent circumstances call for a shorter time.
- C. Review of Qualifications or Proposals. The City will receive statements of qualifications or proposals at the date, time and place of submission on the invitation for RFQs/RFPs. Any statements of qualifications or proposals received after the deadline will be time/date stamped and returned unopened by the City. The City will review and evaluate statements of qualifications or proposals based on the evaluation and selection criteria in the RFQs/RFPs and will identify qualifications that pass or fail based on factors listed in the RFQ, or will rank proposals based on factors listed in the RFP.
- D. Negotiation. Once proposals are ranked, the City may negotiate a contract with the highest ranked bidder only, may negotiate with multiple bidders, or may attempt to reach an agreement with the highest ranked bidder before negotiating with other bidders in order of ranking. The City may also dispense with negotiations and recommend an award based on the proposals.

- E. Award. Award for professional services contracts shall be to the most qualified bidder who will best serve the City's interests considering the demonstrated competence and professional qualifications for the scope of services to be provided and at fair and reasonable prices to the City. Award for all other contracts shall be to the bidder that is in the City's best interests, in the City's sole and absolute discretion.

Award for highly complex or technical procurement not otherwise considered professional services shall be to the most qualified bidder and at the most reasonable fee who will best serve the City's interests after considering the evaluation criteria in the RFP which may include a combination of both a qualifications component and a fee component as established by the City in the RFP.

- F. Rejection of Proposals. The Director may reject all bids presented, and shall have the following options:
1. Abandon the procurement; or
 2. Issue a new RFQ and/or RFP in the manner described in this chapter.

3.08.180 Contract or purchase order amendments.

- A. Policy. Modifications to a contract or purchase order through a City issued written amendment documenting the changes to the contract or purchase order may be utilized for purposes of: (1) adding and/or deleting quantity of items being purchased; (2) modifying unit prices; (3) modifying the scope of work or services to be provided; (4) changing the funding sources; (5) changing the performance schedule; or (6) any other change required by the City.
- B. Specific Authority.
1. The City Manager may approve contract or purchase order amendments for supplies and services if the amendments aggregated with the original contract or purchase order do not exceed the signature authority, subject to an unencumbered appropriation in the funds against which such expenditure is to be charged.
 2. The City Council shall approve contract or purchase order amendments for supplies and services where the amendments aggregated with the original contract or purchase order exceeds the signature authority. During the approval of a contract or purchase order by the City Council, the City Council may delegate specific signature authority to approve contract or purchase order amendments, specific to that contract or purchase order, based on either a percentage of the original contract or purchase order amount or a specific dollar amount. If no specific signature authority is given by the City Council, the City Manager may approve contract or purchase order amendments for a City Council awarded contract or purchase order up to the signature authority otherwise allowed pursuant to this chapter.

3.08.190 General procurement methods for public projects.

- A. Method Determined by Cost Estimate. The procedure to be followed in awarding contracts for public projects is determined initially by the estimated cost as determined by the City engineer or contracted agency.
- B. No Division of Procurements. Public projects shall not be knowingly staged or separated into smaller public projects solely for the purpose of evading the competitive bidding requirements of this chapter.
- C. Cancellation of Solicitation. A solicitation for a public project may be canceled up until the opening of bids by the Director, when cancellation or rejection is in the best interests of the City. The reasons therefor shall be made part of the public project file.
- D. Use of electronic means:
 - 1. Consistent with the stated policy of promoting efficient public contract law, consistent with the best of modern practice and research, and pursuant to the authority granted by Public Contract Code sections 1600 and 1601, the Director shall be authorized to utilize electronic means in the procurement of public projects, so long as the purpose and intent of applicable state law, this chapter, and any supplemental rules or regulations are met.
 - 2. Without limiting the nature of the foregoing, the City may utilize online bidding and selling methods, electronic signature in accordance with applicable state, local and federal law, and electronic mail for delivery of notices when “mailed” notice is required herein. For purposes of this chapter, “supporting materials,” as that term is used in Public Contract Code section 1601, shall be deemed to include security bonds, which the City may, in its sole and absolute discretion, allow to be submitted electronically, consistent with any supplemental regulations, adopted in accordance with this chapter, implementing the submission of electronic security bonds. Whenever “sealed” bids are called for, any electronic means may be used so long as such electronic means provide for the secured submission of the required data. Whenever bids are required to be “opened”, such bids shall be deemed “opened” if and when they are made available to both the City and the public simultaneously, in a public setting, including, without limitation, by way of making such bids available in an electronic format that is readable by the public. If provisions of this section are in conflict with any other resolution or ordinance of the City, this section shall prevail.

3.08.200 Purchasing process.

- A. Bidding Thresholds. The process applicable for the procurement of public projects shall be established in accordance with the following bidding thresholds dependent upon the City engineer’s estimated cost of the public project:

1. As established pursuant to Public Contract Code section 22032(a), seventy-five thousand dollars (\$75,000) thousand dollars or less: By force account, negotiated contract, or purchase order.
 2. As established pursuant to Public Contract Code section 22032(b), two hundred twenty thousand dollars (\$220,000) or less: By informal public project bidding procedures.
 3. As established pursuant to Public Contract Code section 22032(c), over two hundred twenty thousand dollars (\$220,000.01) dollars: By formal public project bidding procedures.
- B. Automatic Amendment of Bidding Thresholds. If, as, and when the amounts set forth in Public Contract Code section 22032 are later amended, this section and the amounts reflected herein shall be deemed to have been amended to reflect such changes, without the need for further action on the part of the City, and such changes reflected in Public Contract Code section 22032 shall be deemed to be incorporated by reference herein.

3.08.210 Informal public project bidding procedure.

The informal bidding procedures for public projects shall comply with all aspects of state and local law governing informal competitive bidding, including, but not limited to the Public Contract Code, Government Code, labor code, resolutions of the City Council as may be adopted from time to time, this chapter, and applicable supplemental regulations.

- A. Adoption of Plans and Specifications; Authorization to Bid. The City engineer, or designee, is authorized to review and approve engineering plans for purposes of design immunity pursuant to Government Code section 830.6 for all public projects with an estimated cost less than the amount identified by Public Contract Code section 22032(b). This shall include review and approval of the working details, drawings, plans and specifications prepared for the public project, including emergency and change order work, which may affect the design or operation of public improvements and which may bring into question the City's liability for dangerous conditions of public property.
- B. Bidder List. The City shall maintain a list of qualified contractors in accordance with Public Contract Code section 22034.
- C. Notice. All qualified contractors on the City's list for the category of work being bid shall be mailed, faxed, or emailed an invitation for bids. The City may elect to mail, fax, or email the IFB to construction trade journals in accordance with Public Contract Code section 22036. The IFB shall describe the scope of the public project in general terms and how to obtain more detailed information about the public project, and state the time and place for the submission of bids. All mailing of an IFB to qualified contractors and/or construction trade journals shall be completed not less than ten calendar days before bids are due.
- D. Bidder's Security/Failure to Sign Contract. Bidder's security shall be prescribed in the IFB in an amount equal to ten percent of the bid amount. Bidder's security shall be a cash deposit with the City, a cashier's certified check payable to the City, or a bidder's bond.

The lowest responsible bidder shall forfeit the bid security upon the bidder's refusal or failure to execute the contract within ten calendar days after the date of the award of the contract, or such other period of time as may be specified by the City. On the refusal or failure of the lowest responsible bidder to execute the contract, the City Manager may award the contract to the next lowest responsible bidder submitting a responsive bid.

- E. Bid Opening Procedure. Bids submitted in paper form shall be submitted to the Director in accordance with the notice inviting bids and shall be identified as a bid on the envelope. Bids shall be opened by the Director in public at the time and place stated in the IFB. Alternatively, sealed bids may be received by the City via an electronic bid management system in accordance with this chapter.
- F. Award. If a contract is awarded, it shall be awarded to the lowest responsible bidder submitting a responsive bid. The City Manager, in consultation with the City Attorney, may waive irregularities in a bid, and is authorized to award contracts in an amount up to and not exceeding the amount established pursuant to Public Contract Code section 22032(b).
- G. Tie Bids. If two or more bids received are determined to be the lowest and responsive bids submitted by responsible bidders, the City Manager may accept either bid. Should tie bids be received the following priority list will apply to the award:
 - 1. Business located within City boundaries with a valid business license;
 - 2. Riverside County based business; or
 - 3. State of California based business.
- H. No Bids. If no bids are received, the public project may be performed by City employees by force account or by negotiated contract without further complying with this chapter.
- I. Rejection of Bids. The City Manager may reject all bids presented and shall have the following options:
 - 1. Abandon the public project;
 - 2. Issue a new invitation for informal bids in the manner described in this chapter; or
 - 3. Submit to the City Council, subject to passage by a four-fifths vote, a recommendation to declare that the public project can be constructed more economically by the employees of the City, and have the public project completed by force account.
- J. Bids in Excess of Statutory Amount. If all bids received are in excess of the amount identified by Public Contract Code section 22032(b), the City Council may award the contract to the lowest responsible bidder submitting a responsive bid in accordance with Public Contract Code section 22034(d).

3.08.220 Formal public project bidding procedure.

The formal bidding procedures for public projects shall comply with all aspects of state and local law governing formal competitive bidding, including, but not limited to the Public Contract Code, Government Code, labor code, resolutions of the City Council as may be adopted from time to time, this chapter, and applicable supplemental regulations.

- A. Adoption of plans and specifications; authorization to bid. The City Council shall approve and adopt the plans, specifications and working details for purposes of design immunity pursuant to Government Code section 830.6 and authorize formal bidding of public projects. Notwithstanding anything in this chapter, the City Council may, in its action to authorize formal bidding, delegate signature authority to the City Manager to approve and award a contract therefore to the lowest responsible bidder submitting a responsive bid provided the amount of the bid is within the amount previously budgeted for the public project, waive irregularities in a bid, and reject bids.
- B. Invitation for Bids. An IFB shall be issued and shall include a general description of the public project and all contractual terms and conditions applicable to the procurement.
- C. Public Notice. The IFB shall be published at least once fourteen calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the City, and by posting the IFB on the City's website. The IFB shall also be posted electronically with all construction trade journals in accordance with Public Contract Code section 22036. The IFB shall state the time and place for the receiving and opening of sealed bids and describe the scope of the public project. In addition to notice required by this section, the City may give such other notice as the Director may recommend.
- D. Bidder's Security/Failure to Sign Contract. Bidder's security shall be prescribed in the IFB in an amount equal to ten percent of the bid amount. Bidder's security shall be a cash deposit with the City, a cashier's or certified check, payable to the City, or a bidder's bond. The lowest responsible bidder shall forfeit all the bidder's security upon the bidder's refusal or failure to execute the contract within ten calendar days after the date of the award of the contract, or such other period of time as may be specified by the City. On the refusal or failure of the lowest responsible bidder to execute the contract, the City Council may award the contract to the next lowest responsible bidder submitting a responsive bid.
- E. Bid Opening Procedure. Sealed bids shall be submitted to the Director and shall be in accordance with the notice inviting bids and shall be identified as a bid on the envelope. Bids shall be opened by the Director in public at the time and place stated in the IFB. Alternatively, sealed bids may be received by the City via an electronic bid management system in accordance with this chapter.
- F. Award. If a contract is awarded, the contract shall be awarded by the City Council to the lowest responsible bidder submitting a responsive bid. In the event the lowest responsive bid submitted by a responsible bidder exceeds budgeted funds, the City Manager is

authorized, when time or economic considerations preclude issuance of a new IFB with a reduced scope, to negotiate an adjustment of the bid with the lowest responsible bidder, in order to bring the bid within the amount of budgeted funds available. If negotiations to reduce the scope and reduce the bid with the lowest responsible bidder are successful, the City Manager shall submit a report of the bids to the City Council with a recommendation concerning acceptance or rejection of the reduced scope and reduced bid, and the City Council shall thereupon approve or disapprove the recommendation. The City Council may waive irregularities in a bid.

- G. Tie Bids. If two or more bids received are determined to be the lowest and responsive bids submitted by responsible bidders, the City Council may accept either bid. Should tie bids be received the following priority list will apply to the award:
 - 1. Business located within City boundaries with a valid business license;
 - 2. San Riverside County based business; or
 - 3. State of California based business.
- H. No Bids. If no bids are received, the public project may be performed by City employees by force account, or by negotiated contract without further complying with this chapter.
- I. Rejection of Bids. The City Council may reject all bids presented and shall have the option of any of the following:
 - 1. Abandon the public project;
 - 2. Issue a new IFB in the manner described in this chapter; or
 - 3. By passage of a four-fifths vote of the City Council declare that the public project can be constructed more economically by City employees, and have the public project completed by force account without further complying with this chapter.

3.08.230 Pre-qualification of contractors for public projects.

- A. When it is considered in the best interest of the City to pre-qualify contractors for public projects, the Director may approve the use of a pre-qualification process.
- B. The City has elected to adopt the pre-qualification procedures of Public Contract Code section 20101 for individual public projects, which includes without limitation the following requirements:
 - 1. Utilization of a standardized questionnaire and financial statement in a form specified by the City (Section 20101 (a));
 - 2. Application of a uniform system of rating contractors on objective criteria, and on the basis of the completed questionnaire and financial statement (Section 20101(b));
 - 3. An appeal procedure by which a contractor that is denied pre-qualification may seek a reversal of that determination (Section 20101(d));

- C. The Director shall make a recommendation to City Council based on the findings of the evaluation process. Only those contractors successfully completing the pre-qualification process and approved by the City Council shall be allowed to submit bids for that public project.
- D. If a prospective contractor is denied pre-qualification and the contractor disputes its pre-qualification rating, the following appeal process shall be followed:
 - 1. Upon written request by the contractor received by the City within two business days after receiving notification of its pre-qualification rating, the contractor will be provided the basis for the contractor's disqualification and any supporting evidence obtained by the City as a result of its investigation of the contractor;
 - 2. The contractor shall, within five business days of receipt of the City's basis for the contractor's disqualification, provide a written rebuttal to the City's disqualification determination with all supporting evidence;
 - 3. The Director will consider the contractor's written rebuttal, and may uphold or reverse the Director's original disqualification determination based on the evidence submitted, and a written final determination of the contractor's qualification status will be provided to the contractor within five business days of the City's receipt of its written rebuttal;
 - 4. The Director's final written determination is conclusive and will be forwarded to the City Council as part of its action to approve the list of pre-qualified contractors.
 - 5. A contractor's appeal rights are limited to the process identified herein, and no other appeal process shall apply.

3.08.240 Change orders.

- A. Policy. Modifications to a contract for a public project through a City issued change order documenting the amendments to the contract may be utilized for purposes of: (1) adding and/or deleting quantity of items being constructed; (2) modifying unit prices; (3) modifying the scope of work of the public project; (4) changing the funding sources; (5) changing the performance schedule; or (6) any other change required by the City.
- B. Specific Authority.
 - 1. The City Manager may approve change orders for public projects if the total amount of the change orders and the original contract amount does not exceed the amount identified by Public Contract Code section 22032(b), subject to an unencumbered appropriation in the funds against which such expenditure is to be charged.
 - 2. The City Council shall approve change orders for public projects where the total amount of the change orders and the original contract amount exceeds the amount identified by Public Contract Code section 22032(b). During the approval of a contract for a public project by the City Council, the City Council may delegate specific signature authority to approve change orders, specific to that public project, based on either a percentage of the original contract amount or a specific dollar amount. If no specific signature authority is given by the City Council, the City

Manager may approve change orders for a City Council awarded contract up to the amount identified by Public Contract Code section 22032(b), subject to an unencumbered appropriation in the funds against which such expenditure is to be charged.

- C. Exception. Change orders in excess of the City Manager's signature authority or the amount identified by Public Contract Code section 22032(b) may be approved by the City Manager and submitted to the City Council for ratification at its next available regular meeting under the following circumstances:
1. The failure to immediately issue a change order may result in significant cost increases or an unacceptable delay due to work stoppage or other inefficiencies;
 2. A regularly scheduled meeting of the City Council is not available within a reasonable period of time to sufficiently remedy the issue presented with the proposed change order; and
 3. Funding for the change order is currently available within the appropriated budget for the public project.

3.08.250 Field orders.

- A. Policy.
1. Modifications to a public project through a City issued written field order documenting minor changes to the scope of work may be utilized for administrative efficiencies where the use of field orders are specifically provided for in the specifications issued for a public project. Field orders shall not be used in place of change orders where amendments to the contract for the public project are otherwise required.
 2. Field orders shall be limited to minor adjustments to the scope of work directly related to the public project, and shall identify the description of the scope of work and the cost therefore, with such documentation justifying the price as deemed necessary by the City engineer.
 3. The City engineer shall maintain an accounting of all field orders approved and the balance remaining in the allowance specified therefore in the bid. Approval of field orders shall not increase the maximum price of the bid for the public project, and a reduction of the bid shall be made through a change order when the total cumulative price of field orders approved by the City engineer is less than the total allowance therefore specified in the bid.
 4. The specifications issued for the public project may contain further regulations regarding the use of field orders as may be deemed necessary by the City engineer.
- B. Approval Authority. The City engineer shall have authority to approve field orders related to contracts for construction of public projects previously awarded by the City Manager or City Council, as the case may be, provided the specifications for the public project and the bid therefore incorporate an allowance for field orders that is included in the maximum price of the bid for the public project so awarded.

3.08.260 Acceptance of public projects; notices of completion.

The City Manager, or designee, upon a recommendation of the City engineer or contracted agency, is authorized to accept the work completed by contractors associated with a public project on behalf of the City Council, and is authorized to execute and cause to be recorded notices of completion where required or authorized by law. Upon acceptance of the work by the City Manager or designee, the City clerk is authorized to release bonds and security instruments filed with the City associated with the public project as otherwise required in the specifications issued by the City for the public project.

3.08.270 Special procurement methods in general.

For procurements under this chapter all decisions to utilize a special purchasing method in the approval of the procurement shall be made a part of the public record. The Director shall provide a written report for the public record that specifies: (1) the reason the special purchasing method was used; (2) the results of the solicitation; (3) the results of the negotiations; and (4) the recommendation for the award. Any award shall be supported by findings identified in the written report.

3.08.280 Sole source procurement by the City.

- A. A contract may be awarded without competition when the procurement is made after conducting a good faith review of available sources and the Director has determined that it qualifies as a sole source procurement.
- B. The following is a non-exhaustive list of examples of justification for a sole source determination:
 - 1. Continuation of Work on a Project. Supplies are required, but not known to have been needed when a previous procurement was completed, and it is not feasible or practicable to contract separately for the additional need.
 - 2. Existing Systems in Place and/or Compatibility Issues. The City is already using a specific type of system or supplies, and only one contractor supplies the items necessary to repair and/or continue to use that existing system or those supplies.
 - 3. Exclusive Supplier and Distributor Relationships. The required supplies are proprietary to the contractor, and contractor solely transacts (sells) direct to the customer. Or, the required items are proprietary to the contractor, and contractor does not sell direct to the customer. Contractor solely distributes the item through only one dealer or distributor in the United States.
 - 4. Substantial Risk in Contracting with Other Provider. Only one contractor has been successful to date in implementing a difficult manufacturing process for the supplies sought, and the City would be taking on substantial risk to procure the items from an unproven contractor.

5. Single Source Available. There is more than one source, but only one source is willing or, due to City requirements, able meet the required need as specified. For example, only one source is able to meet the City's time or quantity constraints.
- C. In the event of a sole source determination, the Director shall conduct negotiations, as appropriate, as to price, delivery, and terms. A written record of sole source procurement shall be maintained as a public record and shall list each contractor's name, the amount and type of each contract, a listing of the item(s) procured under each contract, the identification number of each contract file, and the documentation of why sole source procurement was required.

3.08.290 Special expertise procurement.

A contract may be awarded without competition when it is determined by the awarding authority that an unusual or unique situation exists, in that due to experience and expertise demonstrated in prior contracts with the City, or experience or expertise with similarly described contracts with other public agencies, a particular contractor is uniquely qualified for a particular procurement, that makes the application of this chapter contrary to the public interest. Any special expertise procurement shall be made with such competition as is practicable under the circumstances.

3.08.300 Emergency procurement.

- A. During an emergency, as further defined in Chapter 3.08, and as defined by Public Contract Code section 1102, all procurement required by the City Manager may occur without applying the provisions of this chapter. All such procurement shall be obtained at the lowest reasonable price available in the best interests of the City, and for public projects in compliance with the applicable provisions of Public Contract Code section 22050.
- B. When determined by the City Manager that repair or replacement of a public facility requires immediate procurement, at the recommendation of the City Manager and in accordance with Public Contract Code section 22050, the City Council may by a four-fifths vote authorize the procurement directly related to the repair or replacement of the public facility without applying the provisions of this chapter. All such procurement shall be obtained at the lowest reasonable price available in the best interests of the City. In the case of an extreme emergency involving public property, the City Manager may proceed with immediate procurement pursuant hereto subject to ratification by a four-fifths vote of the City Council at its next regular meeting.
- C. In accordance with Public Contract Code section 22050, for emergency procurement associated with a public project where the provisions of informal or formal bidding would otherwise apply, the Director shall provide a written report to the City Council at its next regular meeting, and subsequently at each regular meeting thereafter. During the emergency procurement involving a public project otherwise requiring application of the informal or formal bidding procedures, the City Council shall determine by a four-fifths vote the continuing need for the emergency procurement without the benefit of competitive bidding. The City Council shall terminate the emergency procurement of a public project

at the earliest possible date that conditions warrant, allowing for application of this chapter to the remainder of the actions that may be completed with regard to the public project.

3.08.310 Acquisition of design-build services.

- A. Policy. In accordance with Chapter 4, Part 3, Division 2 of the California Public Contract Code sections 22160 through 22169, acquisition of design-build services may be procured for the construction of a public project. The Director is authorized to establish policies and procedures for implementation of design-build procurement within the guidelines in this section.

- B. Procurement. Construction of public projects may be implemented in accordance with the design-build project delivery method by undertaking an RFP process. Notwithstanding the foregoing, the City may prequalify bidders through an RFQ process prior to the RFP process. The RFP must contain, at a minimum, the following elements:
 - 1. The procedures to be followed for submitting proposals, the criteria for evaluation of the proposals and their relative weight, the procedure for selection of a contractor and the timing for making awards.
 - 2. The proposed terms and conditions for the design-build contract.
 - 3. The project requirements, including as appropriate, capacity, durability, production standards, ingress and egress requirements, or other criteria for the intended use of the project, expressed in conceptual documents, performance-oriented preliminary drawings, outline specifications and other documents provided to the contractor by the City establishing the project's basic elements and scale, and their relationship to the work site suitable to allow the contractor to submit a proposal.
 - 4. A description of the project approach, work plan or other submittals to be submitted with the proposal, with guidance as to the form and level of completeness required.
 - 5. A schedule for planned commencement and completion of the project.
 - 6. Any other information that the City, in its discretion chooses to supply, including without limitation, surveys, soils reports, drawings or models of existing structures, environmental studies, photographs, or references to public records.

- C. Evaluation and selection. Once received, proposals shall be submitted for review by a selection committee. Clarifications may be required to ensure proposals are responsive to the RFP. Clarifications may require revised cost and/or technical proposals. The following criteria may be utilized in selecting a contractor for award of a design-build contract:
 - 1. An evaluation of references provided with respect to responsiveness, quality of work, timeliness and overall performance.
 - 2. An evaluation of overall quality, capability, resource availability and financial stability of the contractor.
 - 3. An evaluation of the contractor's experience, training and qualifications.
 - 4. Consideration of items such as proposed design approach, initial and/or life cycle costs, project features, quality, capacity, schedule, and operational and functional performance of the facility.

5. The extent to which the contractor's proposal meets the requirements set forth in the RFP.
6. Analysis of the cost relative to the contractor's ability to meet the requirements set forth in the RFP. Depending on the number of proposals received, the selection committee may develop a "short list" of top ranked contractors. The selection committee may require "short listed" contractors to submit to an interview and/or make a presentation to establish a final ranking. The selection committee will then begin negotiations with the top ranked contractor. The negotiations may include but not be limited to project costs, scope, and schedule. If negotiations are unsuccessful, negotiations will cease with the top ranked contractor and may begin with the next highest ranked contractor. The City reserves the right to reject all proposals, select by proposal review only or interview as needed. The City's selection committee shall select and recommend to the City Council for contract award a contractor providing the best value to the City.

3.08.320 Other exceptions to procurement methods.

- A. No Competitive Market. When the City Council determines that a competitive market does not exist or that the City will not gain a competitive advantage by using the formal bidding procedure, the City may use any other procurement method.
- B. State Purchase. When the purchase is made on behalf of the City by the state department of general services.
- C. Mandated Expenditures. When expenditures are mandated by law or regulation, such as county booking fees, utilities, postage, waste disposal fees or other non-negotiable permit, use or application fees.
- D. Shared Services. When the City Council or City Manager authorizes the award and execution of contracts for services, subject to the signature authority consistent with this chapter, that are provided by another public entity or non-profit entity that will maximize efficiency, increase cost effectiveness, increase range of services, minimize duplication, provide training or education, encourage collaboration or standardize efforts, or leverage government resources.
- E. Best Interest of City. Except where otherwise prohibited by law, when the City Council or City Manager authorizes the award and execution of purchase orders or contracts for supplies and services and for construction of public projects subject to the signature authority consistent with this chapter, without following the required procurement methods, provided that the City Council or City Manager finds that such award is in the best interest of the City, or of the public health, safety, and welfare.
- F. Purchase of Recurring Charges. The City may create an open vendor list for the purposes of providing supplies and services for the fiscal year for ongoing cleanup, maintenance and different routine items that are of a continuing nature. Prices from each vendor shall be obtained in a manner to ensure competitive pricing, in the best interest of the City. The

threshold for each vendor may be determined by the City Council, on the recommendation of the City Manager. A vendor list may be approved by the City Council as often as necessary but not less than once every twenty-four months.

- G. Task or Job Orders. Unless prohibited by law, task or job orders that the City places through a duly approved master agreement shall not be subject to further procurement requirements.
- H. Otherwise Authorized. When otherwise authorized by this chapter or applicable law.

3.08.330 Reserved.

3.08.340 Prevailing wages and benefits.

Contractors performing work on City public projects shall be subject to California prevailing wage law, codified at California Labor Code section 1720 et seq., as it may be amended from time to time, or otherwise required by law. The only limitation on the provisions of this subsection shall be in the event federal funding requirements supersede state prevailing wage laws, the higher wage rates shall apply. Any invitation for bids for public projects subject to the California prevailing wage law shall include notification of this subsection.

3.08.350 Multi-year contracts.

- A. Specified Period. Unless otherwise provided by law and in accordance with this section, a contract for supplies or services may be entered into for any period of time deemed to be in the best interest of the City provided the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal year period at the time of award of contract. Payment and performance obligations for succeeding fiscal year periods shall be subject to the availability and appropriation of funds therefor. Any multi-year contract exceeding a potential term of five years, including any options to renew or extend, shall be approved by the City Council.
- B. Use. A multi-year contract is authorized where:
 - 1. Estimated requirements cover the period of the contract and are reasonably firm and continuing;
 - 2. The term of the contract and conditions of renewal or extension, if any, are included in the solicitation; and
 - 3. Such a contract will serve the best interests of the City by encouraging effective competition or otherwise promoting economies in City procurement.

3.08.360 Authorization to execute documents.

All documents may be executed by the City Manager whenever such authorization is granted in a resolution, motion, or minute order adopted by the City Council. All contracts shall be “approved as to form” by the City Attorney and attested by the City clerk. Contracts which do not require

City Council approval shall be executed by City Manager, or designee pursuant to the signature authority.

3.08.370 Authorization for the use of electronic transmissions and payments.

Notwithstanding any other provision of law, the use of electronic media, including acceptance of electronic signatures and participation in the State of California “Cal-card” procurement card program, is authorized consistent with federal and State of California applicable statutory, regulatory or other guidance for such media, so long as such guidance provides: (1) appropriate security to prevent unauthorized access to the bidding, approval, and award processes; (2) appropriate protection is provided to protect the City from unauthorized charges; and (3) accurate retrieval or conversion of electronic forms of such information into a medium which permits inspection and copying. Records may be kept in electronic form.

3.08.380 Surplus property disposition regulations.

- A. The Director shall establish additional regulations governing:
 - 1. The transfer of surplus property and operation of the surplus property program;
 - 2. The sale or disposal of surplus, unclaimed and seized property by public auction, competitive formal and informal bid, or other appropriate method designated by regulation including electronic auction;
 - 3. The trade-in of surplus property for purchase of new equipment.
- B. The disposal of surplus real property is not regulated under this chapter and is subject to applicable state law.
- C. Surplus fire equipment and apparatus shall be reported by the Fire Chief (or designee) in accordance with this chapter. Any property determined suitable for City use may be transferred to City inventory and managed as surplus property under this chapter.
- D. The Police Chief (or designee) shall ensure that property or evidence no longer required for investigative or court purposes is disposed of in compliance with state law (including, without limitation, Penal Code section 34000 et seq.) and department procedures. Any such property determined suitable for City use may be transferred to City inventory and managed as surplus property under this chapter.

3.08.390 Disposition of surplus property.

- A. Each using department shall submit a report to the Director, at such times and in such form as the Director requires, describing all property held by the using department, which the using department has determined to be surplus property. At such time that a periodic physical inventory of the property held by any using department is required by the Director, the using department shall segregate all of its surplus property and a report thereof shall be furnished to the Director for the transfer or disposition of such surplus property.

- B. The Director, upon notification by using departments of excess City-owned surplus property, is authorized to determine whether any such City-owned property is surplus to the present or future needs of the City and will coordinate the disposition of such property. This chapter is not applicable to personal property or money, to the extent the disposition of such is governed by other applicable law, including, without limitation, escheat pursuant to Government Code section 50050 et seq., personal property or goods pursuant to Health and Safety Code section 11000 et seq., or unclaimed property pursuant to Code of Civil Procedure Section 1500 et seq.
- C. Using departments shall use forms required by the Director to request a determination as to whether property may be declared surplus by the Director.
- D. Each using department shall retain custody of its surplus property in such manner and at such place as the Director shall require, until their transfer or final disposition has been determined. No using department shall, in any event, permit any surplus property held by it to be loaned or donated without prior City Council approval, or destroyed or otherwise removed from the City's custody without the prior written approval of the Director.
- E. Before disposing of surplus property, the Director shall canvas all other using departments to determine whether the surplus property has beneficial use to another using department. If another using department requests such surplus property it may be transferred in accordance with policies and procedures established by the Director.
- F. The Director is hereby authorized to dispose of surplus property which are not used or needed by any using department or which has become unsuitable for City use. Such surplus property may be disposed by any of the following procedures:
 - 1. Exchanged or traded in for new property;
 - 2. Sold utilizing the competitive procedures similar to those prescribed in this chapter;
 - 3. Sold at public auction conducted by a professional auctioneer which the Director is hereby authorized to retain on the basis of a negotiated flat fee, hourly fee, or percentage of the amount of the sale, whichever is determined by the Director to be in the best interests of the City;
 - 4. Sold utilizing a negotiation process when the Director determines in writing that such a process is in the best interests of the City;
 - 5. Disposed of as scrap material or destroyed if no resale value exists;
 - 6. Disposed of in accordance with state or local law;
 - 7. Donated to a non-profit organization, educational institutions, public safety organizations whether domestic or international (such as police academies, fire academies or volunteer departments) or other public entities following a determination by the City Manager that such donation would serve a public purpose.

- G. Unless otherwise provided, all proceeds from sale or auction of surplus property will be deposited into the City's general fund. Proceeds from sale of enterprise, federal, grant or other special designation property will be reimbursed, less prorated selling expenses to the appropriate fund, after completion of each sale.
- H. Abandoned vehicles on public or private property shall be disposed of as provided in this code or in the Vehicle Code of the State of California.
- I. This chapter applies to City-owned vehicles, including automobiles, trucks, specialized equipment, and watercraft. Procurement, reassignment, or disposal of such vehicles and watercraft shall be conducted in accordance with the procedures set forth in this chapter unless otherwise governed by state or federal law.

3.08.400 Correction or withdrawal of bids for supplies, services, and public projects.

- A. Before bid opening, correction or withdrawal of mistaken bids for supplies, services, and public projects may be permitted in accordance with applicable provisions identified in the invitation for bids (IFB), or specifications otherwise issued for the procurement. If a mistake is discovered before bid opening, the bid may be withdrawn by written, telegraphic, or electronic notice to the Director prior to the date and time set for bid opening. Bids may then be resubmitted prior to the date and time set for bid opening.
- B. After bid opening, any request for withdrawal of a bid for a public project, or for supplies or services where bid security is required, shall be made within five working days after bid opening and in accordance with Public Contract Code section 5100 et seq., as amended from time to time.
- C. After bid opening for supplies and services where bid security is not required and a bidder withdraws its bid or fails to execute the contract, the bidder shall be prohibited from participating in further bidding on the project unless the bidder demonstrates good cause for withdrawal of its bid.

3.08.410 Bid protests.

- A. The purpose of the bid protest procedures in this section is to protect the public interest. The bid protest procedures are not intended to give losing bidders an opportunity to evaluate the bid of the lowest responsible bidder submitting a responsive bid and have the award of contract overturned to secure the award of contract for itself.
- B. Any bidder submitting a bid may file a written bid protest with the Director no more than three business days following the posting of bid results on the City's website, other distribution generally used by the City in advising bidders of the bid results, or from receiving such other City notice regarding the City's determination of the apparent low bidder. The written bid protest must include the name, address, telephone number and email address of the protesting bidder and/or the person representing the protesting bidder. Bid protests will not be accepted from any subcontractors. The written bid protest must set

forth, in detail, all grounds for the bid protest, including, without limitation, all facts, supporting documentation, legal authorities and arguments in support of the grounds for the protest. All factual contentions must be supported by evidence. Any matters not set forth in the written bid protest shall be deemed waived. Any bid protest not conforming to the requirements of this section shall be rejected as invalid.

- C. A copy of the written bid protest and all supporting documents will be transmitted by fax, personal delivery or by e-mail, by the City to the protested bidder(s) for their review and response.
- D. A protested bidder may submit to the City a written response to the bid protest within three business days of the protested bidder's receipt of the bid protest from the City. The written response must include the name, address, telephone number and email address of the responding party for the protested bidder, with all supporting documentation used to refute any claims made by the protesting bidder. The written response will be transmitted by the City to the protesting bidder. The City may, in its sole discretion, use the written response in its determination of the merits of the bid protest.
- E. The City Manager, or designee, shall review the merits and timeliness of the written bid protest and issue a written decision to the protesting bidder within twenty business days of receipt of the written bid protest. The City Attorney shall review and approve all written decisions prior to issuance to the protesting bidder. A copy of the final written decision shall be provided to the bidder that submitted the protest and the protested bidder(s).
- F. The City Manager's decision shall constitute the City's formal and final determination on the bid protest, and the City Manager may proceed to award a contract pursuant to the signature authority. For bids awarded by the City Manager, the City Manager's decision may not be reconsidered or appealed.
- G. Once a valid and timely written bid protest has been filed with the Director, no contract shall be awarded until the City Manager has issued a written decision on the bid protest.
- H. For bids awarded by the City Council, the City Manager shall, at the time the bid is presented to the City Council for award, submit to the City Council a written report on the bid protest, including the City Manager's decision. The City Council may, in its sole and absolute discretion, reconsider the bid protest at the time the bid is scheduled for award by the City Council, and reject all bids, and direct solicitation of new bids for the public project. Alternatively, the City Council may proceed to award a contract in the best interests of the City without consideration of the bid protest.

3.08.420 Unclaimed property.

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

- A. All property which is subject to the provisions of the Penal Code and regulated thereby shall be handled in accordance with such provisions, notwithstanding any other provisions of this Chapter.
- B. If the owner of property appears and claims it within four months, the City shall release such property to the owner.
- C. If the property is not claimed in accordance with subsection (2) above, such property shall be transferred to the custody of the City Manager, or their designee, to be disposed of as follows:
 - 1. Any such property may be determined by resolution of the City Council to be needed for City use and shall thereby be converted for such use.
 - 2. Property not otherwise needed for City use may be disposed of pursuant to section 3.08.110 and section 3.08.120.
- D. Money. Notwithstanding subsection (a) above, pursuant to Government Code sections 50050 and 50051, the following process shall apply to unclaimed property that is money (excluding restitution to victims):
- E. Three-year period to claim. Money that remains unclaimed for a period of more than three years becomes the property of the City not less than 45 days nor more than 60 days after an initial public notice is published, as set forth in subsection (2) below.
- F. Initial public notice. At any time after the expiration of the three-year period, the City Manager, or their designee, shall cause a notice to be published once a week for two consecutive weeks in a newspaper of general circulation. The notice shall include the following information:
 - 1. The individual or business name as shown on the issued check;
 - 2. The check date, number, and the amount of money on the issued check; and
 - 3. A statement announcing that the money shall become the property of the City on the date that is not less than 45 days after the first publication of the notice.
- G. Proof of publication. A proof of publication from the newspaper is to be retained in accordance with the City's records retention policy as proof that the City published the required notice for two consecutive weeks.

- H. Claim. Before the date the unclaimed money becomes the property of the City, a party of interest may file a claim which must include the following information:
1. The claimant's name, address, and telephone number;
 2. Social security number or federal employer identification number;
 3. Proof of identity such as a copy of a driver's license, social security card, or birth certificate;
 4. The amount of the claim; and
 5. The grounds for which the claim is found.
- I. Review. The City Manager, or their designee, shall accept or reject that claim. If rejected, the party who submitted the claim may file a verified complaint seeking to recover all, or a designated part, of the money in a court of competent jurisdiction within the county and serve a copy of the complaint and the summons upon the City Clerk. The copy of the complaint and summons shall be served within 30 days of receiving notice that the claim was rejected. The City Manager, or their designee, shall withhold the release of the portion of unclaimed money for which a court action has been filed as provided in the section until a decision is rendered by the court.

3.08.430 Cooperative purchasing programs.

The City Council may authorize the acquisition of supplies or services through a cooperative purchasing agreement or program, or by using a competitively awarded agreement of another local, state, or federal government agency or joint powers authority made up of government agencies to obtain the same supplies, equipment or services at the same or lower prices (commonly referred to as "piggybacking") utilizing competitive bidding procedures that accomplish the purpose and intent of competitive bidding requirements of this chapter. Such programs and agreements include, but are not limited to, the California Multiple Award Schedules program ("CMAS"), the U.S. General Services Administration multiple award schedule program, Sourcewell, the U.S. Communities government purchasing alliance, and other similar programs.

3.08.440 Assistance to disadvantaged business enterprises (DBE).

- A. Source Lists. The Director shall compile and maintain source lists of disadvantaged business enterprises for the purpose of encouraging procurement from disadvantaged business enterprises when a procurement involves the expenditure of federal funds in compliance with federal law. Such source lists are subject to the certification requirements mandated by state or federal laws.
- B. Solicitation Mailing Lists. To the extent deemed acceptable by the Director or as may be required by state or federal law or regulation, the Director shall include disadvantaged business enterprises on solicitation lists.
- C. Solicitation of Disadvantaged Business Enterprises. The Director shall assure that disadvantaged business enterprises are solicited for procurements for which such businesses may be suited.

- D. Training Programs. The Director shall develop special training programs to be conducted by the City to assist disadvantaged business enterprises in learning how to do business with the City.

3.08.450 Employee conflict of interest.

- A. No covered person shall participate in the making of a grant or contract by the City in which the covered person has a conflicting interest.
- B. For purposes of this section, the following definitions shall apply:
 - 1. A “covered person” includes any person who holds an elected or appointed City office, a City officer, a City employee, and any person who is a consultant to the City.
 - 2. A “conflicting interest” includes, but is not limited to, those decisions where:
 - a. A covered person holds or has held within the previous twelve months a position with a potential grant or contract recipient;
 - b. A close relative of a covered person holds or has held within the previous twelve months a position with a grant or contract recipient;
 - c. A close relative of the spouse or domestic partner of a covered person holds or has held within the previous twelve months a position with a grant or contract recipient.
 - 3. “Position” includes the status of a member, employee, owner, paid or unpaid officer of, paid or unpaid leadership position in, or had an ownership interest in, a grant or contract recipient.
 - 4. A “close relative” includes a spouse, parent, grandparent, child, grandchild, aunt, uncle, or cousin.
 - 5. “Participate in the making of a grant or contract” includes participation in: Drafting a solicitation or contract; negotiating, voting on, approving, or executing a grant or contract; discussion of same with any City officer or employee; or attempts in any way to influence the making of a grant or contract.
- C. This prohibition shall not apply to a contract let by written competitive bid where the contract will be awarded to the person or entity who submits the lowest responsible and responsive bid.
- D. Except for the mayor or a member of the City Council, a covered person may request a waiver of any potential conflict of interest in writing from the City Manager. Any request for such a waiver must include full disclosure of the potential conflict of interest and a statement detailing any mitigating factors. The request and the City Manager’s response shall be provided to the City Council prior to any vote to approve the contract or grant, or if City Council approval is not required, at least five days before the contract or grant is approved. The request and the City Manager’s response shall be considered a public record.

- E. The prohibitions in this section are in addition to any applicable federal or state conflict of interest laws, including but not limited to Government Code section 1090, and Government Code section 87100 et seq.
- F. Any person who violates this section is subject to the following:
 - 1. Public censure;
 - 2. If the conflict of interest was in the making of a contract, a prohibition from participation in the making of a contract by the City for a period of time up to twelve months from the date of the imposition of the discipline;
 - 3. If the conflict of interest was in the making of a grant, a prohibition from participation in the making of a grant by the City for a period of time of up to twenty-four months from the date of the imposition of the discipline.
- G. The discipline specified herein may be imposed:
 - 1. By the City Manager in the case of any employee or consultant who violates this section.
 - 2. By the City Council in the case of any person who holds an elected or appointed City office, or any City officer who violates this section.

3.08.460 Gratuities and kickbacks.

- A. Gratuities. No person shall offer, give, or agree to give any City employee or former City employee, and no City employee or former City employee shall solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal.
- B. Kickbacks. It shall be prohibited for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.
- C. Contract Clause. The prohibition against gratuities and kickbacks prescribed in this section shall be conspicuously set forth in every contract and solicitation.

3.08.470 Prohibition against contingent fees.

No person shall be retained, and no person may retain another, to solicit or secure a City contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

3.08.480 Contemporaneous employment prohibited.

No City employee who is participating directly or indirectly in the procurement process, while such City employee, may be the employee of any person contracting with or seeking to contract with the City.

3.08.490 Waivers from contemporaneous employment prohibition and other conflicts of interest.

The City Council may grant waiver from the employee conflict of interest provision (Section 308.450, employee conflict of interest) or the contemporaneous employment provision (Section 3.08.480, contemporaneous employment prohibited) upon making a written determination that:

1. The contemporaneous employment or financial interest of the City employee has been publicly disclosed;
2. The City employee will be able to perform its procurement functions without actual or apparent bias or favoritism;
3. The award will be in the best interests of the City; and
4. The proposed waiver does not conflict with the general laws.

3.08.500 Use of confidential information.

No employee or former employee may knowingly use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain of any other person.

3.08.510 Disclosures required by contractors.

- A. All persons or business entities supplying any goods or services to the City, or seeking a loan or grant awarded by the City, whether through an application or proposal, shall disclose in such application or proposal whether any elected or appointed City official, City officer, employee, or consultant may have a financial or non-financial interest in the person or business entity, or in any member, employee, owner, or officer of the business entity.
 1. For purposes of this prohibition, a financial interest shall mean any interest that is prohibited under state law, including California Government Code sections 1090 and 87100, and California Code of Regulation section 18700 et seq.
 2. For purposes of this prohibition, a non-financial interest shall mean any interest that is prohibited by City of Canyon Municipal Code section 3.08.450.

- B. In order to facilitate disclosure as required by this section, any such application or proposal to the City shall prominently include the following disclosure in any RFP or other solicitation document:

By submitting [this application/proposal], or supplying any goods or services to the City, the [applicant/vendor/contractor/consultant] hereby attests under penalty of perjury, personally and/or on behalf of the entity [submitting this application/proposal or supplying any goods or services to the City] that it/they have they no financial or non-financial interests, as such terms are defined in City of Canyon Municipal Code section 3.08.450, concerning any City of Canyon Lake elected or appointed official or employee, except as specifically disclosed herein.

3.08.520 Recovered organic material product procurement and recycled-content paper procurement.

- A. After January 1, 2022, all City departments, and direct service providers to the City, as applicable, must comply with the City's recovered organic material produce and recycled-content paper procurement policy, as amended.

- B. All vendors providing paper products and printing and writing paper shall:
 - 1. If fitness and quality are equal, provide recycled-content paper products and recycled-content printing and writing paper that consists of at least thirty percent, by fiber weight, postconsumer fiber instead of non-recycled products whenever recycled paper products and printing and writing paper are available at the same or lesser total cost than non-recycled items.
 - 2. Provide paper products and printing and writing paper that meet Federal Trade Commission recyclability standard as defined in 16 Code of Federal Regulations (CFR) Section 260.12.
 - 3. Certify in writing, under penalty of perjury, the minimum percentage of postconsumer material in the paper products and printing and writing paper offered or sold to the City. This certification requirement may be waived if the percentage of postconsumer material in the paper products, printing and writing paper, or both can be verified by a product label, catalog, invoice, or a manufacturer or vendor internet website.
 - 4. Certify in writing, on invoices or receipts provided, that the paper products and printing and writing paper offered or sold to the City is eligible to be labeled with an unqualified recyclable label as defined in 16 Code of Federal Regulations (CFR) Section 260.12 (2013).
 - 5. Provide records to the City's recordkeeping designee, of all paper products and printing and writing paper purchases (both recycled-content and non-recycled content, if any is purchased). Records shall include a copy (electronic or paper) of the invoice or other documentation of purchase, written certifications as required in this section, quantity purchased, date purchased, and recycled content (including products that contain none), and if non-recycled content paper products or printing and writing papers are provided, include a description of why recycled-content paper products or printing and writing papers were not provided.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Steven Graham Pacifico, City Attorney,
Catherine Nashed, Deputy City Attorney

DATE: September 23, 2025

SUBJECT: Second Reading and Adoption of Ordinance No. 260 - An Ordinance of the City Council of the City of Canyon Lake, California, Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions

Recommendation

Conduct second reading and adopt Ordinance No. 260 - An Ordinance of the City Council of Canyon Lake, California, Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions.

Background

On April 9, 2025, the City Council adopted Resolution No. 2025-15 expressing the City's intent to establish a municipal police department. The Resolution authorized the City Manager to begin preparations, including strategic planning, recruitment, and securing expert assistance. Since that time, staff have initiated the necessary steps to form the Canyon Lake Police Department.

At the August 13, 2025, City Council meeting, the Council adopted Urgency Ordinance No. 259 and introduced Ordinance No. 260 to legally establish the police department and enable enrollment in the California Commission on Peace Officer Standards and Training (POST) Program.

Discussion

California Penal Code section 13522 requires any city seeking POST participation and state aid to adopt an ordinance declaring its intent to comply with POST recruitment and training standards. POST staff have confirmed that the ordinance must include:

- Declaration establishing the Canyon Lake Police Department;
- Statement of intent to participate in POST and qualify for state aid under Penal Code section 13522;
- Commitment to adhere to POST recruitment and training standards under Penal Code section 13510; and
- Acknowledgment of POST's authority to conduct compliance inquiries under Penal Code section 13512.

These provisions are included in Ordinance No. 260. Adoption of this ordinance will complete the enrollment process with POST and support operational readiness by the department's planned launch in August 2026.

The urgency ordinance was adopted to provide immediate effect. The regular ordinance now before City Council ensures continuity through the standard legislative process.

Fiscal Impact

The adoption of this ordinance itself does not result in a direct fiscal impact, although it will ensure that the City's future municipal police department is eligible for certain state grants.

Attachments

1. Ordinance No. 260

ATTACHMENT 1

ORDINANCE NO. 260

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, FORMALLY ESTABLISHING THE CANYON LAKE POLICE DEPARTMENT, DECLARING THE CITY'S INTENT TO PARTICIPATE IN THE CALIFORNIA PEACE OFFICER STANDARDS AND TRAINING (POST) PROGRAM, ACCEPTING PENAL CODE REQUIREMENTS, AND AUTHORIZING NECESSARY IMPLEMENTATION ACTIONS

WHEREAS, on April 9, 2025, the City Council adopted Resolution No. 2025-15 ("Resolution"), expressing its intent to establish a municipal police department and authorizing the City Manager to take all necessary steps to prepare for its formation and implementation; and

WHEREAS, in furtherance of that Resolution, the City has commenced the planning, recruitment, and resourcing necessary to launch the Canyon Lake Police Department; and

WHEREAS, the California Commission on Peace Officer Standards and Training ("POST") requires that a formal ordinance be adopted establishing a police department and affirming the City's intent to join the POST Program; and

WHEREAS, formal establishment of the Canyon Lake Police Department by Ordinance is required to initiate POST enrollment, begin departmental onboarding, and ensure the department becomes fully operational.

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

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

Section 2. **CEQA.** The adoption of this Ordinance is not subject to the California Environmental Quality Act because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment.

Section 3. **Establishment of the Canyon Lake Police Department.** The City Council hereby formally establishes the Canyon Lake Police Department as a department of the municipal government of the City of Canyon Lake. The department shall be responsible for providing municipal police services within the jurisdictional boundaries of the City, under the administrative direction of the City Manager. The Canyon Lake Police Department is expected to begin operations on or about August 31, 2026, in accordance with the implementation timeline previously authorized by the City Council in Resolution No. 2025-15, attached hereto as Exhibit A.

Section 4. **POST Participation and Penal Code Compliance.** The City Council hereby declares the City's intent to participate in the California Commission on Peace Officer Standards and Training (POST) Program, and further declares that it desires to qualify to receive aid from the State of California under the provision of Section 13522, Chapter 1 of Title 4, Part 4 of the California Penal Code.

Section 5. **Adherence to POST Recruitment and Training Standards.** Pursuant to Penal Code Section 13510, Chapter 1 of Title 4, Part 4 of the California Penal Code, the City of Canyon Lake will adhere to the standards for recruitment and training established by the Commission on Peace Officer Standards and Training (POST) for Peace Officers.

Section 6. **POST Oversight Authority.** Pursuant to Section 13512, Chapter 1 of Title 4, Part 4 of the California Penal Code, the Commission and its representatives may make such inquiries as deemed necessary to ascertain that peace officer personnel of the City of Canyon Lake adhere to the standards for recruitment and training established by the California Commission on Peace Officer Standards and Training.

Section 7. **Authorization to Implement Ordinance.** The City Council hereby authorizes and directs the City Manager and his or her designees to take all actions necessary or appropriate to implement the provisions and intent of this Ordinance.

Section 8. **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 9. **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 10. **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 11. 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 23rd day of September 2025.

Mark Terry, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney

EXHIBIT "A"

RESOLUTION NO. 2025-15

(to be attached)

RESOLUTION NO. 2025-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, DECLARING THE CITY OF CANYON LAKE'S INTENT TO ESTABLISH A MUNICIPAL POLICE DEPARTMENT AND AUTHORIZING THE CITY MANAGER TO TAKE SUCH ACTIONS AS NECESSARY TO PREPARE THE CITY OF CANYON LAKE TO BEGIN POLICE DEPARTMENT OPERATIONS ON OR ABOUT AUGUST 31, 2026

WHEREAS, the City has struggled with structural budget deficits for many years due primarily to sharply rising costs associated with its contracts with the Riverside County Sheriff's Office ("RSO") for police services; and

WHEREAS, revenue generated by property taxes, sales tax and the utility users tax have become insufficient to cover skyrocketing public safety costs and the City of Canyon Lake estimates \$2,111,111 for RSO services for the 2025/2026 fiscal year, though based on prior year trends, actual costs may increase several months after the estimate is issued—potentially reaching \$2,153,333 if an additional 2% is needed from RSO; and

WHEREAS, it is anticipated that significant increases in the cost of the City's contract with RSO for police services will continue on an annual basis; and

WHEREAS, the City Council and City staff have explored numerous alternatives for providing quality public safety services at a cost that is sustainable for the City, including contracting with another municipality instead of with the County of Riverside and forming a police department under a joint powers authority (JPA) with neighboring cities; and

WHEREAS, it became evident through this research that the most realistic alternative to contracting with the County of Riverside would likely be the formation of a municipal police department; and

WHEREAS, at the City Council meetings of September 3 and October 9, 2024, the City's consultant, GPS Consulting, presented an analysis of RSO data and options that the City Council might have; and

WHEREAS, following the presentations by GPS Consulting, the City's Public Safety Ad Hoc Committee acquired additional information which was deemed necessary in order for the City Council to make a fully informed decision; and

WHEREAS, the Public Safety Ad Hoc Committee believes that adequate information has been acquired in order for the City Council to decide whether or not to pursue the establishment of a municipal police department.


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

- Section 1.** The above recitals are true and correct and are incorporated herein by reference.
- Section 2.** The City Council hereby finds that it would be in the public interest to establish a municipal police department, owned and operated by the City of Canyon Lake, to begin operations on or about August 31, 2026.
- Section 3.** The City Council authorizes and directs the City Manager to submit a request to the County of Riverside to enter into a Cooperative Agreement between the City and the County for police protection and associated services for the period covering July 1, 2025 through August 31, 2026, and to notify the County of the City's intent to start a police department and to discontinue the City's practice of contracting with the County for these services effective August 31, 2026.
- Section 4.** The City Manager is further authorized and directed to negotiate and enter into a professional consulting agreement with an individual or firm who shall be responsible for advising and assisting the City Manager in the establishment of a municipal police department, not to exceed the sum of \$200,000.
- Section 5.** The City Council authorizes and directs the City Manager to take other such actions as may be necessary to effectuate the intent of this Resolution, including, but not limited to the use of the City Manager's purchasing authority under the Canyon Lake Municipal Code. The City Council finds that time is of the essence regarding the establishment of a municipal police department on or about August 31, 2026, and that any delay which would likely prevent the establishment and proper operation of a municipal police department on or about August 31, 2026, would interrupt services necessary for the protection of the public health, safety, or welfare.
- Section 6.** That the City Clerk shall certify the adoption of this Resolution and that the same shall be in full force and effect.
- Section 7.** This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 9th day of April 2025.



Mark Terry, Mayor

ATTEST:


Sheryl L. Garcia, MMC, CPM
City Clerk

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) SS
CITY OF CANYON LAKE)

I, Sheryl L. Garcia, City Clerk of the City of Canyon Lake, California, do hereby certify, that the foregoing is a true and correct copy of Resolution No. 2025-15, adopted by the City Council at a meeting held on April 9, 2025, by the following vote:

AYES: Castillo, Smith, Steeber, Welty, Terry
NOES: None
ABSTAIN: None
ABSENT: None



Sheryl L. Garcia, MMC, CPM
City Clerk



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Steven Graham Pacifico, City Attorney

DATE: September 23, 2025

SUBJECT: Second Reading and Adoption of Ordinance 261 - An Ordinance of the City Council of the City of Canyon Lake, California, Adding Title 5, Business Regulations, Chapter 5.30 (Commercial Filming) to the Canyon Lake Municipal Code

Recommendation

Conduct second reading and adopt Ordinance No. 261 - An Ordinance of the City Council of the City of Canyon Lake, California, Adding Title 5, Business Regulations, Chapter 5.30 (Commercial Filming) to the Canyon Lake Municipal Code.

Background

The City has experienced an increase in commercial filming activity in and around public areas within the City's jurisdiction. These activities can generate temporary impacts to traffic flow, public parking, noise levels, and daily community operations, particularly in areas that are not otherwise designed or prepared to accommodate such use.

At the August 13, 2025, City Council meeting, the Council approved the first reading of Ordinance No. 261 establishing regulations for commercial filming in publicly accessible areas and on City property. During that meeting, revisions were incorporated into the ordinance which included providing exceptions for real estate marketing and small-scale filming.

Discussion

The proposed ordinance adds Chapter 5.30, "Commercial Filming," to Title 5 of the Canyon Lake Municipal Code. While the City already has a film permit fee (adopted in 2022) and an internal application process, this ordinance formalizes and strengthens the program by:

- Establishing the legal basis for requiring a permit for all commercial filming in publicly accessible areas and on City property;
- Codifying definitions and requirements;
- Clarifying that POA consent is required for filming on privately governed property and that a City permit does not override private restrictions;
- Supporting enforcement by providing a clear legal basis for permit conditions and authorizing the City to address violations through its existing code enforcement procedures.

This approach creates a predictable, enforceable, and legally sound framework that balances community impacts with the needs of applicants and ensures coordination with other agencies.

Fiscal Impact

There is no new fiscal impact associated with adoption of this ordinance. The City previously established a Commercial Film Permit fee of \$363.00 per activity as part of its 2022 Citywide Fee Schedule. With CPI adjustments over the last fiscal years, the current Commercial Film Permit fee is set at \$385.00 for FY2025-26. This fee is intended to recover the administrative costs associated with reviewing and processing film permit applications.

Attachments

1. Ordinance No. 261

ATTACHMENT 1

ORDINANCE NO. 261

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ADDING TITLE 5, BUSINESS REGULATIONS, CHAPTER 5.30 (COMMERCIAL FILMING) TO THE CANYON LAKE MUNICIPAL CODE

WHEREAS, commercial filming activities have increased in frequency within and near the City, often involving temporary impacts to traffic, parking, noise levels, and community operations; and

WHEREAS, the City currently lacks codified regulations governing the permitting, operation, and oversight of commercial filming on public property and in publicly accessible locations, creating uncertainty for applicants and challenges for enforcement; and

WHEREAS, the absence of clear standards for commercial filming may result in activities that disrupt public services, create nuisance conditions, or interfere with community use of public facilities; and

WHEREAS, the City Council desires to adopt regulations governing commercial filming to ensure adequate oversight, promote public safety and welfare, minimize disruption to the community, and establish a clear permitting process; and

WHEREAS, the City Council finds that establishing such regulations is a matter of local concern and an appropriate exercise of the City's police powers under Article XI, Section 7 of the California Constitution.

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

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

Section 2. **Municipal Code Amendment.** Title 5, Business Regulations, Chapter 5.30 Commercial Filming is hereby added to read as provided in the attached Exhibit "A".

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

Section 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 23rd day of September, 2025.

Mark Terry, Mayor

ATTEST:

APPROVED AS TO FORM:

Sheryl Garcia, MMC, CPM
City Clerk

Steven Graham, City Attorney

EXHIBIT “A”

Chapter 5.30 Commercial Filming

- 5.30.010 Purpose.
- 5.30.020 Definitions.
- 5.30.030 Application Requirement.
- 5.30.040 Permit Requirement.
- 5.30.050 Exemptions/waivers.
- 5.30.060 Use of facilities.
- 5.30.070 Liability provisions.
- 5.30.080 Administration.
- 5.30.090 Rules, regulations and fees.
- 5.30.100 Private Property and POA Restrictions.
- 5.30.110 Violations of permit; revocation.

5.30.010 Purpose.

It is the policy of the city to encourage the production of motion pictures and television within its boundaries. This chapter provides the basis for the rules and regulations governing the issuance of permits for filming, videotaping or related activity within the incorporated area of the city and upon city property. This chapter is intended to ensure that filming/videotaping is done consistent with public health and safety and the protection of property.

5.30.020 Definitions.

Unless otherwise specifically provided or the context, certain terms or expressions used in this chapter have the following meanings:

- (a) “Charitable institution” means a nonprofit organization, which qualifies under section 501(c)(3) of the Internal Revenue Code or Revenue and Taxation Code § 23701 as a charitable organization. Where an organization as those set forth in this definition is involved in film making/videotaping, no person, directly or indirectly, shall receive a profit from the marketing or production or showing of the films, tapes or photos.
- (b) “Film permit rider” means a minor addition, change or deletion to the permit, as determined by the issuing authority.
- (c) “Issuing authority” means the city council or its authorized representative who is designated to administer the provisions of this chapter.
- (d) “News” means regularly scheduled news programs, not including magazine or documentary programs, and special news programs which are not preplanned and are broadcast within 24 hours after the event.
- (e) “News Media” means any individual who, based on objective and readily identifiable characteristics, is actively engaged in gathering, preparing, or disseminating news or information for public dissemination. Media personnel may include, but are not limited to,

individuals affiliated with recognized news organizations, freelance journalists, independent reporters, documentary filmmakers, photographers, and videographers.

(f) “Strike and preparation days.”

1. The term “strike and preparation days” means activities required to make superficial alterations as specified in the script prior to movie on-location filming and following filming, to restore such location to its original condition. Such alterations may include placement of temporary architectural features, alterations in landscaping, changes in furniture or other decorative elements, placement of temporary lighting equipment and similar activities.
2. The term “strike and preparation days” does not include time periods when cameras and actors are present and/or filming is occurring, nor activities requiring more than ten persons or two trucks having a rated capacity exceeding five tons.

5.30.030 Application Requirement.

Applications for a filming permit shall be submitted on a form provided by the City and shall include all information reasonably necessary to evaluate the request. The City Manager or designee may require applicants to provide details regarding the filming schedule, location, number of personnel, vehicles and equipment to be used, intended impact on public or private property, and any other information necessary to assess potential impacts. Incomplete applications may be denied. The City Manager or his or her designee may adopt administrative guidelines to further specify submittal requirements.

5.30.040 Permit Requirement.

No person shall use City-owned or City-controlled property, any place open to the public, any private property open to the public, or any private common area, private street, park, lake, trail, or other facility within a common interest development or property owners association located within the City that is open for use by the association’s members, residents, invitees, or accompanied guests (whether or not open to the general public), for the purpose of conducting commercial motion picture, television, or still photography, without first applying for and receiving a permit from the City.

5.30.050 Exemptions/waivers.

- (a) Films produced by charitable institutions, as described in section 5.30.020, shall be exempt from any permit fees hereafter established.
- (b) News media, as described in section 5.30.020, shall be exempt from the permit application and any permit fees hereafter established.
- (c) A student who has submitted a letter written on school letterhead by a school administrator or instructor stating that the applicant is currently enrolled in a recognized U.S. institution and that the film is not a commercial release, shall have permit fees waived as required by this chapter.
- (d) Permit fees shall be waived for public access and local organization programs by cable television programs franchised within the city.

- (e) Real Estate Marketing. Filming conducted solely for the purpose of marketing or documenting the sale or lease of a specific parcel of real property by a California-licensed real estate broker or salesperson, or by a vendor engaged by such licensee, shall be exempt from the permit application and any permit fees hereafter established.
- (f) De minimis small-scale filming. The permit application requirement and any permit fees established by this chapter shall not apply to commercial motion picture, television, or still photography that is small-scale and non-disruptive, provided that any filming on private property, including any private common area, private street, park, lake, trail, or other facility within a property owners association or common interest development, the activity occurs only with the written consent of the property owner or controlling association and in compliance with their rules, and proof of such consent is produced upon request.

5.30.060 Use of facilities.

The City Manager or his or her designee may approve temporary usage of property owned by or held under the control of the city, by issuance of a filming permit, provided:

- (a) Such issuance will not result in a frequency of usage likely to create incompatibility between such temporary use and the surrounding area;
- (b) Such issuance does not interfere with performance of the intended governmental function of the site in question;
- (c) Movie on-location filming does not exceed ten consecutive days. Computation of such time period shall include strike and preparation time.

5.30.070 Liability provisions.

As a condition of approval to issuance of a permit, a certificate of insurance will be required to include, but not be limited to, \$1,000,000.00, naming the city as a co-insured for protection against claims of third-party personal injuries, wrongful deaths and property damage. Where aircraft is used in any production, either fixed wing or rotary, the limit shall be no less than \$5,000,000.00 per occurrence. City officers, agents and employees shall be named as additional insureds and a certificate of insurance shall not be subject to cancellation or modification without 30 days' written notice to city.

- (a) An applicant shall conform to all applicable federal and state requirements for Workers' Compensation Insurance as to all persons operating under a permit.
- (b) To ensure cleanup and restoration of the site, an applicant may be required to post a faithful performance bond as a condition to approval of an application.

5.30.080 Administration.

The City Manager or designee is authorized to administer and enforce this Chapter, and shall:

- (a) Coordinate with City departments as necessary to process and issue all filming permits, including any required facility use or regulatory approvals;
- (b) Approve and collect applicable fees, and ensure appropriate reimbursement to City for services, rental charges, or costs incurred in connection with filming activities;
- (c) Investigate and assist in resolving minor complaints or disputes related to filming;
- (d) Provide technical assistance and guidance to permit applicants and interested parties regarding filming regulations and procedures;
- (e) Periodically review and recommend updates to fees, policies, and procedures to improve efficiency, support industry development, and ensure full cost recovery; and
- (f) Perform any other duties necessary to implement this Chapter or as directed by the City Council.

5.30.090 Rules, regulations and fees.

Under the guidelines of Government Code section 14999.30 et seq., Uniform Film Permit Act, the issuing authority is authorized and directed to promulgate rules and regulations, subject to approval by resolution of the city council, governing issuance of city filming permits. Included within such rules and regulations will be a schedule of fees covering the actual permitting process, as well as, charges for personnel and property usage.

5.30.100 Private Property and POA Restrictions.

Issuance of a permit by the City pursuant to this Chapter does not authorize entry upon or use of private property or property controlled by a property owners association without the express consent of the property owner or association. Filming activities within areas subject to private property or property owners association restrictions shall also be subject to any separate approval or permitting requirements of the respective property owners association. It shall be the responsibility of the applicant to obtain all necessary approvals from non-City entities.

5.30.110 Violations of permit; revocation.

If an applicant violates any provision of this chapter or a permit issued pursuant thereto, the city may revoke the permit. Nothing in this section limits the City's authority to pursue any other remedy available under this Code or applicable law.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Madalyne Gonzales, Community Engagement Coordinator

DATE: September 23, 2025

SUBJECT: Adopt a Resolution Approving a Budget Adjustment in the Amount of \$11,750 for the Battle of the Cities Golf Tournament

Recommendation

Adopt Resolution No. 2025-41 approving a budget adjustment of \$11,750 for the Battle of the Cities Golf Tournament.

Background/Discussion

The City of Canyon Lake will be hosting the Battle of the Cities Golf Tournament at the Canyon Lake Country Club on October 3, 2025. In the past the POA and Country Club hosted and administered the event. To grow the event and garner additional participation and support, the City has taken on many of these responsibilities. This was motivated by the name “Battle of the Cities” which commonly becomes “The City Golf Tournament.” As our name is inferred in the tournament, we wanted to do all we could to help it flourish and stay successful for many years to come.

To properly reflect the revenues collected and corresponding expenses, it is necessary to increase the event budget by \$11,750. This amount represents the total collected through team entry fees and sponsorships. Each organization registered with a benefit for a non-profit in their represented area. The top three winners will have the proceeds paid to their registered non-profit. All the \$11,750 will be used to cover Country Club registration fees and other event expenses and as part of the tournament’s and registered teams community benefit.

This adjustment does not add new unfunded costs to the General Fund; it simply increases the event budget to reflect actual revenues and expenditures associated with the tournament

Fiscal Impact

Approval of Resolution No. 2025-41 increases the event budget by \$11,750, fully offset by revenues collected through entry fees and sponsorships. There is no net fiscal impact to the City's General Fund.

Increase in Event Revenues account number 10-000-4801 for \$11,750 and an increase in Event Expenditures account number 10-311-6831 for \$11,750 to reflect revenues collected through team entry fees and sponsorships and the corresponding costs of the tournament, including Country Club registration fees, event expenses, and the charitable donation.

Attachments

1. Resolution No. 2025-41

ATTACHMENT 1

RESOLUTION NO. 2025-41

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF \$11,250 FOR THE BATTLE OF THE CITIES GOLF TOURNAMENT

WHEREAS, the City of Canyon Lake is hosting the Battle of the Cities Golf Tournament at the Canyon Lake Country Club on October 3, 2025; and

WHEREAS, the event has received strong community support through team entry fees and sponsorships totaling \$11,750; and

WHEREAS, these revenues will be applied directly to cover event costs, including approximately \$9,750 in Country Club registration fees and other event expenses, with the remaining \$2,000 to be donated to charity as part of the tournament's community benefit; and

WHEREAS, this budget adjustment increases the event budget to reflect revenues received and does not represent any additional impact to the City's General Fund; and

WHEREAS, it is necessary to approve the budget adjustment in order to properly account for revenues and expenditures associated with the tournament.

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

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

Section 2. The City Council authorizes a budget adjustment in the amount of \$11,750, increasing event revenues in account number 10-000-4801 and increasing event expenditures in account number 10-311-6831. This adjustment reflects revenues collected through team entry fees and sponsorships and will be used to cover tournament-related costs, including Country Club registration fees, event expenses, and the charitable donation.

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 the 23rd day of September 2025.

Mark Terry, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk



ITEM NO. 10

STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, Interim City Manager

BY: Sheryl Garcia, Administrative Services Director/City Clerk

DATE: September 23, 2025

SUBJECT: Adopt a Resolution Approving the List of Projects for Fiscal Year 2025-2026 Funded by SB 1: the Road Repair and Accountability Act of 2017

Recommendation

Adopt Resolution No. 2025-40 approving the Fiscal Year 2025-2026 project list for Senate Bill 1 (Road Repair and Accountability Act of 2017) Road Maintenance and Rehabilitation Account (RMRA) funding.

Background

On April 28, 2017, the Governor signed Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017, creating the Road Maintenance and Rehabilitation Account (RMRA) to address statewide transportation funding needs.

In order to receive RMRA funds each fiscal year, the City must submit to the California Transportation Commission a City Council-adopted project list, as required by Streets and Highways Code section 2034(a)(1). Staff evaluated eligible projects and recommends applying RMRA funding to the following:

Project Title	Project Description	Project Location	Estimated Schedule		Est. Useful Life (Years)	
			Start (MM/YY)	Completion (MM/YY)	Min	Max
Railroad Canyon Road HSIP (Safety Corridor Improvements)	Improve roadway lighting, median barriers, chevron signs, warning devices, pedestrian crossing along the roadway by installing protected left-turns and new crosswalks	Along Railroad Canyon Road from .1 miles south of Skylink Drive to approx. 0.3 miles west of Goetz Road	08/23	02/26	15	20
Active Transportation Plan (ATP)	Complete an ATP plan to encourage the use of active modes of transportation within the City limits to improve safety and mobility for non-motorized users	Along Railroad Canyon Road from .1 miles south of Skylink Drive to approx. 0.3 miles west of Goetz Road	12/25	12/26	3	5

Upon City Council adoption, staff will transmit the project list and resolution to the California Transportation Commission.

Fiscal Impact

In Fiscal Year 2025-2026, the City of Canyon Lake is estimated to receive \$290,200 from RMRA funding. Combined with prior year RMRA unspent funds the City will use \$1,304,000 of RMRA funds for the Railroad Canyon Road Safety Corridor Project HSIP Improvements Project.

Attachments

1. Resolution No. 2025-40

ATTACHMENT 1

RESOLUTION NO. 2025-40

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2025-26 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of the City of Canyon Lake (“City”) are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (“RMRA”), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project’s completion, and the estimated useful life of the improvement; and

WHEREAS, the City, will receive an estimated \$290,200.00 in RMRA funding in Fiscal Year 2025-26 from SB 1; and

WHEREAS, this is the ninth year in which the City is receiving SB 1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, City staff, together with input available through the public comment process, have identified transportation projects eligible for RMRA funding; and

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the communities priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate roadways, and implement the city’s Local Road Safety Plan (LRSP) and add safety features and infrastructure throughout the City this year and similar projects into the future; and

WHEREAS, the 2023 California Statewide Local Streets and Roads Needs Assessment found that the City’s streets and roads are in a good condition and this revenue will help us increase the overall quality of our road system and over the next decade will bring our streets and roads into an excellent condition; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

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 projects identified in Exhibit “A”, attached hereto and incorporated by reference, may utilize Fiscal Year 2025–26 RMRA revenues for their delivery. By relisting these projects in the adopted fiscal year resolution, the City reaffirms to the public and the State its intent to fund them with RMRA revenues.

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 23rd day of September 2025.

Mark Terry, Mayor

ATTEST:

Sheryl L. Garcia, MMC, CPM
City Clerk

EXHIBIT “A”

Project List
Fiscal Year 2025–26 Road Maintenance and Rehabilitation Account

Project Title	Project Description	Project Location	Estimated Schedule		Est. Useful Life (Years)	
			Start (MM/YY)	Completion (MM/YY)	Min	Max
Railroad Canyon Road HSIP (Safety Corridor Improvements)	Improve roadway lighting, median barriers, chevron signs, warning devices, pedestrian crossing along the roadway by installing protected left-turns and new crosswalks	Along Railroad Canyon Road from .1 miles south of Skylink Drive to approx. 0.3 miles west of Goetz Road	08/23	02/26	15	20
Active Transportation Plan (ATP)	Complete an ATP plan to encourage the use of active modes of transportation within the City limits to improve safety and mobility for non-motorized users	Along Railroad Canyon Road from .1 miles south of Skylink Drive to approx. 0.3 miles west of Goetz Road	12/25	12/26	3	5



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: September 23, 2025

SUBJECT: Designation of a Voting Delegate and Alternate(s) for the League of California Cities 2025 Annual Conference and Expo Annual Business Meeting

Recommendation

Designate a voting delegate and up to two alternates for the League of California Cities 2025 Annual Conference and Expo Annual Business Meeting.

Background/Discussion

The League of California Cities' ("Cal Cities") 2025 Annual Conference and Expo is scheduled for October 8-10, 2025, in Long Beach, California. The Annual Business Meeting (General Assembly), taking place on October 10, allows the Cal Cities membership to consider and act on resolutions establishing Cal Cities policy.

The City may cast one vote on matters pertaining to Cal Cities policy. To vote at the Annual Business Meeting, the City Council must designate a voting delegate and may appoint up to two alternates, one of whom may vote if the designated voting delegate is unable to serve in that capacity. Once designated by the City Council, the City Clerk will submit the Voting Delegate form affirming the action taken by the City Council.

Fiscal Impact

Costs associated with attendance at the conference have been included in the City's FY 25-26 adopted operating budget.

Attachments

None.



STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Steven Graham Pacifico, City Attorney
Catherine Nashed, Deputy City Attorney

DATE: September 23, 2025

SUBJECT: Introduction and First Reading of Ordinance No. 263 - An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code

Recommendation

Waive full reading and introduce by title only Ordinance No. 263 - An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code.

Background/Discussion

In 2014, Canyon Lake voters approved Measure DD, establishing a utility users' tax ("UUT") on water and sewer services to support general governmental services, implemented by Ordinance No. 156. In 2018, voters extended the UUT through Measure S, and the City Council adopted Ordinance No. 177 to continue it indefinitely.

In *Beck v. City of Canyon Lake* (2025) (D083322), the California Court of Appeal, Fourth District, held that the water and sewer UUT was unconstitutional under Article XIII D of the California Constitution (Proposition 218). The Court found the tax was imposed "as an incident of property ownership," and because revenues were used for general governmental services beyond the cost of water and sewer, the UUT violated several provisions of Article XIII D, section 6. The Court further emphasized that voter approval under Article XIII C does not override Article XIII D's independent restrictions.

Although voters twice approved the tax, the Court held it unconstitutional. The provisions remain codified in the Municipal Code. Adoption of the proposed ordinance is necessary to repeal Sections 3.26.090 and 3.26.100, thereby removing provisions the Court has declared unconstitutional and ensuring the Municipal Code is consistent with the law.

Fiscal Impact

There is no new fiscal impact to the City. Adoption of the ordinance will ratify the repeal of the water and sewer users' taxes, and the revenue loss has already been accounted for in the City's budget.

Attachments

1. Ordinance No. 263

ATTACHMENT 1

ORDINANCE NO. 263

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, REPEALING SECTIONS 3.26.090 (WATER USERS' TAX) AND 3.26.100 (SEWER USERS' TAX) OF THE CANYON LAKE MUNICIPAL CODE

WHEREAS, Canyon Lake voters approved a utility users' tax ("UUT") on water and sewer services in 2014 (Measure DD) and extended the UUT in 2018 (Measure S), codified in Canyon Lake Municipal Code Sections 3.26.090 (water users' tax) and 3.26.100 (sewer users' tax); and

WHEREAS, in *Beck v. City of Canyon Lake* (D083322), the California Court of Appeal, Fourth District, held that the City's water and sewer UUT was unconstitutional under Article XIII D of the California Constitution (Proposition 218), finding that the tax was imposed "as an incident of property ownership" and used for general governmental purposes beyond the cost of providing water and sewer services; and

WHEREAS, the California Superior Court for Riverside County in the underlying case on remand issued a peremptory writ of mandate directing the City to rescind the provisions of the Municipal Code imposing those taxes; and

WHEREAS, the City Council desires to repeal Canyon Lake Municipal Code Sections 3.26.090 (water users' tax) and 3.26.100 (sewer users' tax) to comply with the Court's ruling and writ of mandate.

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

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

Section 2. **CEQA.** The adoption of this Ordinance is not subject to the California Environmental Quality Act because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment.

Section 3. **Municipal Code Amendment.** Sections 3.26.090 (water users' tax) and 3.26.100 (sewer users' tax) of the Canyon Lake Municipal Code are hereby repealed in their entirety.

~~3.26.090 Water users' tax.~~

~~—(a) There is imposed a tax upon every person using water in the city which is transported and delivered through a pipeline distribution system. The tax imposed by this section shall be at the rate of 3.95% of the charges made for such water.~~

~~—(b) As used in this section, the term "charges" shall apply to all services, components and items that are: (1) necessary for or common to the receipt, use or enjoyment of water service; or (2) currently are, or historically have been, included in a single or bundled rate for water service by a~~

local distribution company to a class of retail customers. The term “charges” shall include, but is not limited to, the following charges:

~~—(1) Water commodity charges (potable and non-potable);~~

~~—(2) Distribution or transmission charges;~~

~~—(3) Metering charges;~~

~~—(4) Customer charges, late charges, service establishment or reestablishment charges, bond financing payments, franchise fees, franchise surcharges, annual and monthly charges, and other charges, fees and surcharges which are necessary for or common to the receipt, use or enjoyment of water service; and~~

~~—(5) Charges, fees, or surcharges for water services or programs, which are mandated by a water district or a State or Federal agency, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.~~

~~—(6) Recycled water charges.~~

~~—(c) As used in this section, the term “charges” shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the water services.~~

~~—(d) The Tax Administrator, from time to time, may survey the water service suppliers in the City to identify the various unbundled billing components of water retail service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by a water district or a State or Federal agency as a condition of providing such water service. The Tax Administrator, thereafter, may issue and disseminate to such water service suppliers an administrative ruling identifying those components and items which are: (1) necessary for or common to the receipt, use or enjoyment of water service; or (2) currently are, or historically have been, included in a single or bundled rate for water service by a local distribution company to a class of retail customers. Charges for such components and items shall be subject to the tax of subsection (a) of this section.~~

~~—(e) There shall be excluded from the base on which the tax imposed in this section is computed charges made for wholesale water which is to be resold and delivered through a pipeline distribution system; and charges made by a public water district for water which it uses for the conduct of its business.~~

~~—(f) The tax on water service imposed by this section shall be collected from the service user by the water service supplier or its billing agent. The amount of tax collected in one month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator, on or before the twentieth day of the following month; or, at the option of the person required to collect and/or remit the tax, such person shall remit an estimated amount of tax, measured by the tax billed in the~~

~~previous month or upon the payment pattern of the service user, which must be received by the Tax Administrator on or before the twentieth day of the following month.~~

~~(Ord. 177, passed 11-6-2018)~~

3.26.100 Sewer users' tax.

~~—(a) There is hereby imposed a tax upon every person in the City using sewer services within the City. The tax imposed by this section shall be at the rate of 3.95% of the charges made for such sewer service. The tax shall be paid by the person using such sewer service.~~

~~—(b) As used in this section, the term “charges” shall apply to all services, components and items that are: (1) necessary for or common to the receipt, use or enjoyment of sewer service; or (2) currently are, or historically have been, included in a single or bundled rate for sewer service to retail customers. The term “charges” shall include, but is not limited to, the following charges:~~

~~—(1) Customer charges, late charges, service establishment or reestablishment charges, annual and monthly charges, bond financing payments and other charges, fees and surcharges which are necessary for or common to the receipt, use or enjoyment of sewer service; and~~

~~—(2) Charges, fees, or surcharges for sewer services or programs, which are mandated by the City, a State or Federal agency, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.~~

~~—(c) The tax on sewer service imposed by this section shall be collected from the service user by the sewer service supplier or its billing agent. The amount of tax collected in one month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator, on or before the twentieth day of the following month; or, at the option of the person required to collect and/or remit the tax, such person shall remit an estimated amount of tax, measured by the tax billed in the previous month or upon the payment pattern of the service user, which must be received by the Tax Administrator on or before the twentieth day of the following month.~~

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