



# CITY OF GRAND TERRACE

City Council

AGENDA • June 9, 2026

Council Chambers

Regular Meeting

6:00 PM

Grand Terrace Civic Center • 22795 Barton Road

## COMMENTS FROM THE PUBLIC

The public is encouraged to address the City Council on any matter posted on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete a Request to Speak card located at the front entrance and provide it to the City Clerk. Speakers will be called upon by the Mayor at the appropriate time and each person is allowed three (3) minutes speaking time.

The City wants you to know that you can also submit your comments by email to [ccpubliccomment@grandterrace-ca.gov](mailto:ccpubliccomment@grandterrace-ca.gov). To give the City Clerk adequate time to print out your comments for consideration at the meeting, please submit your written comments prior to 5:00 p.m.; or if you are unable to email, please call the City Clerk's Office at (909) 954-5207 by 5:00 p.m.

If you wish to have your comments read to the City Council during the appropriate Public Comment period, please indicate in the Subject Line "FOR PUBLIC COMMENT" and list the item number you wish to comment on. Comments that you want read to the City Council will be subject to the three (3) minute time limitation (approximately 350 words). Written public comments are available at the City Clerk's office.

Pursuant to the provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

**PLEASE NOTE:** Copies of staff reports and supporting documentation pertaining to each item on this agenda are available for public viewing and inspection at City Hall, 1st Floor Lobby Area and 2nd Floor Reception Area during regular business hours and on the City's website [www.grandterrace-ca.gov](http://www.grandterrace-ca.gov). For further information regarding agenda items, please contact the office of the City Clerk at (909) 954-5207, or via e-mail at [dalcocer@grandterrace-ca.gov](mailto:dalcocer@grandterrace-ca.gov).

## ADDITIONAL NOTICE REGARDING SALES TAX POLLING MATERIALS:

Supplemental documents related to Agenda Item G.13 - Sales Tax Measure Polling, may be received after the posting of this agenda. In accordance with the Ralph M. Brown Act and Government Code Section 54957.5, any such materials provided to a majority of the City Council will be made available to the public at the same time. These additional documents may be accessed on the City's agenda webpage at the following link:

<https://grandterraceca.portal.civicclerk.com/event/208/files>

Supplemental materials will also be available for public inspection in the City Clerk's Office during normal business hours.

## AMERICANS WITH DISABILITIES ACT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office, (909) 954-5207 at least 48 hours prior to the advertised starting time of the meeting. This will enable the City to make reasonable arrangements to

ensure accessibility to this meeting. Later requests will be accommodated to the extent feasible [28 CFR 34.102.104 ADA Title II].

**CALL TO ORDER**

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**AB 2449 DISCLOSURES**

Remote participation by a member of the legislative body for just cause or emergency circumstances.

**ROLL CALL**

**A. REORDERING OF, ADDITIONS TO, OR REMOVAL OF ITEMS FROM THE AGENDA**

**B. PUBLIC COMMENT**

This is the opportunity for members of the public to comment on any items not appearing on the regular agenda. Because of restrictions contained in California Law, the City Council may not discuss or act on any item not on the agenda, but may briefly respond to statements made or ask a question for clarification. The Mayor may also request a brief response from staff to questions raised during public comment or may request a matter be agendized for a future meeting.

**C. SPECIAL PRESENTATIONS**

Certificates of Recognition — Grand Terrace High School Girls Varsity Soccer Team

**D. CONSENT CALENDAR**

The following Consent Calendar items are expected to be routine and noncontroversial. They will be acted upon by the City Council at one time without discussion. Any Council Member, Staff Member, or Citizen may request removal of an item from the Consent calendar for discussion.

- 1) Waive Full Reading of, and Direct the City Attorney to Read by Title only for, Ordinances on the Agenda
- 2) Approval of Minutes - Regular Meeting - May 26, 2026

DEPARTMENT: City Clerk

- 3) Resolutions Calling & Giving Notice of a General Municipal Election on November 3, 2026, and Requesting Consolidation of the Municipal Election with the State-Wide General Election on November 3, 2026, and Establishing Candidate Statement Regulations

**RECOMMENDATION: APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON TUESDAY, NOVEMBER 3, 2026, FOR THE ELECTION OF CERTAIN OFFICERS AND REQUESTING THE BOARD**

**OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO TO CONSOLIDATE THE GENERAL MUNICIPAL ELECTION WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO ELECTIONS CODE SECTION 10403 RELATING TO GENERAL LAW CITIES; AND**

**APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ESTABLISHING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATE STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026**

DEPARTMENT: City Clerk

- 4) Approval of Amendment to the Fire Hazard Abatement Services Agreement with the San Bernardino County Fire Protection District

**RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE AMENDMENT TO THE FIRE HAZARD ABATEMENT SERVICES AGREEMENT BETWEEN THE CITY OF GRAND TERRACE, THE COUNTY OF SAN BERNARDINO, AND THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, AUTHORIZING THE TRANSFER OF ADMINISTRATION OF THE FIRE HAZARD ABATEMENT PROGRAM FROM THE COUNTY LAND USE SERVICES DEPARTMENT TO THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT AND EXTENDING THE TERM OF THE AGREEMENT THROUGH JUNE 30, 2031**

DEPARTMENT: City Manager

- 5) Professional Services Agreement Amendment No. 2 Between the City of Grand Terrace and HDL Companies for Business License Auditing and Administration Services

**RECOMMENDATION: APPROVE PROFESSIONAL SERVICES AGREEMENT AMENDMENT NO. 2 WITH HDL COMPANIES (HDL) FOR BUSINESS LICENSE AUDITING AND ADMINISTRATION SERVICES FOR A TERM OF 1 YEAR AND A MAXIMUM COST OF \$20,000.00; AND AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT SUBJECT TO CITY ATTORNEY APPROVAL AS TO FORM**

DEPARTMENT: Finance

- 6) Commitment of Fund Balance for Fiscal Year 2025-2026 in Accordance with Governmental Accounting Standards Board Statement No. 54 and City Reserves Policy No. 3.06

**RECOMMENDATION: ADOPT A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, COMMITTING FUND BALANCE FOR FISCAL YEAR 2025-26 IN ACCORDANCE WITH GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT 54 AND CITY RESERVES POLICY NO. 3.06**

DEPARTMENT: Finance

**E. PUBLIC HEARINGS**

- 7) Public Hearing for 2026-27 Landscape & Lighting Assessment District 89-1

**RECOMMENDATION: ADOPT A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE APPROVING THE ENGINEER'S ANNUAL REPORT, CONFIRMING THE DIAGRAM AND ASSESSMENT, AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE CITY OF GRAND TERRACE LANDSCAPING AND STREET LIGHTING DISTRICT NO. 89-1 FOR FISCAL YEAR 2026-27.**

DEPARTMENT: Public Works

- 8) Second Reading and Adoption of an Ordinance Formalizing Public Works Standard Plans and Streetlight Design Standards

**RECOMMENDATION: CONDUCT THE SECOND READING AND ADOPT AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE ADOPTING PUBLIC WORKS STANDARD PLANS AND SPECIFICATIONS AND STREETLIGHT DESIGN STANDARDS.**

DEPARTMENT: Public Works

**F. UNFINISHED BUSINESS - NONE**

**G. NEW BUSINESS**

- 9) Adoption of the FY2026-27 Proposed Budget

**RECOMMENDATION: ADOPT A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2026-27.**

DEPARTMENT: Finance

- 10) Discussion and Direction Regarding Vacant Commercial Property Registration and Maintenance

**RECOMMENDATION: PROVIDE DIRECTION TO CITY STAFF ON PREPARATION OF AN APPROPRIATE ORDINANCE REGARDING VACANT COMMERCIAL PROPERTY REGISTRATION AND MAINTENANCE**

DEPARTMENT: City Manager

- 11) Discussion and Direction Regarding Billboard Businesses

**RECOMMENDATION: PROVIDE DIRECTION TO CITY STAFF ON ABILITY TO PASS AN ACTIVE COMMERCIAL USE ORDINANCE TO ADDRESS BILLBOARD BUSINESSES**

DEPARTMENT: City Manager

12) Operation of Bicycles within the City of Grand Terrace

**RECOMMENDATION: THAT THE CITY COUNCIL PROVIDE DIRECTION TO STAFF TO PREPARE AN ORDINANCE REGULATING THE OPERATION OF BICYCLES WITHIN THE CITY OF GRAND TERRACE, INCLUDING ELECTRIC BICYCLES**

DEPARTMENT: City Manager

13) Sales Tax Measure Polling

**RECOMMENDATION: RECEIVE AND FILE THE COMMUNITY SURVEY PRESENTATION REGARDING A POTENTIAL LOCAL TRANSACTIONS AND USE TAX MEASURE AND PROVIDE DIRECTION TO STAFF AS APPROPRIATE**

DEPARTMENT: City Manager

**H. FUTURE AGENDA ITEMS**

At this time, the City Council may propose items for discussion and/or action at a future duly agendized City Council meeting. A consensus of a majority of the quorum is required to place an item on a future agenda.

**I. CITY COUNCIL COMMUNICATIONS**

Council Member Matt Brown  
Council Member Jeff Allen  
Council Member Doug Wilson  
Mayor Pro Tem Michelle Sabino  
Mayor Bill Hussey

**J. COMMUNICATIONS FROM THE CITY MANAGER, SHERIFFS' DEPARTMENT, AND FIRE DEPARTMENT**

City Manager Konrad Bolowich  
Lieutenant Kevin Fries  
Assistant Fire Chief Gary Jager

**K. CLOSED SESSION - NONE**

**L. ADJOURN**

The next Regular City Council Meeting will be held on June 23, 2026, at 6:00 PM. Any request to have an item placed on a future agenda must be made in writing and submitted to the City Clerk's office.



# CITY OF GRAND TERRACE

City Council

MINUTES • May 26, 2026

**Council Chambers**

**Regular Meeting**

**6:00 PM**

Grand Terrace Civic Center • 22795 Barton Road

## CALL TO ORDER

Mayor Bill Hussey convened the Regular Meeting of the City Council for Tuesday, May 26, 2026, at 6:00 PM and announced that tonight's meeting will be closed in honor of service members and their families.

## INVOCATION

The Invocation was given by Reverend Bill Dunn, Rector of Trinity Episcopal Church in Redlands.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Allen.

## AB 2449 DISCLOSURES

None.

## ROLL CALL

<b>Present:</b>	Mayor Bill Hussey Mayor Pro Tem Michelle Sabino Council Member Doug Wilson Council Member Jeff Allen Council Member Matt Brown
<b>Absent:</b>	

## A. REORDERING OF, ADDITIONS TO, OR REMOVAL OF ITEMS FROM THE AGENDA

Mayor Hussey removed Consent Item No. 6 to be brought back at a future meeting and pulled Consent Item No. 7 for discussion; Mayor Hussey reorganized the agenda to place Closed Session prior to New Business, upon completion of New Business, the meeting continues with the Public Hearing, after which the Council resumes the remainder of the agenda as usual, including Future Agenda Items and all subsequent sections.

**B. PUBLIC COMMENT**

None.

**C. SPECIAL PRESENTATIONS - NONE**

**D. CONSENT CALENDAR**

Daysi Alcocer, City Clerk, read out an email comment into the record, submitted by resident of Grand Terrace Lori Hawkins regarding Consent Item No. 7.

Daysi Alcocer, City Clerk, read out an email comment into the record, submitted by resident of Grand Terrace Janise Llewellyn regarding Consent Item No. 7.

Bobbie Forbes, resident of Grand Terrace, provided a comment on Consent Item No. 7.

Council Member Allen motioned to approve Consent Item No. 1-5 and 8-10, seconded by Council Member Brown.

<b>RESULT:</b>	<b>APPROVED - UNANIMOUS</b>
<b>MOVER:</b>	Council Member Allen
<b>SECONDER:</b>	Council Member Brown
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen, Council Member Brown
<b>NAYS:</b>	None

- 1) Waive Full Reading of, and Direct the City Attorney to Read by Title only for, Ordinances on the Agenda
- 2) Approval of Minutes - Special Meeting - May 12, 2026  
Approval of Minutes - Regular Meeting - May 12, 2026
- 3) Appoint Three (3) Planning Commission Members to Fill Three (3) New Four-Year Terms Expiring on June 30, 2030
- 4) Thirty-Fourth Amendment to Law Enforcement Services Contract No. 94-797 with the County of San Bernardino to Provide Law Enforcement Services for Fiscal Year 2026-2027 to the City of Grand Terrace
- 5) Consideration of Approval of Amendment No. 10 to Waste Disposal Agreement No. 98-107 with the County of San Bernardino
- 6) Second Reading & Adoption of an Ordinance – Zoning Code Amendment (ZCA) 26-01 – Agricultural Employee Housing (Housing Element Program 12)
- 7) Award of Professional Services Agreement to Kittelson & Associates, Inc. for Citywide AB 98 Truck Route Compliance, Inventory, and Signage Plan

Council Member Brown motioned to approve Consent Item No. 7, seconded by Council Member Allen.

Prior to the vote, Adrian Guerra, City Attorney, read the title of the ordinance into the record.

<b>RESULT:</b>	<b>APPROVED 4 TO 1</b>
<b>MOVER:</b>	Council Member Brown
<b>SECONDER:</b>	Council Member Allen
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen
<b>ABSTAIN:</b>	None
<b>NAYS:</b>	Council Member Brown

- 8) Award Agreement to Pineda General Construction, Inc for Public Works Building Renovation Project
- 9) Senior Transportation Program Agreement with Omnitrans

#### **K. CLOSED SESSION**

Mayor Hussey recessed the Regular Meeting of the City Council to closed session at 6:16 p.m.

##### **1. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

Significant Exposure to Litigation

[Pursuant to Government Code sections 54954.5(c), 54956.9 (d)(3), (e)(1)]

Based on existing facts and circumstances, this closed session is only to decide whether a closed session is authorized pursuant to Government Code section 54956.9(d)(2), which provides: "A point has been reached where, in the opinion of the legislative body of the local agency on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the local agency." Reference No. 2026-004.

Number of cases: 1

##### **RECONVENE TO OPEN SESSION**

Mayor Hussey reconvened the Regular Meeting of the City Council from closed session at 6:40 p.m.

##### **REPORT OUT OF CLOSED SESSION**

Adrian Guerra, City Attorney, announced that there was one (1) closed session item. An update was provided by the City Attorney, direction was provided to the City Attorney. However, there was no reportable action.

**G. NEW BUSINESS**

- 12) Policy Governing Remote Participation and Enhancement of Public Participation in City Council and Commission Meetings to implement Senate Bill No. 707

Adrian Guerra, City Attorney, provided the [PowerPoint](#) presentation on this item.

**NO PUBLIC COMMENT**

<b>RESULT:</b>	<b>APPROVED - UNANIMOUS</b>
<b>MOVER:</b>	Council Member Allen
<b>SECONDER:</b>	Mayor Pro Tem Sabino
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen, Council Member Brown
<b>NAYS:</b>	None

- 13) Introduction of the FY2026-27 Proposed Budget

Christine Clayton, Finance Director, provided the [PowerPoint](#) presentation for this item.

**NO PUBLIC COMMENT**

<b>RESULT:</b>	<b>APPROVED - UNANIMOUS</b>
<b>MOVER:</b>	Council Member Brown
<b>SECONDER:</b>	Council Member Allen
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen, Council Member Brown
<b>NAYS:</b>	None

- 14) Consideration of a Special Transactions and Use Tax at a Rate of Up to 1.00%

Adrian Guerra, City Attorney, provided the [PowerPoint](#) presentation for this item.

**NO PUBLIC COMMENT**

Mayor Hussey motioned to move the item forward to include authorization by Konrad Bolowich, City Manager, to purchase a services agreement for a special tax and general tax survey through a consultant of the City Manager's choosing, seconded by Council Member Brown.

<b>RESULT:</b>	<b>APPROVED - UNANIMOUS</b>
<b>MOVER:</b>	Mayor Hussey
<b>SECONDER:</b>	Council Member Brown
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen, Council Member Brown
<b>NAYS:</b>	None

**E. PUBLIC HEARINGS**

10) Public Hearing on Staffing Vacancies Pursuant to Assembly Bill 2561

Michelle Fuentes, Senior Management Analyst, provided the [PowerPoint](#) presentation for this item.

**NO PUBLIC COMMENT**

<b>RESULT:</b>	<b>APPROVED - UNANIMOUS</b>
<b>MOVER:</b>	Council Member Brown
<b>SECONDER:</b>	Council Member Allen
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen, Council Member Brown
<b>NAYS:</b>	None

11) Discussion and Possible Reconsideration of Zoning Code Amendment (ZCA) 26-02, General Plan Amendment (GPA) 26-01, Zone Change (ZC) 26-01, and Environmental Review (E) 26-03 – Establishment of the R3-40 High Density Multiple Family Residential District and Housing Element Rezoning

Adrian Guerra, City Attorney, provided the [PowerPoint](#) presentation for this item.

Mayor Hussey opened the public hearing at 8:01 p.m.

**NO PUBLIC COMMENT**

Mayor Hussey closed the public hearing at 8:02 p.m.

Mayor Hussey motioned to bring the item back at a future meeting, seconded by Council Member Allen.

<b>RESULT:</b>	<b>APPROVED - UNANIMOUS</b>
<b>MOVER:</b>	Mayor Hussey
<b>SECONDER:</b>	Council Member Allen
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen, Council Member Brown
<b>NAYS:</b>	None

**F. UNFINISHED BUSINESS - NONE**

**H. FUTURE AGENDA ITEMS**

None.

**I. CITY COUNCIL COMMUNICATIONS**

Council Member Matt Brown:

Nothing to report.

Council Member Jeff Allen reported on the following:

- Attended the San Bernardino County Solid Waste Task Force Committee Meeting on April 15, 2026, and provided a legislative update
- Attended the California Community Choice Association Annual Conference on May 12–14, 2026, in Sacramento
- Attended the Grand Terrace Blue Mountain Festival on May 16, 2026
- Attended the Cal Cities Division luncheon on May 20, 2026, in Ontario
- Attended the Memorial Day event at Veterans Freedom Park on May 25, 2026

Council Member Doug Wilson:

Nothing to report.

Mayor Pro Tem Michelle Sabino:

Nothing to report.

Mayor Bill Hussey reported on the following:

- Recognized Timothy Littlefield, End of Watch on September 14, 1986
- Attended the Memorial Day event at Veterans Freedom Park on May 25, 2026
- Attended the Cal Cities Division luncheon on May 20, 2026, in Ontario
- Attended the JPIA Meeting on interview conduct
- Attended the San Bernardino County Transportation Authority City County Conference in Lake Arrowhead on May 14–15, 2026

- Attended the Grand Terrace Blue Mountain Festival on May 16, 2026

**J. COMMUNICATIONS FROM THE CITY MANAGER, SHERIFFS' DEPARTMENT, AND FIRE DEPARTMENT**

Konrad Bolowich, City Manager, announced the following:

- Recognized the volunteers who assisted with the Grand Terrace Blue Mountain Festival on May 16, 2026

**SHERIFF DEPARTMENT COMMUNICATIONS**

Lieutenant Fries reported on the following:

- Announced Police Week observed on May 10-16, 2026

**FIRE DEPARTMENT COMMUNICATIONS**

Assistant Fire Chief Jager reported on the following:

- San Bernardino County Fire has been providing resources to Garden Grove during the spill incident

**L. ADJOURN**

Mayor Hussey adjourned the Regular Meeting of the City Council at 8:24 p.m. in honor of fallen service members, military personnel and first responders. The next Regular City Council Meeting will be held on Tuesday, June 9, 2026, at 6:00 p.m.

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Bill Hussey, Mayor

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Daysi Alcocer, City Clerk



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Resolutions Calling & Giving Notice of a General Municipal Election on November 3, 2026, and Requesting Consolidation of the Municipal Election with the State-Wide General Election on November 3, 2026, and Establishing Candidate Statement Regulations

PRESENTED BY: Daysi Alcocer, City Clerk

RECOMMENDATION: **APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON TUESDAY, NOVEMBER 3, 2026, FOR THE ELECTION OF CERTAIN OFFICERS AND REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO TO CONSOLIDATE THE GENERAL MUNICIPAL ELECTION WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO ELECTIONS CODE SECTION 10403 RELATING TO GENERAL LAW CITIES; AND**

**APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ESTABLISHING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATE STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026**

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## **2030 VISION STATEMENT:**

This staff report supports our Core Value of Open and Inclusive Government.

## **BACKGROUND:**

In an effort to conduct municipal elections in an efficient and cost-effective manner while complying with all state regulations pertaining to municipal elections, the San Bernardino County Registrar of Voters has conducted the City's General Municipal Elections since incorporation. In order to request the services of the San Bernardino County Registrar of Voters Office for the upcoming November 3, 2026, General Municipal Election, the City Council must adopt resolutions calling and giving notice, requesting the County services, and setting regulations for candidate statements.

## **DISCUSSION:**

On November 3, 2026, the City of Grand Terrace will hold its General Municipal Election to elect one (1) Mayor and (1) Council Member for a full term of four years. The nomination period begins on July 13, 2026, and will close on August 7, 2026. Only candidates wishing to submit a candidate statement will be required to pay a deposit of \$800.00 to cover the cost of printing the statement in the sample ballots provided. As indicated earlier in the staff report, the City Council is required to adopt a resolution requesting the consolidation/services of the County Registrar of Voters for the November 3, 2026, Election. The adopted Resolutions need to be submitted to the County no later than June 15,

2026.

The Resolution calling and giving notice of a General Municipal Election on Tuesday, November 3, 2026, for the election of certain officers and requesting the Board of Supervisors of the County of San Bernardino to consolidate the General Municipal Election with the Statewide General Election to be held pursuant to Elections Code Section 10403 relating to General Law Cities is attached for your consideration as well as the Resolution establishing regulations for candidates for elective office pertaining to candidate statements submitted to the voters at an election to be held on Tuesday, November 3, 2026.

**ENVIRONMENTAL IMPACT:**

None.

**FISCAL IMPACT:**

The County of San Bernardino Registrar of Voters has estimated the cost of services provided to the City of Grand Terrace for the November 3, 2026, General Municipal Election at the amount of approximately \$39,760.00 if the City submits a ballot measure with the General Municipal Election to elect one (1) Mayor Council and (1) Council Member. Staff included \$25,000 in the proposed FY 2026-2027 budget for the election. Therefore, additional funds would need to be appropriated if the City submits a ballot measure.



## Registrar of Voters

**Joani Finwall**  
Registrar of Voters

May 22, 2026

Daysi Alcocer  
City Clerk  
City of Grand Terrace  
22795 Barton Rd  
Grand Terrace, CA 92313

Re: 2026 Statewide General Special Measure Election Cost Estimate

Dear Daysi Alcocer:

This letter is in response to your request for cost estimate from the Registrar of Voters for the 2026 Statewide General Special Measure Election.

The estimate to have three contests (Mayor, Member, City Council, and Measure) on the ballot is \$39,760.

The amount provided above is an estimate based on historical costs for comparable elections. The actual cost may be higher or lower than the estimate provided. Once the election is certified, the Registrar of Voters will complete an accounting of all actual costs and will provide a final invoice within 120 days.

If you have any questions, please contact the Registrar of Voters at (909) 387-8300.

Sincerely,

A handwritten signature in blue ink that reads "Yvonne Flores".

Yvonne Flores  
Chief Deputy Registrar of Voters

Cc: File

### BOARD OF SUPERVISORS

COL. PAUL COOK (RET.)  
First District

JESSE ARMENDAREZ  
Second District

DAWN ROWE  
Chairman, Third District

CURT HAGMAN  
Fourth District

JOE BACA, JR.  
Vice Chair, Fifth District

Luther Snoke  
Chief Executive Officer

**San Bernardino County Registrar of Voters**

**Cost Estimate Summary**

**2026 Statewide General Special Measure Election**

<b>JURISDICTION</b>	<b>CONTEST</b>	<b>VOTER REGISTRATION</b>	<b>ALLOCATED COSTS</b>	<b>VOTER INFORMATION GUIDE</b>	<b>VOTE BY MAIL BALLOT COSTS</b>	<b>DIRECT COSTS</b>	<b>MEASURE</b>	<b>TOTAL ESTIMATE</b>
City of Grand Terrace	Mayor	8,419	\$6,800	\$600	\$1,800	\$0	\$0	\$9,200
City of Grand Terrace	Member, City Council	8,419	\$6,800	\$600	\$1,800	\$160	\$0	\$9,360
City of Grand Terrace	Measure	8,419	\$6,800	\$700	\$1,800	\$0	\$11,900	\$21,200
<b>Estimated Election Total</b>			<b>\$20,400</b>	<b>\$1,900</b>	<b>\$5,400</b>	<b>\$160</b>	<b>\$11,900</b>	<b>\$39,760</b>

**RESOLUTION NO. 2026-10**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON TUESDAY, NOVEMBER 3, 2026, FOR THE ELECTION OF CERTAIN OFFICERS AND REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO TO CONSOLIDATE THE GENERAL MUNICIPAL ELECTION WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO ELECTIONS CODE SECTION 10403 RELATING TO GENERAL LAW CITIES**

**WHEREAS**, under the provisions of the laws relating to general law cities in the State of California, a Regular Municipal Election shall be held on November 3, 2026, for the election of municipal officers; and

**WHEREAS**, it is desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and that within the city, the precincts, polling places and election officers of the two elections be the same, and that the county election department of the County of San Bernardino canvass the returns of the General Municipal Election and that the election be held on all respects as if there were only one election; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** Pursuant to the requirements of the laws of the State of California relating to General Law cities, there is called and ordered to be held in the City of Grand Terrace, California, on Tuesday, November 3, 2026, a General Municipal Election for the purpose of electing one (1) Mayor and one (1) Council Member for a full term of four (4) years.

**SECTION 2.** The ballots to be used at the election shall be in the form and content as required by the law.

**SECTION 3.** The City Clerk is authorized, instructed and directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

**SECTION 4.** The polls for the election shall be open at seven o'clock a.m. the day of the election and shall remain open continuously from that time until eight o'clock p.m. on the same day when the polls shall be closed, except as provided in Section 14401 of the Elections Code.

**SECTION 5.** That pursuant to the requirements of Section 10403 of the Elections Code, the Board of Supervisors of the County of San Bernardino is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 3, 2026, for the purpose of electing one (1) Mayor and one (1) Council Member for a full term of four (4) years.

**SECTION 6.** In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections consolidated with Statewide General Election, including, but not limited to, Section 10418 of the Elections Code, and one form of ballot shall be used.

**SECTION 7.** The County Registrar of Voters is authorized to canvass the returns of the General Municipal Election. The election shall be held in all respects as if there were only one election.

**SECTION 8.** The Board of Supervisors is requested to issue instructions to the County Registrar of Voters to take any and all steps necessary for the holding of the consolidated election.

**SECTION 9.** The City of Grand Terrace recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the County for any costs.

**SECTION 10.** Notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law. Notwithstanding the generality of the foregoing, the City Clerk is hereby instructed to act in conformance with California Elections Code Section 10403 and to file this Resolution with the Board of Supervisors of San Bernardino County and to transmit a copy of the same to the San Bernardino County elections official.

**SECTION 11.** The City Clerk shall certify the adoption of this Resolution and enter it into the Book of Resolutions.

**SECTION 12.** The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

**SECTION 13.** If any section, subsection, sentence, clause, or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section,

subsection, sentence, clause, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

**SECTION 14.** The City Council finds the adoption of this resolution is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

**SECTION 15.** This Resolution shall take effect immediately upon adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Grand Terrace at a regular meeting held on the 9<sup>th</sup> day of June 2026.

---

Bill Hussey  
Mayor

**ATTEST:**

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Daysi Alcocer  
City Clerk

**APPROVED AS TO FORM:**

---

Adrian R. Guerra  
City Attorney

**RESOLUTION NO. 2026-xx**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ESTABLISHING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2026**

**WHEREAS**, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an Election to be held in the City of Grand Terrace on November 3, 2026, may prepare a candidate's statement on an appropriate form provided by the City Clerk. The statement may include the name, age and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed, in typewritten form, with the Office of the City Clerk at the time the candidate's nomination papers are submitted. The statement may be withdrawn, but not amended, during the nomination filing period and until 5:00 p.m. on the next working day following the close of the nomination period.

**SECTION 2.** The following provisions shall govern foreign languages as to candidate statements and voter information guides:

- a. Pursuant to the Federal Voting Rights Act, candidate's statements will be translated into all languages required by the County of San Bernardino. The County is required to translate candidate statements into the following language in addition to English: Spanish
- b. The County will print and mail voter information guides and candidate's statement to all voters in English and Spanish.

**SECTION 3.** The following provisions shall govern payment relating to candidate statements:

- a. The candidate shall be required to pay for the cost of translating the candidate's statement into any required foreign language as specified in (a) and/or (b) of Section 2 above pursuant to Federal and/or State Law.

- b. The candidate shall be required to pay for the cost of printing the candidate's statement in English and Spanish.
- c. The City Clerk shall estimate the total cost of printing, handling, translating, and mailing the candidate's statement filed pursuant to this section, including costs incurred as a result of complying with the Voting Rights Act of 1965 (as amended), and require each candidate filing a statement to pay in advance to the local agency his pro rata share as a condition of having his or her statement included in their voter's pamphlet. In the event the estimated payment is required, the estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the clerk is not bound by the estimate and may, on the pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.

**SECTION 4.** No Candidate will be permitted to include additional materials in the voter information guide.

**SECTION 5.** The City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time nominating petitions are issued.

**SECTION 6.** All previous Resolutions establishing Council policy on payment for candidate's statements are repealed.

**SECTION 7.** This Resolution shall apply only to the election to be held on Tuesday, November 3, 2026, and shall then be repealed.

**SECTION 8.** The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the Book of Resolutions.

**SECTION 9.** The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

**SECTION 10.** If any section, subsection, sentence, clause, or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

**SECTION 11.** The City Council finds the adoption of this resolution is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

**SECTION 12.** This resolution shall take effect immediately upon adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Grand Terrace at a regular meeting held on the 9<sup>th</sup> day of June 2026.

---

Bill Hussey  
Mayor

**ATTEST:**

---

Daysi Alcocer  
City Clerk

**APPROVED AS TO FORM:**

---

Adrian R. Guerra  
City Attorney



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Approval of Amendment to the Fire Hazard Abatement Services Agreement with the San Bernardino County Fire Protection District

PRESENTED BY: Konrad Bolowich, City Manager

RECOMMENDATION: **THAT THE CITY COUNCIL APPROVE THE AMENDMENT TO THE FIRE HAZARD ABATEMENT SERVICES AGREEMENT BETWEEN THE CITY OF GRAND TERRACE, THE COUNTY OF SAN BERNARDINO, AND THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, AUTHORIZING THE TRANSFER OF ADMINISTRATION OF THE FIRE HAZARD ABATEMENT PROGRAM FROM THE COUNTY LAND USE SERVICES DEPARTMENT TO THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT AND EXTENDING THE TERM OF THE AGREEMENT THROUGH JUNE 30, 2031**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #1, Ensure our Fiscal Viability and Goal #2, Maintain Public Safety

## **BACKGROUND:**

Since 2010, the City of Grand Terrace has contracted with the County of San Bernardino for administration and enforcement of the City's Fire Hazard Abatement Program. The agreement was originally approved by the San Bernardino County Board of Supervisors on August 24, 2010, and has provided inspection, notification, enforcement, and abatement services related to hazardous vegetation, weeds, and combustible debris that may pose a fire risk within the City.

The Fire Hazard Abatement Program assists the City in meeting its responsibility to reduce wildfire and fire-related risks by identifying properties with hazardous vegetation or combustible materials and ensuring that those hazards are properly abated. The program is particularly important during periods of elevated fire danger and serves as an important component of the City's overall public safety and risk reduction efforts.

The County has recently reorganized administration of the program and is transferring responsibility for the Fire Hazard Abatement Program from the County Land Use Services Department to the San Bernardino County Fire Protection District. To facilitate this transition, the County, the Fire Protection District, and participating cities are executing amendments to the existing agreements assigning all responsibilities, obligations, and authority under the agreement to the Fire Protection District.

## **DISCUSSION:**

The proposed amendment accomplishes three primary objectives:

1. Transfers administration of the Fire Hazard Abatement Program from the County Land Use Services Department to the San Bernardino County Fire Protection District.

2. Extends the term of the agreement through June 30, 2031.
3. Updates administrative contact information and formally assigns all rights, obligations, and responsibilities under the existing agreement to the Fire Protection District.

The amendment does not change the scope of services provided to the City. The Fire Protection District will continue performing the same inspection, notification, enforcement, and abatement coordination services that have historically been provided through the County's Land Use Services Department.

Additionally, there is no change in the City's cost structure or financial obligations under the agreement. The amendment is administrative in nature and serves primarily to memorialize the County's internal reorganization and transfer of program administration to the agency most directly responsible for fire prevention and community risk reduction activities.

Staff believes the transition is logical and appropriate given the Fire Protection District's expertise in fire prevention, vegetation management, and hazard mitigation activities. The amendment will ensure continuity of service while maintaining the City's longstanding participation in the County's regional Fire Hazard Abatement Program.

**ENVIRONMENTAL IMPACT:**

Approval of this agreement amendment is not a project under the California Environmental Quality Act (CEQA) pursuant to Section 15378 of the CEQA Guidelines because it is an administrative activity that will not result in a direct or reasonably foreseeable indirect physical change in the environment.

**FISCAL IMPACT:**

There is no fiscal impact associated with approval of the amendment. The amendment does not increase costs, modify service levels, or alter the City's existing financial obligations under the agreement.

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

August 24, 2010

**FROM: DENA M. SMITH, Director  
Land Use Services Department**

**SUBJECT: REVENUE CONTRACT WITH VARIOUS CITIES FOR FIRE HAZARD  
ABATEMENT SERVICES**

**RECOMMENDATION(S)**

1. Approve revenue contracts between County of San Bernardino Land Use Services Department and the cities of Yucaipa (**Agreement No.10-804**), Highland (**Agreement No.10-805**) and Grand Terrace (**Agreement No.10-806**) in an annual amount of \$35,986, \$34,210 and \$13,526 respectively for an aggregate amount of \$83,722 to provide fire/weed hazard abatement services from September 1, 2010 until terminated.
2. Authorize the Director of Land Use Services, or authorized designee, to exercise the County's right of termination of these contracts and to establish the contract cost per parcel for fire/weed hazard abatement services in future years, as detailed in the Background Information section.

(Affected Districts: Third)

(Presenter: Dena M. Smith, Director, 387-4141)

**BACKGROUND INFORMATION**

Approval of this item will allow the Land Use Services Department (LUSD) to continue to provide contract fire/weed hazard abatement services (FHA) to the cities of Yucaipa, Highland and Grand Terrace covering in aggregate approximately 81,403 parcels, in an annual amount of \$35,986, \$34,210 and \$13,526 respectively for an aggregate amount of \$83,722. If approved, these contracts will replace the current agreements with these jurisdictions, effective September 1, 2010 and continuing until terminated.

The County has provided contract FHA services to these cities for over ten years. In December 2009, LUSD submitted letters to the cities proposing a new rate per parcel to perform fire hazard abatement surveys. The proposed increase in rate covers the increase in program costs. In the following months, LUSD met with city officials to negotiate a new contract. The cities included in this Board item agreed to enter into new contracts with LUSD for FHA services. Negotiations are still in progress between LUSD and the City of Ontario for fire/weed hazard abatement services, specifically, determining the number of parcels to be served. Once this information is confirmed, a contract will be submitted to the Board for approval at a later date.

Page 1 of 2

cc: LUSD/EHS-Williams w/ agrees  
Contractor c/o LUSD w/ agree  
Auditor-Accts Pay Mgr w/ agrees  
EBIX-BPO c/o Risk Mgmt  
LUSD-Smith;Davis;Sevelin  
Purchasing-Gomez  
CAO-Valdez  
County Counsel-Strain  
File - w/ agree  
jll 08/25/10

**ITEM 46**

Record of Action of the Board of Supervisors

**APPROVED (CONSENT CALENDAR)  
COUNTY OF SAN BERNARDINO  
Board of Supervisors**

MOTION	<u>  AYE  </u>	<u>  AYE  </u>	<u>SECOND</u>	<u>  AYE  </u>	<u>  MOVE  </u>
	1	2	3	4	5

**LAURA H. WELCH, CLERK OF THE BOARD**

**BY \_\_\_\_\_**

**DATED: August 24, 2010**

**BOARD OF SUPERVISORS  
REVENUE CONTRACT WITH VARIOUS CITIES FOR FIRE HAZARD  
ABATEMENT SERVICES  
AUGUST 24, 2010  
PAGE 2 OF 2**

The FHA process begins when LUSD conducts inspections (surveys) of properties to determine whether hazardous fire conditions exist. The parcels are surveyed twice per year, during the spring and fall. When hazardous conditions are found, the owner is notified and given 30 days to abate the hazard. After 30 days, the property is re-inspected and, if the property is not in compliance at that time, an Administrative Citation will be issued allowing the property owner ten (10) days to bring the property into compliance. If the property is not in compliance after ten (10) days, then either a second citation will be issued, or Administrative abatement will begin. Abatement services are performed by County employees and/or contractors and the property owner is billed for labor and administrative costs related to these services.

The contract rate for the first year of this contract is \$0.83 per parcel per survey. The proposed contracts would authorize the LUSD Director to evaluate costs per parcel and determine the rate on an annual basis. If no new cost per parcel is proposed by the County, the previous year's cost per parcel shall remain applicable for subsequent years. If, at any time, a new cost per parcel is proposed by the County, notice of the proposed rate must be provided to the contracting agency no later than January 1 to be effective May 1 of that year.

Upon receipt of notification of a proposed rate change, the contracting agency has sixty (60) days to determine whether to accept the proposed cost per parcel. If the proposed cost per parcel is accepted, the contract will continue under the new cost structure. If the proposed cost per parcel is not accepted, the contract will automatically terminate on April 30<sup>th</sup> of that year.

The initial year of these contracts will consist of approximately eight (8) months, from September 1, 2010 through April 30, 2011. The subsequent year's contracts will be for a twelve (12) month period, from May 1<sup>st</sup> to April 30<sup>th</sup>.

These contracts may be terminated by either party with upon 60 days written notice.

**FINANCIAL IMPACT**

Approval of this item will allow LUSD to establish revenue contracts with the cities of Yucaipa, Highland and Grand Terrace in an annual amount of \$35,986, \$34,210 and \$13,526 respectively, for an aggregate amount of \$83,722 to provide FHA services commencing September 1, 2010. Appropriation and revenue in the amount of \$83,722 has been included in the Fiscal Year 2010-11 budget and will be included in subsequent recommended budgets. There is no local cost associated with the approval of this item.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (S. Mark Strain, Deputy County Counsel, 387-3043) on July 15, 2010; Land Use Services Department [(Patty Davis, Administrative Supervisor, 387-4148 and Nanci Sevelin, Contract Coordinator, 387-4598)] on August 2, 2010; County Purchasing Department (Leo Gomez, Supervising Buyer, 387-2063) on May 13, 2010 and the County Administrative Office (Beatriz Valdez, Principal Administrative Analyst, 387-1852) on August 3, 2010.



County of San Bernardino

F A S

STANDARD CONTRACT

**FOR COUNTY USE ONLY**

<input checked="" type="checkbox"/> New	Vendor Code	<b>SC</b>	Dept. <b>WAB</b>	Orgn. <b>A</b>	Contract Number <b>10-800</b>	
<input type="checkbox"/> Cancel					Contractor's License No. N/A	
County Department Land Use Services Department			Dept. <b>WAB</b>	Orgn. <b>WAB</b>	Total Contract Amount \$ 13,526	
County Department Contract Representative Terri Williams			Telephone (909) 387-3891			
Contract Type <input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input type="checkbox"/> Unencumbered <input type="checkbox"/> Other If not encumbered or revenue contract type, provide reason: Amount of Contract based on volume of services						
Commodity Code		Contract Start Date 9/1/2010	Contract End Date	Original Amount \$ 13,526	Amendment Amount \$ 0	
Fund AAA	Dept. WAB	Organization WAB	Appr.	Obj/Rev Source 9235	GRC/PROJ/JOB No.	Amount \$ 13,526
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount \$
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount \$
Project Name City of Grand Terrace Fire Hazard Abatement			Estimated Payment Total by Fiscal Year			
			FY	Amount	I/D	FY

THIS CONTRACT is entered into in the State of California by and between the County of San Bernardino, hereinafter called the COUNTY, and

Name  
City of Grand Terrace  
Address  
22795 Barton Rd  
Grand Terrace, CA 92313  
Telephone  
(909) 430-2225

hereinafter called CITY

Federal ID No. or Social Security No.  
Unknown

**IT IS HEREBY AGREED AS FOLLOWS:**

**WHEREAS**, The County of San Bernardino Land Use Services Department (COUNTY), administers a Fire Hazard Abatement Program within the unincorporated areas of San Bernardino County pursuant to San Bernardino County Code § 23.0301, *et seq.*

**WHEREAS**, CITY desires that such services be provided by COUNTY and the COUNTY agrees to perform these services as set forth below;

**NOW THEREFORE**, COUNTY and CITY mutually agree to the following terms and conditions:

**Auditor/Controller-Recorder Use Only**

<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

## **I. SERVICES PROVIDED**

The County's Fire Hazard Abatement Program will provide the following services to the CITY:

1. Conduct initial property survey twice per year, in early fall and spring to locate and identify fire hazards.
2. Prepare and mail abatement notices (30 day Notice to Abate) to the owners of the properties in violation.
3. Conduct follow-up inspections to determine owner compliance.
4. Conduct enforcement operations for properties that have not been brought into compliance, including but not limited to, issuance of administrative citations that subject the owners to civil, monetary penalties and conducting court-authorized abatement of the properties at the owners' expense.
5. Respond to "calls for service" consisting generally of complaints received from the public concerning properties with fire hazards.
6. All CITY owned parcels will be treated in the same manner as private property and billed separately from this Contract. All such billings shall be subject to applicable prevailing wage provisions, if any, to the extent required by law and unless the abatement services work is done by crews consisting of COUNTY employees.
7. Abatement of weeds along roadsides or alleys within the CITY boundaries will be performed at the discretion of the COUNTY and only when determined by the COUNTY to be a fire hazard. Billing for all such abatement services will be subject to applicable prevailing wage provisions, if any, to the extent required by law and unless such work is performed by crews consisting of COUNTY employees.

## **II. APPLICABLE LAW**

Both COUNTY and CITY agree and acknowledge that this Contract shall be construed and interpreted and enforced in accordance with the laws of the State of California.

## **III. ASSIGNABILITY**

Without the prior written consent of COUNTY, this Contract is not assignable by CITY either in whole or in part.

## **IV. FORMER COUNTY OFFICIALS**

CITY agrees to provide or has already provided information on former County of San Bernardino administrative officials (as defined below) who are employed by or represent CITY. The information provided includes a list of former County administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of CITY. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Administrative Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

## **V. MISREPRESENTATION**

If during the course of the administration of this Contract, the COUNTY determines that the CITY has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the COUNTY, this Contract may be immediately terminated. If this Contract is terminated according to this provision, the COUNTY is entitled to pursue any available legal remedies.

**VI. CHANGE OF ADDRESS**

CITY shall notify COUNTY in writing of any change in mailing address and/or physical location within ten (10) days of the change, and shall immediately notify COUNTY of changes in telephone or fax numbers.

**VII. IMPROPER CONSIDERATION**

CITY shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of COUNTY in an attempt to secure favorable treatment regarding this Contract.

COUNTY, by written notice, may immediately terminate this Contract if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee, or agent of the COUNTY with respect to the proposal and award process. This prohibition shall apply to any amendment, extension or evaluation process once this Contract has been awarded.

CITY shall immediately report any attempt by a County officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from CITY. The report shall be made to the supervisor or manager charged with supervision of the employee or to the County Administrative Office. In the event of a termination under this provision, COUNTY is entitled to pursue any available legal remedies.

**VIII. CONFLICT OF INTEREST**

CITY shall make every reasonable effort to prevent the actual or apparent conflict of interest wherein its employees, consultants or members of its governing bodies use their positions for purposes that are or give the appearance of being motivated by a desire for private gain for themselves or others, such as those with whom they have family, business, or other ties. In the event COUNTY determines a conflict of interest exists, any increase in costs associated with the conflict of interest may be disallowed by COUNTY and such conflict may constitute grounds for termination of the Contract. This provision shall not be construed to prohibit employment of persons with whom CITY'S officers, agents, or employees have family, business or other ties so long as the employment of such persons does not result in increased costs over those associated with the employment of any other equally qualified applicants and such persons have successfully competed for employment with other applicants on a merit basis.

**IX. RECIPROCAL/MUTUAL INDEMNITY – HOLD HARMLESS**

The CITY agrees to defend, indemnify and hold harmless the COUNTY, it's officers, employees, agents and volunteers for any and all claims, losses, actions, damages and/or liability arising out of this agreement/contract from any cause whatsoever, including any costs or expenses incurred by COUNTY, except as prohibited by law.

The COUNTY agrees to indemnify and hold harmless the CITY its officers, employees, agents and volunteers from any and all liabilities for injury to persons and damage to property arising out of any negligent act or omission of the COUNTY, its officers, employees, agents or volunteers in connection with (the specific use of the property).

**X. SELF-INSURANCE**

The COUNTY is an authorized self-insured public entity for purposes of General Liability, Automobile Liability, Workers' Compensation and Property coverage and warrants that through its program of self-insurance, it has adequate coverage or resources to protect against liabilities arising out of the terms, conditions and obligations of this agreement.

COUNTY and CITY are authorized self-insured public entities for purposes of Professional Liability, General Liability, Automobile Liability and Workers' Compensation and warrant that through their respective programs of self-insurance, they have adequate coverage or resources to protect against liabilities arising out of the performance of the terms, conditions or obligations of this agreement.

**XI. COMPARATIVE FAULT**

In the event that the COUNTY and/or CITY are determined to be comparatively at fault for any claim, action, loss or damage which results from their respective obligations under this agreement, the COUNTY and/or CITY shall indemnify the other to the extent of its comparative fault.

**XII. REPORTING**

When requested, but no more than once quarterly during the term of the Contract, the COUNTY shall provide to the CITY a written narrative report summarizing the services provided under this Contract.

**XIII. COMPENSATION**

The CITY shall compensate the COUNTY for services as set forth in **Section I, SERVICES PROVIDED.**

Compensation for this Contract is based on the number of parcels identified and verified by the San Bernardino County Land Use Services Department per year (May 1<sup>st</sup> through April 30<sup>th</sup>). The CITY'S contract rate per parcel per survey is \$0.83 and there are currently 8,148 parcels to be serviced for a total amount of \$13,526 per year. In the event there are additional parcels identified for services, the San Bernardino County Land Use Services Department will contact the City prior to providing services.

In the event that the number of parcels subject to this contract increases, then CITY will compensate COUNTY for the actual number parcels of which services were performed.

COUNTY will invoice CITY in the month of December each contract year for services provided based on the number of parcels serviced during that timeframe.

Payment for services shall be by check or money order, payable to "County of San Bernardino", and shall be mailed or delivered to the address listed in **Section XVII, NOTICES** of this Contract.

The Director of Land Use Services, or authorized designee, has the authority to determine the contract cost per parcel and submit a new proposed cost per parcel no later than January 1 to be effective May 1 of each year. If no new cost per parcel is proposed by the County, then the previous year's cost per parcel shall be applicable for the ensuing year. If a rate change is proposed, the CITY/Jurisdiction shall then have (60) days in which to notify the County in writing of their decision to reject such new cost per parcel and terminate this Agreement or accept the new cost per parcel and continue this Agreement for the ensuing year.

**XIV. ENFORCEMENT**

In the event of a property owner's noncompliance with a notice to abate, the CITY authorizes the COUNTY to conduct the following enforcement operations within the CITY'S jurisdiction and geographical boundaries:

- administrative citations and penalties pursuant to San Bernardino County Code §23.0319
- criminal action pursuant to San Bernardino County Code §23.0317
- civil action pursuant to San Bernardino County Code §23.0318

CITY waives any and all claims to recovery of any and all monetary enforcement penalties and/or abatement costs sought and/or recovered by COUNTY as a result of any and all enforcement actions taken against owners and/or occupants of properties subject to this Contract and hereby assigns all of its rights to all such claims to the COUNTY.

**XV. AMENDMENTS**

All amendments to this Contract, including any exhibits, shall be in writing and signed by the authorized representative(s) of the CITY and the Board of Supervisors for the COUNTY.

**XVI. TERM AND TERMINATION**

Services performed pursuant to this Contract shall commence on the 1<sup>st</sup> day of September, 2010 and may be terminated by either of the Parties upon written notice served upon the other at least sixty (60) days prior to the termination date for this Contract then in effect. The initial year of this contract will cover approximately eight (8) months, from September 1, 2010 through April 30, 2011. All other ensuing contract years will cover 12 months, from May 1<sup>st</sup> to April 30<sup>th</sup>. Upon receipt of such notice, all services not yet performed shall not begin and all amounts to be paid under the terms of this Contract not yet paid shall become immediately due and payable.

This contract supersedes all other prior agreements for Fire Hazard Abatement services between the CITY and the San Bernardino County Land Use Services Department, Weed Abatement Division.

The Director of Land Use Services Department, or authorized designee, shall have the power to exercise the County's right of termination of this contract.

**XVII. NOTICES**

When notices are required to be given pursuant to this Contract, the notices shall be in writing and mailed to the following respective addresses listed below.

CITY: City of Grand Terrace  
Attn: Joyce Powers  
22795 Barton Rd  
Grand Terrace, CA 92313

COUNTY: County of San Bernardino  
Land Use Services Department  
Attn: Dena M. Smith  
385 N. Arrowhead, 3<sup>rd</sup> Floor  
San Bernardino, CA 92415-0010

**XVIII. SEVERABILITY**

If any portion of this Contract is declared by a Court of competent jurisdiction to be invalid, illegal, unconstitutional, or unenforceable, such portion shall be deemed severed.

**XIX. ATTORNEYS' FEES AND COSTS**

In the event either of the Parties resorts to litigation to resolve any dispute or claim of any kind arising from any of the rights or duties established by this Contract, or to enforce or prevent the breach of any provision of this Contract as set forth herein or for any other purpose, for damages by reason of any alleged breach of any provision of this Contract, or for declaration of such party's rights or obligations under this Contract, or for any other judicial remedy at law or at equity; both Parties, their successors in interest, representatives, employees, and agents shall each bear their own attorney's fees and costs relating to all expenses incurred through such litigation regardless of the nature of the action.

**XX. DISPUTES**

The parties agree to attempt to resolve any disputes arising out of this Contract informally and in good faith. Each party reserves the right to suspend work or terminate this contract in the event a dispute is not satisfactorily resolved.

**XXI. NO TERMS AND PROVISIONS WAIVER**

No waiver of any of the provisions of the Contract shall be effective unless it is made in writing, and refers to the provisions so waived and is executed by the parties. No course of dealing and no delay or failure of a party in exercising any right under the Contract shall affect any other or future exercise of that right or any exercise of any other right. A party shall not be precluded from exercising a right by its having partially exercised that right or its having previously abandoned or discontinued steps to enforce that right.

## **XXII. JURISDICTION AND VENUE**

The Parties further agree that jurisdiction and venue for any legal action based upon this contract shall lie with the Superior Court of the State of California, in and for the County of San Bernardino, San Bernardino District, Civil and Probate Division.

## **XXIII. SUCCESSORS AND ASSIGNS**

Each of the terms of this Contract shall be binding upon each of the Parties and their respective successors-in-interest, assigns, designees, and their respective representatives, agents, and employees thereof.

## **XXIV. AMERICAN RECOVERY AND REINVESTMENT ACT**

This Contract may be funded in whole or in part with funds provided by the American Recovery and Reinvestment Act of 2009 ("ARRA"), signed into law on February 17, 2009. Section 1605 of ARRA prohibits the use of recovery funds for a project for the construction, alteration, maintenance or repair of a public building or public work (both as defined in 2 CFR 176.140) unless all of the iron, steel and manufactured goods (as defined in 2 CFR 176.140) used in the project are produced in the United States. A waiver is available under three limited circumstances: (i) Iron, steel or relevant manufactured goods are not produced in the United States in sufficient and reasonable quantities and of a satisfactory quality; (ii) Inclusion of iron, steel or manufactured goods produced in the United States will increase the cost of the overall project by more than 25 percent; or (iii) Applying the domestic preference would be inconsistent with the public interest. This is referred to as the "Buy American" requirement. Request for a waiver must be made to the County for an appropriate determination.

Section 1606 of ARRA requires that laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 31). This is referred to as the "wage rate" requirement.

The above described provisions constitute notice under ARRA of the Buy American and wage rate requirements. CITY must contact the COUNTY contact if it has any questions regarding the applicability or implementation of the ARRA Buy American and wage rate requirements. CITY will also be required to provide detailed information regarding compliance with the Buy American requirements, expenditure of funds and wages paid to employees so that the County may fulfill any reporting requirements it has under ARRA. The information may be required as frequently as monthly or quarterly. CITY agrees to fully cooperate in providing information or documents as requested by the COUNTY pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

CITY may also be required to register in the Central Contractor Registration (CCR) database at <http://www.ccr.gov> and may be required to have its subcontractors also register in the same database. Contractor must contact the County with any questions regarding registration requirements.

In addition to the requirements described in "Use of ARRA Funds and Requirements," proper accounting and reporting of ARRA expenditures in single audits is required. Contractor agrees to separately identify the expenditures for each grant award funded under ARRA on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by the Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations." This identification on the SEFA and SF-SAC shall include the Federal award number, the Catalog of Federal Domestic Assistance (CFDA) number, and amount such that separate accountability and disclosure is provided for ARRA funds by Federal award number consistent with the recipient reports required by ARRA Section 1512 (c).

In addition, CITY agrees to separately identify to each subcontractor and document at the time of sub-contract and at the time of disbursement of funds, the Federal award number, any special CFDA number assigned for ARRA purposes, and amount of ARRA funds.

CITY may be required to provide detailed information regarding expenditures so that the County may fulfill any reporting requirements under ARRA described in this section. The information may be required as frequently as monthly or quarterly. Contractor agrees to fully cooperate in providing information or documents as requested by the County

pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

**XXV. CONCLUSION**

This Contract, consisting of seven (7) pages is the full and complete document describing services to be rendered by CITY to COUNTY including all covenants, conditions and benefits.

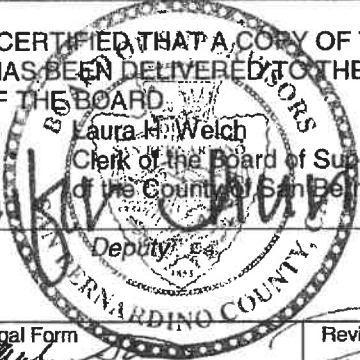
The signatures of the parties affixed to this Contract affirm that they are duly authorized to commit and bind their respective institutions to the terms and conditions set forth in this document.

COUNTY OF SAN BERNARDINO

*Gary C. Ovitt*  
\_\_\_\_\_  
▶ Gary C. Ovitt, Chairman Board of Supervisors

Dated: **AUG 24 2010**

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD.



By *Jann K. Welch*  
\_\_\_\_\_  
Laura H. Welch  
Clerk of the Board of Supervisors  
of the County of San Bernardino  
Deputy

City of Grand Terrace

(Print or type name of corporation, company, contractor, etc.)

By *Betsy M. Adams*  
\_\_\_\_\_  
▶ (Authorized signature - sign in blue ink)

Name Betsy M. Adams  
(Print or type name of person signing contract)

Title City Manager

Dated: 8-24-10 (Print or Type)

Address 22795 Barton Rd

Grand Terrace, CA 92313

Approved as to Legal Form  
*S. Mark Strain*  
\_\_\_\_\_  
▶ S. Mark Strain, Deputy County Counsel  
Date 8-13-10

Reviewed by Contract Compliance  
*Patty Davis*  
\_\_\_\_\_  
▶ Patty Davis, Administrative Supervisor  
Date 8-12-10

Presented to BOS for Signature  
*Dena M. Smith*  
\_\_\_\_\_  
▶ Dena M. Smith, Director  
Date 8/13/10



**Contract Number**

10-806 A-1

**SAP Number**

## San Bernardino County Fire Protection District

<b>Department Contract Representative</b>	<u>Monica Ronchetti</u>
<b>Telephone Number</b>	<u>909-386-8418</u>
<b>Contractor</b>	<u>City of Grand Terrace</u>
<b>Contractor Representative</b>	<u>Konrad Bolowich</u>
<b>Telephone Number</b>	<u>909 954 5175</u>
<b>Contract Term</b>	<u>September 1, 2010, to June 30, 2031</u>
<b>Original Contract Amount</b>	<u>\$13,526 (Annual Amount)</u>
<b>Amendment Amount</b>	<u></u>
<b>Total Contract Amount</b>	<u>\$13,526 (Annual Amount)</u>
<b>Cost Center</b>	<u>1062022410</u>
<b>Grant Number (if applicable)</b>	<u></u>

**AGREEMENT BETWEEN  
SAN BERNARDINO COUNTY,  
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT,  
AND THE CITY OF GRAND TERRACE  
RELATED TO THE FIRE HAZARD ABATEMENT PROGRAM**

WHEREAS, on August 24, 2010 (Item No. 46), the Board of Supervisors for the County for the San Bernardino County, through its Land Use Services Department (County), approved Agreement No. 10-806 (Agreement) with the City of Grand Terrace (City) related to the Fire Hazard Abatement (FHA) Program; and

WHEREAS, San Bernardino County Fire Protection District (SBCFPD) and the County have entered into an agreement to authorize SBCFPD to assume administration of the FHA Program; and

WHEREAS, the County hereby assigns the FHA Agreement with City to SBCFPD, and upon assignment, all references to County in the Agreement shall be deemed to refer to SBCFPD; and

WHEREAS, City consents to the assignment of the Agreement to SBCFPD; and

WHEREAS, City and SBCFPD mutually desire to extend the term of the Agreement through June 30, 2031; and

NOW, THEREFORE, in consideration of the above, County, SBCFPD, and the City agree to amend the Agreement as follows:

1. Section XVI. of the Agreement is DELETED in its entirety and REPLACED with the following:

XVI. TERM AND TERMINATION

Unless this Agreement is terminated early, the term of this Agreement is from September 1, 2010, through June 30, 2031.

Notwithstanding the foregoing, either party may terminate this Agreement at any time upon 60 days prior written notice to the other party.

2. The address for the County in Section XVII. is DELETED and REPLACED with the following:

San Bernardino County Fire Protection District  
Attn: Fire Marshal  
598 S. Tippecanoe Avenue, 1st Floor  
San Bernardino, CA 92415

3. Novation. The County hereby novates and assigns to SBCFPD all of County's rights, title, interest and duties, liabilities, and obligations under the Agreement so as to substitute SBCFPD for County as a party to Agreement for all purposes as of the Effective Date of this amendment.

4. City hereby consents to the novation and assignment to SBCFPD.

5. The recital set forth above are true and correct and are incorporated into this Agreement by reference as though fully set forth herein.

6. This assignment of the Agreement to SBCFPD and extension of the Agreement term shall be effective as of August 5, 2026.

7. All other terms of the Agreement shall remain in full force and effect.

8. This agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same agreement. The parties shall be entitled to sign and transmit an electronic signature of this agreement (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed agreement upon request.

IN WITNESS WHEREOF, agreement has been executed and approved and is effective and operative as to each of the parties are herein provided.

**San Bernardino County Fire Protection District**

▶

Dawn Rowe, Chair, Board of Directors

Dated: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIR OF THE BOARD

Lynna Monell, Secretary

By \_\_\_\_\_  
Deputy

**City of Grand Terrace**

(Print or type name of corporation, company, contractor, etc.)

By ▶ \_\_\_\_\_  
(Authorized signature - sign in blue ink)

Name \_\_\_\_\_  
(Print or type name of person signing contract)

Title \_\_\_\_\_  
(Print or Type)

Dated: \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

**San Bernardino County**

▶

Dawn Rowe, Chair, Board of Supervisors

Dated: \_\_\_\_\_

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIR OF THE BOARD

Lynna Monell, Clerk

By \_\_\_\_\_

**FOR COUNTY USE ONLY**

Approved as to Legal Form

▶  
Aaron Gest, Deputy County Counsel

Date \_\_\_\_\_

Reviewed for Contract Compliance

▶ \_\_\_\_\_

Date \_\_\_\_\_

Reviewed/Approved by Department

▶ \_\_\_\_\_

Date \_\_\_\_\_



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Professional Services Agreement Amendment No. 2 Between the City of Grand Terrace and HDL Companies for Business License Auditing and Administration Services

PRESENTED BY: Christine Clayton, Finance Director

RECOMMENDATION: **APPROVE PROFESSIONAL SERVICES AGREEMENT AMENDMENT NO. 2 WITH HDL COMPANIES (HDL) FOR BUSINESS LICENSE AUDITING AND ADMINISTRATION SERVICES FOR A TERM OF 1 YEAR AND A MAXIMUM COST OF \$20,000.00; AND AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT SUBJECT TO CITY ATTORNEY APPROVAL AS TO FORM**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #1, Ensuring Our Fiscal Viability, by ensuring the City is receiving the business tax revenue to which it is entitled per City ordinance, while also exploring creative means to provide business license administrative services.

## **BACKGROUND:**

In an effort to ensure that all entities doing business with the City have obtained a business license and paid the proper amount of business tax, the Finance Department prepared a Request for Proposal (RFP) for Business License Auditing and Administration Services in October 2020.

These services are specialized in nature and require comprehensive data analysis of records obtained from State agencies, such as the State Board of Equalization and the Franchise Tax Board. In addition to performing an audit of the business license function, the RFP also requested proposals and pricing for ongoing administration services, to include processing of new applications, processing of annual renewals, and online filing and payment capability. These services were solicited in an effort to improve the City's efficiency and offer more convenient online processing and payment options for the City's businesses.

Following this evaluation process, staff selected HDL Companies as the company that would best meet the City's objectives for Business License Auditing and Administration Services as identified in the RFP. The City signed an agreement with HDL Companies with a 5-year term that was set to expire October 2025. Amendment No. 1 to this agreement was passed by City Council on May 13, 2025 to extend the term for (1) additional year.

## **DISCUSSION:**

It is City staff's assessment that HDL provides adequate service for the City due to their local location, customer service reputation, and the implementation of Compliance Management Services. The proposed agreement is structured for ongoing administration and discovery/audit services as well, which are expected to provide enhanced efficiency and customer service due to HDL's specialization

in this area. In particular, providing businesses with the ability to apply for a business license online, renew a business license online, and remit payment of the business tax online represents significant efficiencies for the City.

While a key objective of the Business License Audit and Administration Services is to ensure that all entities doing business with the City have a current business license and pay the correct amount of business tax, the compliance effort will be conducted in a manner to promote good relations with the City's businesses. City staff and HDL staff work cooperatively throughout the process to provide prompt and comprehensive responses to any questions or concerns coming from businesses.

Amendment No. 1 to the Professional Services Agreement for Business License Auditing and Administration Services extended the term of the contract for (1) additional year at the projected cost of \$15,000.00 per fiscal year. Since this is based on the original cost estimate made in 2020, additional appropriations are also required to account for rising costs of services.

Staff is recommending that City Council approve the Professional Services Agreement Amendment No. 2 with HDL Companies for Business License Auditing and Administrative Services for a term of one (1) year for a maximum cost of \$20,000.00.

**ENVIRONMENTAL IMPACT:**

N/A

**FISCAL IMPACT:**

The term of the proposed agreement is one (1) year and will have a total not to exceed the amount of \$20,000.00 over that period. This amount is budgeted accordingly and will be coded to account 10-140-250-000-000.

**AGREEMENT FOR CONTRACT SERVICES**

**By and Between**

**CITY OF GRAND TERRACE**

**and**

**HDL COMPANIES**

**AGREEMENT FOR CONTRACT SERVICES  
BY AND BETWEEN THE CITY OF GRAND TERRACE AND  
HDL COMPANIES**

This “AGREEMENT FOR CONTRACT SERVICES BY AND BETWEEN THE CITY OF GRAND TERRACE AND HDL COMPANIES” (herein “Agreement”) is made and entered into this 22nd day of April , 2020 by and between the City of Grand Terrace, a California municipal corporation (“City”) and HdL Companies, a California corporation (“Consultant”). City and Consultant are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties.”

**RECITALS**

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Consultant, following submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Grand Terrace Municipal Code, City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

**OPERATIVE PROVISIONS**

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

**ARTICLE 1. SERVICES OF CONSULTANT**

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest

professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

#### 1.2 Consultant’s Proposal.

The Scope of Service shall include the Consultant’s scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

#### 1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

#### 1.4 Licenses, Permits, Fees and Assessments.

Consultant shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant’s performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

#### 1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Consultant discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant’s risk until written instructions are received from the Contract Officer.

#### 1.6 Care of Work.

The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City’s own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual costs of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or, in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other consultants. No claims for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

**ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.**

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed Seventy Five Thousand Dollars (\$75,000) (the "Contract Sum"), unless additional compensation is approved pursuant to Section 1.8.

## 2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

## 2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

## 2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

## 2.5 Waiver.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

### **ARTICLE 3. PERFORMANCE SCHEDULE**

#### **3.1 Time of Essence.**

Time is of the essence in the performance of this Agreement.

#### **3.2 Schedule of Performance.**

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

#### **3.3 Force Majeure.**

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

#### **3.4 Term.**

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding five (5) years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

### **ARTICLE 4. COORDINATION OF WORK**

#### **4.1 Representatives and Personnel of Consultant.**

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Robert Gray  
(Name)

Chief Information Officer  
(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

#### 4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

#### 4.3 Contract Officer.

The Contract Officer shall be the City Manager or such person as may be designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

#### 4.4 Independent Contractor.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any

time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

#### 4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

### **ARTICLE 5. INSURANCE AND INDEMNIFICATION**

#### 5.1 Insurance Coverages.

The Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Consultant against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Consultant in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$1,000,000. Said policy shall include coverage for owned, non-owned, leased, hired cars and any automobile.

(d) Professional Liability. Professional liability insurance appropriate to the Consultant's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Consultant's services or the termination of this Agreement. During this additional 5-year period, Consultant shall annually and upon request of the City submit written evidence of this continuous coverage.

(e) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

(f) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit "B".

## 5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents may apply in excess of, and not contribute with Consultant's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. Moreover, the insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention.

All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer.

No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance, additional insured endorsement forms or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of and endorsements to all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

All certificates shall name the City as additional insured (providing the appropriate endorsement) and shall conform to the following "cancellation" notice:

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE  
CANCELLED BEFORE THE EXPIRATION DATED THEREOF,  
THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY

ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER  
NAMED HEREIN.

[to be initialed]

\_\_\_\_\_  
Consultant Initials

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Consultant performs; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or any automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Consultant agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Consultant may be held responsible for the payment of damages to any persons or property resulting from the Consultant's activities or the activities of any person or persons for which the Consultant is otherwise responsible nor shall it limit the Consultant's indemnification liabilities as provided in Section 5.3.

In the event the Consultant subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"), or arising from Consultant's or indemnitors' reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorney's fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorney's fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

#### 5.4 Sufficiency of Insurer.

Insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City ("Risk Manager") due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the risk manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Consultant agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the Risk Manager.

## **ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION**

### **6.1 Records.**

Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the “books and records”), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant’s business, custody of the books and records may be given to City, and access shall be provided by Consultant’s successor in interest. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

### **6.2 Reports.**

Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

### **6.3 Ownership of Documents.**

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the “documents and materials”), including any electronic documents and materials, prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City in a format of the City’s choice upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City’s sole risk and without liability to Consultant, and Consultant’s guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant

shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as “works made for hire” as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed “works made for hire” for the City.

#### 6.4 Confidentiality and Release of Information.

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

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Consultant’s conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

### **ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION**

#### 7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of San Bernardino, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District

Court, venue shall lie exclusively in the Central District of California, in the County of San Bernardino, State of California.

#### 7.2 Disputes; Default.

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

#### 7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

#### 7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

#### 7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party

of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

#### 7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et. seq. and 910 et. seq., in order to pursue a legal action under this Agreement.

#### 7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon written notice to Consultant. In addition, the Consultant may terminate this Contract for cause, upon sixty (60) days' advance written notice to City. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

#### 7.8 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

#### 7.9 Attorney's Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs

the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

## **ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION**

### **8.1 Non-liability of City Officers and Employees.**

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

### **8.2 Conflict of Interest.**

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

### **8.3 Covenant Against Discrimination.**

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

### **8.4 Unauthorized Aliens.**

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

## ARTICLE 9. MISCELLANEOUS PROVISIONS

### 9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of Grand Terrace, 22795 Barton Rd, Grand Terrace, CA 92313, and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

### 9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

### 9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

### 9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

### 9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5.

Nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation, including but not limited to the Political Reform Act (Government Code Sections 81000, *et seq.*)

Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant's Authorized Initials RAW

9.7 Corporate Authority.

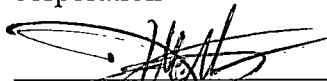
The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

**[SIGNATURES ON FOLLOWING PAGE]**

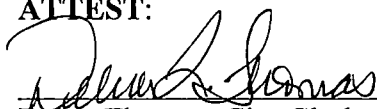
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

**CITY:**


City of Grand Terrace, a municipal corporation

  
\_\_\_\_\_  
Darcy McNaboe, Mayor

**ATTEST:**


  
\_\_\_\_\_  
Debra Thomas, City Clerk

**APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP**

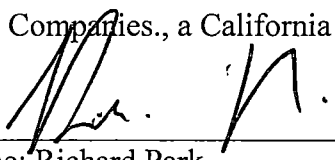
  
\_\_\_\_\_  
Adrian R. Guerra, City Attorney

**CONSULTANT:**

HdL Companies., a California corporation

By:   
\_\_\_\_\_  
Name: Andrew Nickerson  
Title: President/CEO

HdL Companies., a California corporation

By:   
\_\_\_\_\_  
Name: Richard Park  
Title: Chief Financial Officer

Address: 120 S. State College Blvd., Ste 200  
Brea, CA 92821

Phone: 714-879-5000

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 2020 before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

*See attached page*

**OPTIONAL**

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

**CAPACITY CLAIMED BY SIGNER**

**DESCRIPTION OF ATTACHED DOCUMENT**

- INDIVIDUAL
- CORPORATE OFFICER  
\_\_\_\_\_  
TITLE(S)
- PARTNER(S)       LIMITED  
                                  GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
TITLE OR TYPE OF DOCUMENT

\_\_\_\_\_  
NUMBER OF PAGES

\_\_\_\_\_  
DATE OF DOCUMENT

**SIGNER IS REPRESENTING:**  
(NAME OF PERSON(S) OR ENTITY(IES))

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
SIGNER(S) OTHER THAN NAMED ABOVE

# ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Orange

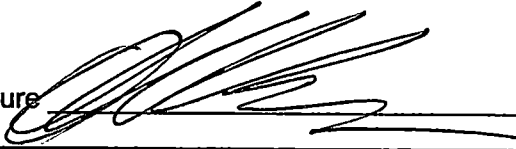
On April 23, 2020 before me, M.R. Shaw, Notary Public  
(insert name and title of the officer)

personally appeared Andrew Nickerson & Richard Park  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

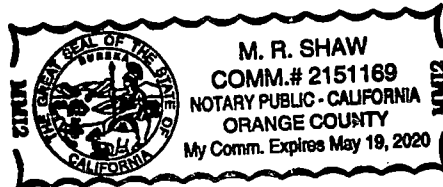
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)



**EXHIBIT "A"**  
**SCOPE OF SERVICES**

**I. Objectives and Methods:**

The Services performed by Consultant shall include the following:

- A. Tax Administration.** Consultant will provide the City with a complete turn-key Tax Administration program related to the City's business license processing, renewals, collections, and on-going monitoring and administration of the business license tax pursuant the Grand Terrace Municipal Code . The service will be performed utilizing Consultant's internal programs and processes for compliance and revenue collection. Consultant will transfer the City's existing databases as they relate to business license tax into Consultant's internal administration tools. Consultant will maintain the data and provide access to or copies of data or reports at the City's request. While access to online systems will be available for the City to use at its discretion, the City will not be required to use or maintain any software in house for managing the business license registry.

The following are processes and procedures that Consultant will perform for the City on a turn-key Tax Administration approach:

1. On-line Application: Consultant will provide a link for the City's website that will enable all businesses to apply for, or renewing, a business license and pay such businesses' business tax on-line through Consultant's software application.
2. Renewal Processing: Consultant will send active business license accounts a renewal notice within 45 days of the renewal period ending. Consultant will send individualized tax forms to all known active business license accounts. Consultant will ensure that all active business license accounts receive all applicable forms necessary to complete the renewal process. Consultant will process any renewal applications and forms submitted by active business license accounts in a timely fashion.
3. New Account Processing: Consultant will process any new business license applications and complete the new account registration process in a timely fashion. Consultant will also facilitate intra-city departmental approvals such as zoning, code compliance, fire inspection, and other regulatory related functions.
4. Delinquent Account Processing: Consultant will endeavor to collect delinquent accounts through a series of City approved processing methods. This will include a minimum of two follow up delinquent notices and up to two telephone calls. Delinquent accounts will be collected with full penalties as allowed by the Grand Terrace Municipal Code or through current City practices. Accounts that remain delinquent will be processed through the City approved processes established in Consultant's collections component of the Compliance Management Program.

5. On-line Filing & Payment Processing: Consultant will register a City approved internet domain name which will serve as the starting point for all on-line Services under this Agreement. This City specific site will be designed to look and feel like the City's own web pages and ensures a level of continuity between the business community, the City, and Consultant. Taxpayer businesses can choose to file their new business registration as well as renew their license and make payments via Consultant's on-line filing portal. In addition to filing and paying for taxes, businesses can obtain copies of applications, general support and FAQs, schedule appointments and request copies of their tax registration.
6. Payment Posting/Processing: Consultant will process all payments received in an expedited manner. Taxpayer business accounts are posted with payment information captured in the Consultant's revenue system. Additional information such as net sales, deductions, credit sales, measure of tax, name change, and address change are captured and added to payment data and taxpayer business master file (as determined necessary by Consultant). Late payments are invoiced at penalty amounts as required by City's ordinances. Under-payments are invoiced for remaining tax due plus any required penalties.

License accounts will be updated daily with payment information and revenues to be disbursed to the City net applicable fees for the tax administration services at an interval to be agreed to during the project planning phase. Disbursements typically occur monthly but can be remitted as often as weekly depending on volumes and City needs. Consultant's payment acceptance process will accept the following payment types:

- a. Check / Money Order / Cashier's Check
  - b. E-Check
  - c. Debit Cards
  - d. Credit Cards (Visa, Mastercard, Discover, & American Express)
  - e. Check by Phone
7. Customer Service/Business Support Center: Consultant will provide taxpayer businesses with multiple support options for registering, applying, renewing, making payments and for general inquiries. A toll-free number will be provided to taxpayer businesses in order to access Consultant's license specialists Monday-Friday 8:00am to 5:00pm Pacific Standard Time. Taxpayer businesses will have access to support via, e-mail, fax, and via the Business Support Center On-Line. Consultant will continuously monitor quality control points to ensure courteous customer service, minimal hold times under 2 minutes, and the return of voice messages the same business day.

## **B. Compliance Management.**

1. Establish Enriched Data Portfolio/Lead Identification: Utilizing data provided by the City, as well as the Consultant Enriched Data Portfolio (EDP), Consultant will build an enhanced listing of entities subjected to licensure or taxation pursuant to the Grand

Terrace Municipal Code, including, but not limited to, those businesses physically located in the City, itinerant businesses, and entities participating in the sharing economy such as short-term rentals (STRs), drive sharing services and others. These entities are electronically matched to the existing files of the City using advanced data matching algorithms, allowing Consultant staff to identify which entities are compliant and which entities require follow up.

2. Field Surveys: Consultants' field crews, equipped with the most advanced tools available (mobile mapping/GPS systems, tablet computers pre-loaded with various City and statewide databases, etc.) will canvass commercial areas of the City to develop and enhance the leads identified in the EDP. These Field Surveys will provide additional inventories of active businesses as well as to provide on-site verifications of data culled from other sources.
3. Exception Resolution: Consultant's staff will review the City's business license records and filter out records that may lead to erroneous contacts. This will allow for the discovery of additional revenues not otherwise identifiable through electronic means and assists in reducing potential complaints levied at City staff from pursuit of false positives.
4. Compliance Communication and Outreach: Upon exception resolution, Consultant staff will initiate contact with taxpayer businesses subject to Title 7 of the Grand Terrace Municipal Code through a series of City approved communication methods. Consultant will make every effort to simplify the process for taxpayer businesses and utilizes a variety of mediums for communication including mail, telephone, email and web-site access. Potential non-compliant taxpayer businesses will be notified of their options to comply or dispute their non-compliant status. Initial notification packets will include what is needed to become compliant with multiple methods of resolving their accounts.
5. Business Support Center: Consultant will provide a business support and service center where the business community can access Consultants' specialists during normal business hours. Businesses calling will experience minimal hold times under 2 minutes along with access to a variety of options which include filing support, payment options, resolution of specific tax issues and other services designed to reduce the burden of registering and filing taxes.
6. Business Support Center-Online: Businesses will have access to and be encouraged to take advantage of the range of services available on-line, 24 hours a day, seven days a week. Consultant's on-line Business Support Center will enable businesses to choose to file their new business registration as well as make payments via Consultant's on-line filing portal. In addition to filing and paying for taxes, businesses can obtain copies of applications, general support and FAQs, schedule appointments and request copies of their tax registration.
7. Document Submission/Processing: Whether the taxpayer business chooses to respond by mail, email or our online filing website, Consultant will review each application submission for completion and accuracy prior to processing. Consultant

will request from the taxpayer business any additional documentation needed to complete the approval of an application, such as a home occupation permit, or will forward an application to other City departments either as a pre-requisite or as a courtesy to the business. All submissions are filed and stored electronically and made available to the City via standard reporting processes or upon request.

8. Invoicing: Once an application is approved, Consultant will forward invoices to the taxpayer business indicating detailed tax calculations and balances owed. Taxpayer business businesses are provided the opportunity to pay their balances via mail, online, or over the phone services. Taxpayer business businesses will also have continued access to Consultant's Business Support Center for any questions or disputes arising from the invoice process.
9. Registry Update: Upon collection of all requirements which may include payments, application and/or other documentation, Consultant will prepare a Registry Update package to include payment as well as copies of all taxpayer business correspondence and other relevant information. Data in the City registry file stored in the Consultant Prime Software Suite is updated daily with packages from the Compliance Management Services. Once completed, the business will be processed through the standard processes approved through the Consultant Operations Management Component.

### **C. Audits.**

1. Analysis & Selection: Audit candidates are selected using a variety of selection methodologies developed by Consultants' audit team. Preliminary analysis reports on each taxpayer business selected are shared with the City prior to moving through the audit phases.
2. Audit Notification & Scheduling: Taxpayer businesses selected by Consultant and approved by the City will be sent a letter notifying them of a scheduled Compliance Analysis Audit. Every effort is made to promote a positive experience for the taxpayer business. Consultant will provide a detailed description of the requirements and relevant documentation required for the audit to the taxpayer business at least two (2) weeks in advance of the proposed audit date. If the taxpayer business is unable meet the audit date selected by the City, Consultant will take all efforts to reschedule the audit to a more accommodating date. Taxpayer businesses are also afforded the opportunity to schedule flexible appointment times by contacting the Business Support Center or visiting Consultants' online support center.
3. Compliance Analysis & Audit: The Consultant audit team will audit the financial records of the taxpayer business to determine compliance with business tax regulations under the Grand Terrace Municipal Code. Consultant will validate taxing variables such as gross receipts and other relevant information for determining compliance. In addition to identifying underreporting issues, the Consultant Audit Program will also focus on other compliance related issues such as assuring correct

classifications, multiple location allocation, apportionment issues, and identifying business to business relationships that may create tax liability for 3rd parties.

4. Audit & Compliance Report: Upon completion of the audit and analysis, and prior to additional actions, Consultant will generate a compliance report and provide the report to the City. The report will indicate specific results of the review and recommended future actions. Documentation that substantiates the findings in the report will be included with the report to assist the City and Consultant in determining next step of the process.
5. Deficiency and Commendation Notification: Upon final review of the audit and analysis report, taxpayer businesses that are found to have deficiencies will be notified of the findings as well as the payment and appeal processes. Consultant will also work with taxpayer businesses found to be deficient to explain the current findings and educate taxpayer businesses on proper future filing procedures so as to prevent future errors and deficiencies. Consultant will send taxpayer businesses found to be in compliance a commendation letter thanking them for their compliance.
6. Invoicing & Collections: Consultant will invoice a taxpayer business found to be underreporting through the standard City approved collections process. Balances will be collected and remitted along with supporting documentation to the City through the approved remittance processes.

D. Network Uptime.

1. All on-line Services provided by Consultant shall have an uptime of at least 99%. Consultant shall notify the City in writing of any network outage affecting Consultant's ability to provide on-line Services within 24 hours of any such outage.
2. Consultant shall work to promptly restore any Services affected by a network outage and shall provide City with regular updates on the status of such restoration and as may be requested by City.
3. Consultant shall cooperate with City during network outages to ensure that members of the public are informed of such outage.

## II. Deliverables

### A. Consultant shall provide the City with audit progress reports to include the following:

1. Status of work in progress, including copies of reports provided to taxpayer businesses/intermediaries addressing each reporting error/omission individually, including where applicable the business name, address, telephone number, account identification number, individuals contacted, date(s) of contact, nature of business, reason(s) for error/omission and recommended corrective procedure;
2. Actual revenue produced for the City by Consultant's service on a monthly and

cumulative basis;

3. Projected revenue forthcoming to the City as a result of Consultant's audit service, specified according to source, timing, and one-time versus ongoing; and
4. Alphabetical listing of all errors/omissions detected for the City by Consultant, including the account number, correction status, payment amount received by the City, period to which payment is related and payment type (e.g., reallocation, deficiency assessment) for each one.
5. Another reports that the City may request from time to time.

**B. Commencement of Services.**

Consultant will commence project planning within 10 days of full execution of this Agreement. After the work plan is developed Consultant will begin providing the Discovery, Audit and Tax Administration services described above. Consultant's obligation to provide services is contingent on the City providing the necessary information and cooperation.

### **III. City Obligations**

#### **The City agrees to:**

1. Provide an electronic copy of the City's License Registration File and License Payment History file to Consultant, together with any other information available to the City for Consultant to compute Consultant's billing for services, in electronic format, to Consultant during the term of the Agreement and thereafter for so long as Consultant's right to invoice for services rendered continues;
2. Use reasonable and diligent efforts to collect, or to assist Consultant in the collection of, deficiencies identified by Consultant pursuant to this Agreement. For accounts that remain uncollected after Consultant has exhausted its efforts to collect through the standard process, Consultant and the City may mutually agree to special procedures that will make further attempts to collect amounts still outstanding. Typically, these processes will be implemented by Consultant; and
3. Notify Consultant within 10 days following receipt by the City of payments, if there is any, resulting from deficiencies identified by Consultant. Because Consultant's Audit Services may result in collection of deficiencies after termination of the Agreement, the City's obligation to collect fees and notify Consultant, and Consultant's right to continue to receive contingency fees, shall survive termination of the Agreement for any reason.

**EXHIBIT “B”**  
**SPECIAL REQUIREMENTS**  
**(Superseding Contract Boilerplate)**

I. Section 1.10 is added to the Agreement as follows:

1.10 Intellectual Property.

- a. Consultant represents and warrants that it owns, maintains, and has obtained the rights to all intellectually property rights necessary for Consultant to provide Services under this Agreement. In the event that any party alleges that Consultant’s Services infringe upon such party’s intellectual property, Consultant shall indemnify, defend, and hold harmless the City, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with any allegation of intellectual property infringement.
- b. Further, in the event that any party alleges that Consultant’s Services under this Agreement have infringed upon any intellectual property, the City may take any of the following actions: (i) require Consultant, at its sole cost, to obtain the necessary intellectual property rights in order to provide Services under this Agreement; (ii) require Consultant, at its sole cost, to provide City with the Services using an alternative intellectual property that is unaffected by the claim of intellectual property infringement; (iii) obtain the Services from another consultant/contractor and, in such event, require Consultant to pay for any increased costs; or (iv) terminate this Agreement. The obligations imposed by this Section shall survive any expiration or termination of this Agreement and are in addition to any other obligation under this Agreement to indemnify, defend, hold harmless, or release from liability the City.

II. Section 4.6 is added to the Agreement as follows:

4.6 Cooperative Purchasing.

- a. The parties intend that any other public agency shall have an option to procure identical services as set forth in this Agreement. As used in this Section, “public agency” means any city, county, district, public authority, public agency, municipality, or other political subdivision of the State of California located in the State of California. Consultant may offer this Agreement as a template for cooperative or piggybacking purchasing agreements with other public agencies. The City shall have no responsibility, liability, or obligations, financial or otherwise, in connection with orders for services issued by any other public agency

pursuant to this Section. Consultant shall be fully responsible to provide such services to such public agency. The participating public agency shall accept responsibility for securing services or making payments to the vendor.

- b. To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, public agency, firm or entity arising out of or in connection with this Section. The indemnification, defense, and hold harmless obligations imposed by this Section shall survive any expiration or termination of this Agreement and are in addition to any other obligation under this Agreement to indemnify, defend, and hold harmless the City.

III. Section 6.5 is added to the Agreement as follows:

6.5 Proprietary Information of Consultant.

- a. As used in this Section, the term “proprietary information” means any information that relates to Consultant’s computer or data processing programs; data processing applications, routines, subroutines, techniques or systems; or business processes. City shall hold in confidence and shall not disclose to any other party any of Consultant’s proprietary information in connection with this Agreement, or otherwise learned or obtained by City in connection with this Agreement, unless disclosure is required under federal or state law, including without limitation the Freedom of Information Act or the Public Records Request Act (“Disclosure Laws”).
- b. To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with any disclosure by the City pursuant to the Disclosure Laws. Further, Consultant hereby releases the City from any liability to Consultant for any disclosures made by City pursuant to the Disclosure Laws and hereby waives any claims that Consultant may have against City relating to any disclosures made by City pursuant to the Disclosure Laws.
- c. Consultant shall retain ownership and rights to all proprietary information. The obligations imposed by this Section shall survive any expiration or termination of this Agreement and are in addition to any other obligation under this Agreement to indemnify, defend, hold harmless, or release from liability the City.

**EXHIBIT "C"**  
**SCHEDULE OF COMPENSATION**

**I. Tax Administration**

Consultant's compensation for providing the Tax Administration Services shall be:

- A \$15.00 per license payment processed.

Included in the above compensation for Tax Administration Services are:

1. Printing and Mailing costs (for notifications, license issuance, etc.);
2. Ongoing database management and back-up (taxpayer business information);
3. Forms processing and funds disbursement; and
4. Development and support of an on-line business license filing and payment application.

Cost for sending the original license/application to the City:

Consultant archives all original licenses/applications. If the City requests a copy of the original license/application, Consultant will send the copy to the City via e-mail.

**II. Discovery Services**

Consultant's compensation for providing Discovery Services shall be a contingency fee of 35% of the recovered revenue received by the City from the services. The service must be concurrent and as part of the business license administration services. The 35% shall apply to the current tax year, all eligible prior period revenues received and any applicable penalties, interest and late charges. The contingency fee only applies to revenue actually received by the City. The term "current tax year" shall mean the most recent tax year for which local taxes are due and payable to the City, and in which Consultant has identified deficiencies.

**III. Audit Services**

Consultant's compensation for the Audit Service shall be a contingency fee of 35% of the revenue received by the City as a result of deficiencies identified in the review and shall include any eligible prior period revenues together with all applicable penalties, interest and late charges. The City agrees to use reasonable and diligent efforts to collect deficiencies identified by Consultant except when the cost of recovery exceeds the deficiency in the sole discretion of the City.

**IV. Consultant's annual compensation under this Agreement shall not exceed \$15,000 and Consultant's total compensation under this Agreement shall not exceed \$75,000 as provided in Section 2.1.**

**EXHIBIT "D"**  
**SCHEDULE OF PERFORMANCE**

- I. Consultant shall commence the Services, as described in Exhibit "A," within 7 days of the City's issuance of a notice to proceed, provided that the notice of proceed shall not be issued until the City has received a evidence of Consultant's City business license, certificates of insurance evidencing insurance required by this Agreement, and any other documentation required by the City prior to commencement of the Services under this Agreement. Consultant shall perform all Services timely in accordance with the schedule to be developed by Consultant and subject to the written approval of the Contract Officer.**
- II. Consultant shall complete all Services under this Agreement by April 1, 2025.**
- III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.**

**AMENDMENT NO. 1  
TO AGREEMENT FOR CONTRACT SERVICES  
BETWEEN THE CITY OF GRAND TERRACE AND  
HDL COMPANIES**

This AMENDMENT NO. 1 TO AGREEMENT FOR CONTRACT SERVICES BETWEEN THE CITY OF GRAND TERRACE AND HDL COMPANIES (“Amendment No. 1”) by and between the City of Grand Terrace, a California municipal corporation (“City”), and HdL Companies, a California corporation (“Consultant”) is effective as of the 13th day of May 2025.

**RECITALS**

A. On April 22, 2020, the City and Consultant entered into an Agreement for Contract Services (“Agreement”) for Consultant to provide tax administration services to the City, as more specified in Exhibit “A” to the Agreement, for a term of five (5) years and a total contract sum not to exceed \$75,000.00. The Agreement allows for extensions for the time of performance by the Contract Officer, subject to certain limitations.

B. By this Amendment No. 1, the parties now desire to amend the existing Agreement to extend the term of the Agreement an additional one (1) year, account for a change in cost to services, and increase the total contract sum by \$15,000.00 for the term extension to a total contract sum not to exceed \$90,000.00.

C. Except as amended hereby, this amendment is subject to the same terms and conditions as provided in the Agreement.

**TERMS**

**1. Contract Amendments.** The Agreement is amended as provided herein:

**1.1** Section 2.1 (Contract Sum) is hereby amended in its entirety and shall now read as follows:

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed Ninety Thousand Dollars and Zero Cents (\$90,000.00) (the “Contract Sum”), unless additional compensation is approved pursuant to Section 1.8.

**1.2** Section 3.4 (Term) is hereby amended in its entirety and shall now read as follows:

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services and shall expire on June 30, 2026 from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit “D”).

**1.3** Exhibit “C” (Schedule of Compensation) is hereby amended and replaced in its entirety with Exhibit “C”, attached hereto.

**1.4** Section II of Exhibit “D” (Schedule of Performance”) is hereby amended in its entirety and shall now read as follows:

“Consultant shall complete all Services under this Agreement by June 30, 2026.”

**2. Continuing Effect of Agreement.** Except as amended by this Amendment No. 1, all provisions of the Agreement, as amended by Amendment No. 1, shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by Amendment No. 1.

**3. Affirmation of Agreement; Warranty Re Absence of Defaults.** City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment No. 1, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment No. 1, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

**4. Adequate Consideration.** The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 1.

**5. Authority.** The persons executing this Amendment No. 1 on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment No. 1 on behalf of said party, (iii) by so executing this Amendment No. 1, such party is formally bound to the provisions of the Agreement, as amended and (iv) the entering into this Amendment No. 1 does not violate any provision of any other agreement to which said party is bound.

**[SIGNATURES ON FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment No. 1 on the date and year first-above written.

**CITY:**

City of Grand Terrace, a municipal corporation

\_\_\_\_\_  
Bill Hussey, Mayor

**ATTEST:**

\_\_\_\_\_  
Daysi Alcocer, City Clerk

**APPROVED AS TO FORM:**  
ALESHIRE & WYNDER, LLP

\_\_\_\_\_  
Adrian R. Guerra, City Attorney

**CONSULTANT:**

HdL Companies, a California corporation

By: \_\_\_\_\_

Name: Andrew Nickerson  
Title: President/CEO

By: \_\_\_\_\_

Name: Richard Park  
Title: Chief Financial Officer

**Two corporate officer signatures required when Consultant is a corporation, with one signature from each of the following groups: 1) Chairman of the Board, president or any Vice President; and 2) Secretary. Any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT SIGNATURES SHALL BE DULY NOTORIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT’S BUSINESS ENTITY.**

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

On \_\_\_\_\_, 2025 before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

**OPTIONAL**

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

**CAPACITY CLAIMED BY SIGNER**

**DESCRIPTION OF ATTACHED DOCUMENT**

- INDIVIDUAL
- CORPORATE OFFICER
- \_\_\_\_\_ TITLE(S)
- PARTNER(S)  LIMITED
- GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER \_\_\_\_\_

\_\_\_\_\_ TITLE OR TYPE OF DOCUMENT

\_\_\_\_\_ NUMBER OF PAGES

\_\_\_\_\_ DATE OF DOCUMENT

**SIGNER IS REPRESENTING:**  
(NAME OF PERSON(S) OR ENTITY(IES))

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ SIGNER(S) OTHER THAN NAMED ABOVE

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

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- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER \_\_\_\_\_

\_\_\_\_\_ TITLE OR TYPE OF DOCUMENT

\_\_\_\_\_ NUMBER OF PAGES

\_\_\_\_\_ DATE OF DOCUMENT

**SIGNER IS REPRESENTING:**  
(NAME OF PERSON(S) OR ENTITY(IES))

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ SIGNER(S) OTHER THAN NAMED ABOVE

**EXHIBIT "C"**  
**SCHEDULE OF COMPENSATION**

**Tax Administration**

Consultant's compensation for providing the Tax Administration Services shall be:

A \$18.00 per license payment processed.

Included in the above compensation for Tax Administration Services are:  
Printing and Mailing costs (for notifications, license issuance, etc.);  
Ongoing database management and back-up (taxpayer business information);  
Forms processing and funds disbursement; and  
Development and support of an online business license filing and payment application.

Cost for sending the original license/application to the City:

Consultant archives all original licenses/applications. If the City requests a copy of the original license/application, Consultant will send the copy to the City via e-mail.

**Discovery Services**

Consultant's compensation for providing Discovery Services shall be a contingency fee of 35% of the recovered revenue received by the City from the services. The service must be concurrent and as part of the business license administration services. The 35% shall apply to the current tax year, all eligible prior period revenues received and any applicable penalties, interest and late charges. The contingency fee only applies to revenue actually received by the City. The term "current tax year" shall mean the most recent tax year for which local taxes are due and payable to the City, and in which Consultant has identified deficiencies.

**Audit Services**

Consultant's compensation for the Audit Service shall be a contingency fee of 35% of the revenue received by the City as a result of deficiencies identified in the review and shall include any eligible prior period revenues together with all applicable penalties, interest and late charges. The City agrees to use reasonable and diligent efforts to collect deficiencies identified by Consultant except when the cost of recovery exceeds the deficiency in the sole discretion of the City.

**Consultant's annual compensation under this Agreement shall not exceed \$15,000.00 per fiscal year.**

## AMENDMENT NO. 2

### TO CONTRACT SERVICES AGREEMENT

This **AMENDMENT NO. 2 TO THE CONTRACT SERVICES AGREEMENT** (“Amendment”) is made by and between the **CITY OF GRAND TERRACE**, a California municipal corporation (“City”), and **HINDERLITER, DE LLAMAS & ASSOCIATES**, a California corporation (“Consultant”), is effective as of the 9th day of June 2026. City and Consultant are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as “Parties”.

### RECITALS

**A.** City and Consultant entered into that certain Agreement for Contract Services, dated April 22, 2020 (“Agreement”), whereby Consultant agreed to provide Tax Administration Services with a total compensation (“Contract Sum”) of Seventy-Five Thousand Dollars (\$75,000) and for a term of five (5) years.

**B.** City and Consultant amended the Agreement (“Amendment No. 1”) to extend the term of the Agreement by one (1) year, and increase the Contract Sum from Seventy-Five Thousand Dollars (\$75,000) per year to Ninety Thousand Dollars (\$90,000).

**C.** City and Consultant now desire to further amend the Agreement (“Amendment No. 2”) to extend the term of the Agreement by one (1) additional year, and increase the total not-to-exceed amount by Twenty Thousand Dollars (\$20,000), from Ninety Thousand Dollars (\$90,000) to One Hundred Ten Thousand Dollars (\$110,000), as the City has reached the Fifteen Thousand Dollar (\$15,000) increase in the Contract Sum.

### TERMS

**1. Contract Changes.** The Agreement is amended as provided herein. Deleted text is indicated in ~~strikethrough~~ and added text in ***bold italics***.

a. **Section 2.1 (Contract Sum)** is hereby amended as follows:

“Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed ***One Hundred Ten Thousand Dollars (\$110,000)*** ~~Ninety Thousand Dollars and Zero Cents (\$90,000.00)~~ (the “Contract Sum”), unless additional compensation is approved pursuant to Section 1.8.”

b. **Section 3.4 (Term)** is hereby amended as follows:

“Unless earlier terminated in accordance with Section 7 of this Agreement, this

Agreement shall continue in full force and effect until completion of the services and shall expire on ~~June 30, 2026~~ **June 30, 2027** from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit “D”).

c. **Exhibit “C” (Schedule of Compensation)** is hereby amended and replaced in its entirety with Exhibit “C”, as attached hereto.

d. **Section II of Exhibit “D” (Schedule of Performance)** is hereby amended as follows:

“Consultant shall complete all services under this Agreement by ~~June 30, 2026~~ **June 30, 2027.**”

**2. Continuing Effect of Agreement.** Except as amended by this Amendment, the provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by this Amendment to the Agreement.

**3. Affirmation of Agreement; Warranty Re Absence of Defaults.** City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

**4. Adequate Consideration.** The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

**5. Authority.** The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment on behalf of said party, (iii) by so executing this Amendment, such party is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other Agreement to which said party is bound.

**6. Counterparts and Electronic Signatures.** This Agreement may be executed in two or more counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument. The words “execution,” “signed,” “signature,” and words of like import in this Agreement or in any other certificate, agreement or document related to this Agreement, shall include images of manually executed signatures transmitted by facsimile or other electronic format (including, without limitation, “pdf”, “tif” or “jpg”) and other electronic signatures in accordance with California Code of Regulations Title 2 Section 22003 (including, without limitation, DocuSign and AdobeSign). The use of electronic signatures and electronic records (including, without limitation, any contract or other record created, generated, sent, communicated, received, or stored by electronic means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the California Uniform Electronic Transactions Act and any other applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act or the Uniform Commercial Code.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment on the date and year first-above written.

**CITY:**  
CITY OF GRAND TERRACE, a municipal corporation

By:

\_\_\_\_\_  
Konrad Bolowich  
City Manager

**APPROVED AS TO FORM:**  
ALESHIRE & WYNDER, LLP

By:

\_\_\_\_\_  
Adrian Guerra  
City Attorney

**ATTEST:**

By:

\_\_\_\_\_  
Daysi Alcocer  
City Clerk

**CONSULTANT:**  
HINDERLITER, DE LLAMAS & ASSOCIATES, a  
California corporation

By:

\_\_\_\_\_  
Name: Andrew Nickerson  
Title: President/CEO  
Email Address:

By:

\_\_\_\_\_  
Name: Richard Park  
Title: Chief Financial Officer  
Email Address:  
Address: 120 S. State Blvd. Suite 200  
Brea, CA 92821

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED UNLESS EXECUTED UTILIZING DIGITAL SIGNATURE IN ACCORDANCE WITH CALIFORNIA CODE OF REGULATIONS TITLE 2 SECTION 22003.



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Commitment of Fund Balance for Fiscal Year 2025-2026 in Accordance with Governmental Accounting Standards Board Statement No. 54 and City Reserves Policy No. 3.06

PRESENTED BY: Christine Clayton, Finance Director

RECOMMENDATION: **ADOPT A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, COMMITTING FUND BALANCE FOR FISCAL YEAR 2025-26 IN ACCORDANCE WITH GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT 54 AND CITY RESERVES POLICY NO. 3.06**

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## **2030 VISION STATEMENT:**

This staff report supports City Council Goal #1, “Ensuring Our Fiscal Viability,” through the continuous monitoring of revenue receipts and expenditure disbursements against approved budget appropriations and providing City Council scheduled updates on the City’s fiscal condition.

## **BACKGROUND:**

In February 2009, the Governmental Accounting Standards Board (GASB) issued Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Statement 54 is designed to modify fund balance reporting in governmental funds with the intention to improve financial reporting by providing fund balance categories and classifications that will be more easily understood by the users of our annual financial statements.

Fund balance refers to the difference between assets (what the City owns) and liabilities (what the City owes) in the governmental balance sheet. Users of governmental financial statements examine fund balance information to identify the available resources of the governmental entity. Statement 54 sets criteria for fund balance reporting that more clearly defines categories of fund balance. With more concisely defined categories, the nature and extent of the constraints placed on a government’s fund balance are clearer and more transparent.

## **DISCUSSION:**

### FUND BALANCE

To establish uniformity, GASB Statement 54 created five new classifications of fund balance. Each classification depicts the relative strength of the spending constraint for which the resources can be used. From most to least constrained, the classifications of fund balance are:

1. **Non-spendable:** Nonspendable fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, or deposits for example).

2. **Restricted:** Restricted fund balance includes amounts constrained to specific purposes by their providers (such as grant providers, bondholders, and higher levels of government) through constitutional provisions or enabling legislation (balances in special revenue funds are restricted fund balances since their amounts are restricted for a specific purpose).
  
3. **Committed:** Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority, in this case, City Council. Commitments may be changed or lifted only by City Council through the same formal action that imposed the constraint originally. As approved by City Council in the previous year, the City's General Fund *committed* fund balances consisted of:
  1. *Contingencies;*
  2. *Community Projects/Services;*
  3. *Public Safety; and*
  4. *Equipment Replacement (Fixed Asset Fund).*
  
4. **Assigned:** Assigned fund balance comprises amounts *intended* to be used by the governing body (City Council) for specific purposes. The intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In this case, staff is requesting that the City Council delegate to the City Manager and/or the Finance Director the authority to *assign* fund balance. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are intended to be used for the purpose of that fund.
  
5. **Unassigned:** Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

## SUB-FUNDS

City staff established several funds for various programs and activities that staff believed should be recorded and tracked separately from the General Fund for ease of reporting to management and City Council. With the implementation of Statement 54, these funds would be combined with the General Fund's (Fund 10) fund balance for reporting purposes in the annual financial statements according to the GASB policy; however, City staff will continue to provide internal separate fund reports to City Council for transparency. The funds that will be reported as the collective "General Fund" in the City's annual financial statements include:

1. General Fund (Fund 10)
2. Community Benefits Fund (Fund 61)
3. Light Up Grand Terrace Fund (Fund 62)
4. GT Illegal Fireworks Enforcement Fund (Fund 63)
5. Public Safety Fund (Fund 64)
6. Community Day Fund (69)
7. Equipment Replacement Reserve Fund (Fund 70)

As stated in the Generally Accepted Accounting Principles (GAAP), the General Fund (for purposes of the City’s financial statements) which combines all seven (7) funds listed above into one fund, should maintain a reserve equal to two (2) months of operating revenues (estimates based on budgeted revenues).

The table below shows the collective fund balance of the General Fund and as it relates to the GAAP minimum balance requirement as of June 30, 2026:

Table 1

	General Fund (10)	Comm. Benefits Fund (61)	Light Up Grand Terrace Fund (62)	Illegal Fireworks Fund (63)	Public Safety Fund (64)	Community Day Fund (69)	Eqpt Replc Reserve (70)	TOTAL
<b>Fund balance, 7-1-2024</b>	<b>\$10,430,084</b>	<b>\$84,862</b>	<b>(\$259)</b>	<b>\$193</b>	<b>\$23,313</b>	<b>(\$324)</b>	<b>\$674</b>	<b>\$10,538,543</b>
Actual Revenues (2024-25)	\$8,913,705	\$22,498	\$31,272	\$6	\$716	\$8,804	\$5	\$8,977,006
Actual Expenses (2024-25)	<u>(\$10,688,562)</u>	<u>(\$20,000)</u>	<u>(\$23,795)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$16,552)</u>	<u>(\$70,852)</u>	<u>(\$10,819,761)</u>
<b>Fund balance, 6-30-2025</b>	<b>\$8,655,227</b>	<b>\$87,360</b>	<b>\$7,218</b>	<b>\$199</b>	<b>\$24,029</b>	<b>(8,072)</b>	<b>(\$70,173)</b>	<b>\$8,695,788</b>
Estimated Revenues (2025-26)	\$9,969,505	\$20,000	\$35,434	\$0	\$0	\$20,000	\$180,728	\$10,225,667
Estimated Expense (2025-26)	<u>(\$10,075,800)</u>	<u>(\$20,000)</u>	<u>(\$35,434)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$20,000)</u>	<u>(\$180,728)</u>	<u>(\$10,331,962)</u>
<b>Fund balance, 6-30-</b>	<b><u>\$8,548,932</u></b>	<b><u>\$87,360</u></b>	<b><u>\$7,218</u></b>	<b><u>\$199</u></b>	<b><u>\$24,029</u></b>	<b><u>(\$8,072)</u></b>	<b><u>(\$70,173)</u></b>	<b><u>\$8,589,493</u></b>

<b>2026</b>								
Operating Reserve (2 months of revenues)	\$1,661,584	\$3,333	\$5,906	\$0	\$0	\$3,333	\$30,121	\$1,704,277

As stated earlier, the City uses its budgeted revenues to calculate the minimum fund requirements. The FY2025-26 estimated revenues for the collective General Fund are as follows:

Table 2

	<u>General Fund</u>	<u>Comm. Benefits Fund</u>	<u>Light Up Grand Terrace Fund</u>	<u>Illegal Fireworks Fund</u>	<u>Public Safety Fund</u>	<u>Community Day Fund</u>	<u>Eqpt Replc Reserve</u>	<u>TOTAL</u>
	(10)	(61)	(62)	(63)	(64)	(69)	(70)	
Estimated Revenues (2025-26)	\$9,969,505	\$20,000	\$35,434	\$0	\$0	\$20,000	\$180,728	\$10,225,667
Operating Reserve (2 months revenues)	\$1,661,584	\$3,333	\$5,906	\$0	\$0	\$3,333	\$30,121	\$1,704,277

The formula for maintaining a reserve equal to two (2) months of operating revenues is:

$$\text{FY2025-26 Estimated revenues: } \$10,225,667 \div 12 \times 2 = \underline{\underline{\$1,704,277 (16.7\%)}}$$

Staff is recommending that City Council adopt the attached resolution committing the General Fund's fund balance for Fiscal Year 2025-26 in the following categories shown below:

Table 3

City of Grand Terrace  
Fund Balance Designation: FY2025-26

**Nonspendable:**  
Prepaid Costs \$0  
Land Held for Resale \$0

**Restricted for:**

Community Development Projects (e.g. Parks Fund, Facilities Fund)	\$0
Public Safety (e.g. SLESF Fund)	\$0
Public Works (e.g. Street Fund, facilities projects)	\$0
	\$1,000,000

Barton/Colton Bridge Infrastructure Projects \$1,500,000

**Committed to:**

Committed to Contingencies (General Fund: #10)

Committed to Community Services \$3,400

- Community Benefits Fund: #61

\$2,400

- Light Up Grand Terrace Fund: #62

Committed to Equipment Replacement (Fixed Assets Fund:#70) \$955,000

**Assigned**

Assigned for continuing appropriations (commitments, projects approved in current and prior years that must be carried forward into the new fiscal year) \$50,000

Assigned for future debt obligations \$94,000

**Unassigned** \$3,559,693

**Total Fund Balance, GENERAL FUND** **\$8,589,493**

**ENVIRONMENTAL IMPACT:**

N/A

**FISCAL IMPACT:**

There is no fiscal impact to approving the resolution, designating Fund balance and implementing Statement 54. Total fund balance reported with or without Statement 54 would be the same; only the components of fund balance will be altered.

**RESOLUTION NO. 2026-xx**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, COMMITTING FUND BALANCE FOR FISCAL YEAR 2025-26 IN ACCORDANCE WITH GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT 54 AND CITY RESERVES POLICY NO. 3.06**

**WHEREAS**, the Governmental Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, establishing a hierarchy clarifying the constraints that govern how a government entity can use amounts reported as fund balance; and

**WHEREAS**, GASB 54 allows the governing body to formalize the commitment of unassigned fund balance to a specified purpose; and

**WHEREAS**, the City Council of the City of Grand Terrace is the highest level of decision-making authority for the City of Grand Terrace, and has the authority to commit, assign, or evaluate existing fund balance classifications and identify the intended uses of committed or assigned funds; and

**WHEREAS**, the committed fund balance classification reflects amounts subject to internal restraints self-imposed by the City Council; and

**WHEREAS**, once the committed fund balance restraints are imposed, it requires the constraint to be removed by the City Council prior to redirecting the funds for other purposes; and

**WHEREAS**, the City Council has determined it will commit its General Fund reserves for Fiscal Years 2025-26 as shown in the table below.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City Council finds that the above recitations are true and correct and, accordingly, are incorporated as a material part of this Resolution.

**SECTION 2.** The City Council hereby commits the following fund balance as shown in the table below for fiscal year 2025-2026 in accordance with Governmental Accounting Standards Board Statement 54 and City Reserves Policy No. 3.06:

City of Grand Terrace	
Fund Balance Designation: FY2025-26	
<b><u>Nonspendable:</u></b>	
Prepaid Costs	\$0
Land Held for Resale	\$0
<b><u>Restricted for:</u></b>	
Community Development Projects (e.g., Parks Fund, Facilities Fund)	\$0
Public Safety (e.g., SLESF Fund)	\$0
Public Works (e.g., Street Fund, facilities projects)	\$0
Barton/Colton Bridge	\$1,000,000
Infrastructure Projects	\$1,500,000
<b><u>Committed to:</u></b>	
Committed to Contingencies	\$1,425,000
Committed to Community Services	
· Community Benefits Fund: #61	\$3,400
· Light Up Grand Terrace Fund: #62	\$2,400
Committed to Equipment Replacement (Fixed Assets Fund #70)	\$955,000
<b><u>Assigned:</u></b>	
Assigned for continuing appropriations (commitments, projects approved in current and prior years that must be carried forward into the new fiscal year)	\$50,000
Assigned for future debt obligations	\$94,000
<b><u>Unassigned:</u></b>	
	<u>\$3,559,693</u>
<b>Total Fund Balance, GENERAL FUND</b>	<b><u>\$8,589,493</u></b>

**SECTION 3.** If any section, subsection, sentence, clause, phrase, or portion of this Resolution is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution. The City Council of the City of Grand Terrace hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

**SECTION 4.** The City Clerk shall certify to the adoption of this Resolution, which, shall in turn, have immediate effect.

**PASSED, APPROVED and ADOPTED** by the City Council of the City of Grand Terrace at a regular meeting held on the 9<sup>th</sup> day of June 2026.

---

Bill Hussey  
Mayor

**ATTEST:**

---

Daysi Alcocer  
City Clerk

**APPROVED AS TO FORM:**

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Adrian R. Guerra  
City Attorney



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Public Hearing for 2026-27 Landscape & Lighting Assessment District 89-1

PRESENTED BY: Shanita Tillman, Sr. Management Analyst

RECOMMENDATION: **ADOPT A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE APPROVING THE ENGINEER'S ANNUAL REPORT, CONFIRMING THE DIAGRAM AND ASSESSMENT, AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE CITY OF GRAND TERRACE LANDSCAPING AND STREET LIGHTING DISTRICT NO. 89-1 FOR FISCAL YEAR 2026-27.**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #1, "Ensure Our Fiscal Viability," by providing a dedicated funding mechanism for the maintenance and operation of street lighting, landscaping, and related improvements that benefit properties within Assessment District No. 89-1.

## **BACKGROUND:**

Landscaping and Lighting Assessment District No. 89-1 was formed to provide funding for the maintenance and operation of street lighting, landscaping, and related improvements that benefit properties within the District.

On May 12, 2026, the City Council adopted a Resolution preliminarily approving the Engineer's Report and setting the public hearing for June 9, 2026.

## **DISCUSSION:**

The Engineer's Report identifies the costs associated with maintaining landscaping, street lighting, and related improvements within Landscape and Lighting Assessment District No. 89-1 and allocates those costs to the properties that benefit from those improvements.

Notice of the public hearing was provided in accordance with state law. The purpose of the hearing is to allow property owners and other interested parties an opportunity to comment on the proposed assessments for Fiscal Year 2026-27.

Following the public hearing, the City Council may approve the Engineer's Report, confirm the assessments, and authorize the assessments to be placed on the San Bernardino County property tax roll for collection.

The proposed assessment rates for Fiscal Year 2026-27 are:

- Zone 1 (Tract 13364): \$282.33
- Zone 2 (Tract 14264) \$1,415.64
- Zone 3 (Tract 14471) \$197.03

Zone 4 (Tract 17766): \$33.04  
Zone 5 (Tract 18793): \$124.44  
Zone 6 (Tract 18071): \$884.85  
Zone 7 (Tract 18604): \$27.51

**ENVIRONMENTAL IMPACT:**

The proposed action is exempt from the California Environmental Quality Act (CEQA) because it relates to the continued maintenance and operation of existing landscaping, street lighting, and related improvements.

**FISCAL IMPACT:**

The Engineer's Report estimates a total cost of \$28,571.55 to maintain Landscape and Lighting Assessment District No. 89-1 during Fiscal Year 2026-27. Assessment revenues will be collected through the San Bernardino County property tax roll. Due to assessment limitations within Zones 1 and 2, the General Fund will contribute \$12,616.76 toward District maintenance costs, with the remaining costs recovered through assessments levied on benefited properties.



# City of Grand Terrace

## Landscaping and Lighting Assessment District No. 89-1

### 2026/2027 ENGINEER'S REPORT

Intent Meeting: May 12, 2026

Public Hearing: June 9, 2026

27368 Via Industria  
Suite 200  
Temecula, CA 92590  
T 951.587.3500 | 800.755.6864  
F 951.587.3510

[www.willdan.com](http://www.willdan.com)



# ENGINEER'S REPORT AFFIDAVIT

Establishment of Annual Assessments for the:

## Landscaping and Lighting Assessment District No. 89-1

City of Grand Terrace,  
County of San Bernardino, State of California

This Report describes the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2026/2027. Reference is hereby made to the San Bernardino County Assessor's maps for a detailed description of the lines and dimensions of the parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 13th day of May, 2026.

Willdan Financial Services  
Assessment Engineer  
On Behalf of the City of Grand Terrace

By: Chonney Gano

Chonney Gano, Project Manager  
District Administration Services

By: Tyrone Peter

Tyrone Peter  
P. E. # C 81888



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## INTRODUCTION

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The City Council of the City of Grand Terrace (the “City”) adopted its General Plan with various elements to provide guidelines for orderly development within the community. The City Council further adopted ordinances and regulations governing the development of land providing for the installation and construction of certain landscaping, lighting and appurtenant facilities to enhance the quality of life and to benefit the value of property.

The requirement for the construction and installation of landscaping, lighting and appurtenant facilities is a condition of approval for development and is a requirement of issuance of a permit for the construction of any residential, commercial, industrial and planned unit development. The installation of landscaping and lighting systems and the construction of the necessary appurtenant facilities is the responsibility of the property owner/applicant, as conditions of approval of a development application. The City may cause the installation by property owners directly or accept financial arrangements for installation of these facilities. The cost of servicing, operation, maintenance, repair and replacement of the landscaping, lighting and appurtenant facilities in turn becomes the responsibility of the benefiting properties.

The owners/applicants petitioned for formation of the Landscaping Lighting Assessment District and/or annexation. These have been completed and will increase the City’s obligation for maintenance and servicing.

The City is administering a lighting system for the benefit of all parcels of land within the City. The lighting benefit is directly related to public safety and property protection. These benefits have been studied widely, locally, regionally and nationally.

The City formed Landscaping and Lighting Assessment District 89-1 (the “District”) in 1989 and subsequently annexed other parcels as Annexation No. 1, Annexation No. 2 Annexation No. 3, Annexation No. 4, and Annexation No. 5 to said District to ensure a fair and equitable levying of the necessary costs of servicing and maintenance of the respective facilities, which in turn will enhance the value of each parcel in the District directly and collectively.

The boundaries of the District, which include Annexations 1, 2, 3, 4, and 5 are the boundaries of Zone 1 - Tract 13364 filed in Map Book 203, Pages 89 through 92, Records of San Bernardino County (the “County”). The boundaries of Zone 2 - Tract 14264 and Zone 3 – Tract 14471 filed in Map Book 242, Pages 17 and 18, Zone 4 – Tract 17766 filed in Map Book 237, Pages 41 and 42, and Zone 5 – Tract 18793 filed in Map Book 115, Pages 81-82. The boundaries of Zone 6 – Tract 18071 and Zone 7 –18604 filed in Map Book 1178 Page 18 and Map Book 1167 Page 34, respectively, of the County.

Servicing and administration of the City’s landscape maintenance program shall be according to the provisions of the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the Streets and Highways Code of the State of California (the “1972 Act”).

Payment for the assessment for each parcel will be made in the same manner and at the

same time as payments are made for property taxes for each property.

The proceedings will be conducted under the 1972 Act Sections 22500 through 22679.

This Engineer's Report (the "Report") is presented for the purpose of levy of annual assessment to the above-described properties for the purpose of maintaining the lighting and landscaping during the Fiscal Year 2026/2027.

This Report contains the necessary data required to conduct the proceedings and is submitted to the Clerk of the City for filing.

The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessor's Parcel Number ("APN") by the San Bernardino County (the "County") Assessor's Office. The County Auditor/Controller uses Assessor's Parcel Numbers and a dedicated fund number established for the District to identify properties to be assessed on the tax roll and the allocation of the funds collected.

This Report consists of the following sections:

### **Section I**

**Plans and Specifications:** Description of the District's improvements are filed herewith and made a part hereof. Said plans and specifications are on file in the Office of the City Clerk.

### **Section II**

**Method of Apportionment:** A discussion of the general and special benefits associated with the overall landscaping street lighting improvements provided within the District (Proposition 218 Benefit Analysis). This section also includes a determination of the proportional costs of the special benefits and a separation of costs considered to be of general benefit (and therefore not assessed). This section of the Report also outlines the method of calculating each property's proportional special benefit.

### **Section III**

**Estimate of Improvement Costs:** An estimate of the cost of the proposed improvements, including incidental costs and expenses in connection therewith, is as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk.

## Section IV

**Assessment Diagrams:** A diagram showing the boundaries of the District is provided in this Report and includes all parcels that receive special benefits from the improvements. Parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the District, are inclusive of all parcels as shown on the County Assessor's Parcel Maps as they existed at the time this Report was prepared and shall include all subsequent subdivisions, lot-line adjustments or parcel changes therein. Reference is hereby made to the County Assessor's maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District.

## Section V

**Assessment Roll:** A listing of the proposed assessment amount for each parcel within the District. The proposed assessment amount for each parcel is based on the parcel's calculated proportional special benefit as outlined in the method of apportionment and proposed assessment rate established in the District Budget. These assessment amounts represent the assessments proposed to be levied and collected on the County Tax Rolls for Fiscal Year 2026/2027.

## Section I. PLANS AND SPECIFICATIONS

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### Improvements Authorized by the 1972 Act

As applicable or may be applicable to this District, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing, or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the Report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting, and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "maintain" or "maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

## **District Plans and Specifications**

The District provides the necessary funding source for the annual maintenance, operation and servicing of the improvements that have been constructed and installed for the benefit of properties within the District.

Landscaping and appurtenant facilities generally include trees, shrubs, plants, turf, irrigation systems, and necessary appurtenances including curbs, hardscape, monumentations, fencing located in public right-of-ways, medians, parkways, and/or easements adjacent to public right-of-ways, in and along public thoroughfares and certain designated primary and secondary arterials.

Lighting and appurtenant facilities includes poles, lighting fixtures, conduits, and the necessary equipment to maintain, operate and replace a lighting system at designated

intersections, in medians, parkways and adjacent to certain public facilities in and along certain streets, right-of-ways and designated lots.

The installation of planting, landscaping, irrigation systems, lighting and the construction of appurtenant facilities to be operated, serviced and maintained, is more specifically described herein whereas, the landscaping and lighting facilities have been or will be provided by developers as a condition of subdivision of land, on part of the Conditional Use review and approval process.

## **A. ZONES OF BENEFIT**

In an effort to ensure an appropriate allocation of the estimated annual cost to provide the District improvements based on proportional special benefits, this District is established with benefit zones (“Zones”) as authorized pursuant to Chapter 1 Article 4, Section 22574 of the 1972 Act:

*“The diagram and assessment may classify various areas within an assessment district into different zones where, by reason of variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of benefit from the improvements. A zone shall consist of all territory which will receive substantially the same degree of benefit from the improvements.”*

The parcels, lots, subdivisions and developments within the District are identified and grouped into one of seven (7) Zones. Each Zone reflects the landscape improvements associated with the development of properties in that Zone, to fairly and equitably apportion the net cost of providing those improvements to the properties that receive special benefits from the service and activities associated with those improvements. All of the parcels in the District are identified as single-family residential properties within three residential developments. These residential developments have been grouped into seven different Zones that reflect each specific budget and improvements for that particular Zone. By establishing and utilizing a Zone structure, similar properties with similar types of improvements will be assessed a proportional amount for the services and activities provided by the District within each respective Zone.

The improvements are the operation, maintenance and servicing of landscaping, lighting and appurtenant facilities described as follows:

### **Zone 1 - Tract 13364**

#### **(a) Landscaping**

Landscaping, planting, shrubbery, trees, turf, irrigation systems, monuments, hardscapes, walls, fencing and appurtenant facilities in public right-of-ways and easements within the proposed boundary of the District.

(b) Lighting

Poles, fixtures, bulbs, conduits, equipment posts and pedestals, metering devices and appurtenant facilities as required to provide lighting in public right-of-ways and easements within the proposed boundaries of the District. A total of 5 streetlights are included in the boundaries of this development.

**Zone 2 - Tract 14264**

(a) Lighting

Poles, fixtures, bulbs, conduits, equipment, posts, pedestals, metering devices and appurtenant facilities as required to provide lighting in public right-of-ways and easements within the proposed boundaries of the District. A total of 7 streetlights are included in the boundaries of this development.

**Zone 3 - Tract 14471**

(a) Landscaping

Landscaping, planting shrubbery, trees, and vines with Lot "A" of said Tract 14471, along with irrigation system for the improvements within Lot "A".

(b) Lighting

Poles, fixtures, conduits, equipment, posts, pedestals, metering devices and appurtenant facilities as required to provide lighting in public right-of-ways and easements within the boundaries of the District. A total of 6 streetlights are maintained within the boundaries of this development.

**Zone 4 – Tract 17766**

(a) Landscaping

Landscaping, planting, shrubbery, trees, turf, irrigation systems, monuments, hardscapes, walls, fencing and appurtenant facilities in public right-of-ways and easements within the proposed boundary of the District.

(b) Lighting

Poles, fixtures, bulbs, conduits, equipment posts and pedestals, metering devices and appurtenant facilities as required to provide lighting in public right-of-ways and easements within the proposed boundaries of the District. A total of 1 streetlight is included in the boundaries of this development.

### **Zone 5 – Tract 18793**

(a) Landscaping

Landscaping, planting, shrubbery, trees, turf, irrigation systems, monuments, hardscapes, walls, fencing and appurtenant facilities in public right-of-ways and easements within the proposed boundary of the District.

(b) Lighting

Poles, fixtures, bulbs, conduits, equipment posts and pedestals, metering devices and appurtenant facilities as required to provide lighting in public right-of-ways and easements within the proposed boundaries of the District. A total of 5 streetlights are included in the boundaries of this development.

### **Zone 6 – Tract 18071**

(a) Landscaping

Landscaping, planting, shrubbery, trees, turf, irrigation systems, monuments, hardscapes, walls, fencing and appurtenant facilities in public right-of-ways and easements within the proposed boundary of the District.

Additionally, the District will include the maintenance of a water quality basin, designed for storm water runoff purposes.

(b) Lighting

Poles, fixtures, bulbs, conduits, equipment posts and pedestals, metering devices and appurtenant facilities as required to provide lighting in public right-of-ways and easements within the proposed boundaries of the District. A total of 4 streetlights are included in the boundaries of this development.

## **Zone 7 – Tract 18604**

(a) Landscaping

Landscaping, planting, shrubbery, trees, turf, irrigation systems, monuments, hardscapes, walls, fencing and appurtenant facilities in public right-of-ways and easements within the proposed boundary of the District.

Additionally, the District will include graffiti removal on the block wall along the east side of the Gage Canal within the western boundary of the tract, streetlights, and street trees along Tesoro Court and Van Buren Street. Lot “B” of said tract is designated as a retention basin and will be maintained as a dual-purpose basin, for retaining water and for a small playground.

(b) Lighting

Poles, fixtures, bulbs, conduits, equipment posts and pedestals, metering devices and appurtenant facilities as required to provide lighting in public right-of-ways and easements within the proposed boundaries of the District. A total of 3 streetlights are included in the boundaries of this development.

## **Section II. METHOD OF APPORTIONMENT**

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The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, including the acquisition, construction, installation, and servicing of street lighting improvements and related facilities. The 1972 Act requires that the cost of these improvements be levied according to benefit rather than assessed value:

*“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”*

The formulas used for calculating assessments reflect the composition of parcels within the District (which are all residential properties) and the improvements and activities to be provided and have been designed to fairly apportion costs based on a determination of the proportional special benefits to each parcel within each Zone, consistent with the requirements of the 1972 Act and the provisions of Proposition 218 and Article XIII D of the California Constitution (“Article XIID”). For each Zone within the District, each parcel represents one (1) Equivalent Benefit Unit (“EBU”).

The following formula is used to arrive at the levy amount for each parcel within each Zone:

$$\frac{\text{Total Balance to Levy}}{\text{Total EBU}} = \text{Levy per EBU}$$

$$\text{Levy per EBU (rate) x Parcel's EBU} = \text{Parcel Levy Amount}$$

## Proposition 218 Benefit Analysis

The costs of the proposed improvements for Fiscal Year 2026/2027 have been identified and allocated to properties within the District based on special benefit. The improvements provided by this District and for which properties are assessed are public street lighting and landscaping improvements. These improvements generally were installed in connection with the development of the properties within the District. Article XIIID Section 2(d) defines District as follows:

*“District means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service”;*

Article XIIID Section 2(i) defines Special benefit as follows:

*“Special benefit” means a particular and distinct benefit over, and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute “special benefit.”*

Article XIIID Section 4(a) defines proportional special benefit assessments as follows:

*“An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”*

## Benefit Analysis

### Special Benefit

The special benefits properties within the District will receive from the proposed improvements include, but are not limited to:

- Improved aesthetic appeal of nearby properties providing a positive representation of the area and properties.
- Enhanced adaptation of adequate green space, trees, and amenities within the urban environment.

- Increased sense of pride in ownership of properties within the District resulting from their association with well-maintained improvements.
- Enhanced quality of life and working environment within the area that is promoted by well-maintained landscaped areas and amenities.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities within public areas.
- Increased social opportunities and leisure activities for customer's residents and families, provided by a well-maintained neighborhood destination place for relaxation, socializing, and entertainment that is within easy walking distance.
- Enhanced environmental quality of the parcels by moderating temperatures, providing oxygenation and attenuating noise.

The preceding special benefits contribute to the overall aesthetic value and desirability of each of the assessed parcels within the District and thereby provide a special enhancement to these properties. Furthermore, it has been determined that the lack of funding to properly service and maintain the improvements would ultimately result in the deterioration of the improvements and facilities, which in turn could negatively impact the properties within the District. As such, the annual costs of ensuring the ongoing maintenance and operation of these improvements are considered a distinct and special benefit to the properties within the District and are therefore considered the financial obligation of those properties. The cost of any improvement or portion thereof that is considered to be of general benefit shall not be included as part of the special benefit assessments allocated to properties within the District.

### **General Benefit**

In the absence of a special funding District, the City would typically provide only weed abatement and erosion control services for landscaped areas. The cost to provide this baseline level of service is approximately \$0.01 per square foot for landscape areas that require maintenance. Zone 1 – Tract 13364 has approximately 29,100 square feet of landscape space, Zone 2 – Tract 14264 has no landscaping area that the City maintains and Zone 3 – Tract 14471 has approximately 9,045 square feet of landscape space, Zone 4 – Tract 17766 has approximately 3,856 square feet of landscaped space, Zone 5 – Tract 18793 has approximately 4,668 square feet of landscaped space, Zone 6 – Tract 18071 has approximately 61,750 square feet of landscaped space, Zone 7 – Tract 18604 has approximately 3,239 square feet of landscaped space. The proposed budgets for Fiscal Year 2026/2027 show the general benefit amount which will be deducted from the cost of maintenance to arrive at a net special benefit assessment rate.

## Assessment Methodology

This District was formed to establish and provide for the improvements that enhance the presentation of the surrounding properties and developments. These improvements will directly benefit the parcels to be assessed within the District. The assessments and method of apportionment is based on the premise that the assessments will be used to construct and install landscape and lighting improvements within the existing District as well as provide for the annual maintenance of those improvements, and the assessment revenues generated by District will be used solely for such purposes.

The costs of the proposed improvements have been identified and allocated to properties within the District based on special benefit. The improvements to be provided by this District and for which properties will be assessed have been identified as an essential component and local amenity that provides a direct reflection and extension of the properties within the District which the property owners and residents have expressed a high level of support.

The method of apportionment (method of assessment) set forth in the Report is based on the premise that each assessed property receives special benefits from the landscape and lighting improvements within the District, and the assessment obligation for each parcel reflects that parcel's proportional special benefits as compared to other properties that receive special benefits.

To identify and determine the proportional special benefit to each parcel within the District, it is necessary to consider the entire scope of the improvements provided as well as the properties that benefit from those improvements. The improvements and the associated costs described in this Report, have been carefully reviewed and have been identified and allocated based on a benefit rationale and calculations that proportionally allocate the net cost of only those improvements determined to be of special benefit to properties within the District.

## Assessment Range Formula

Any new or increased assessment requires certain noticing and meeting requirements by law. Prior to the passage of Proposition 218 (California Constitution Articles XIIC and XIID), legislative changes in the Brown Act defined a "new or increased assessment" to exclude certain conditions. These conditions included "any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed." This definition and conditions were later confirmed through Senate Bill 919 (the Proposition 218 implementing legislation).

The purpose of establishing an assessment range formula is to provide for reasonable increases and inflationary adjustment to annual assessments without requiring costly noticing and mailing procedures, which could add to the District costs and assessments. As part of the District formation, balloting of property owners is required pursuant to the Article XIID Section 4. The property owner ballots include an Assessment to be

approved, as well as the approval of an assessment range formula.

The assessment range formula for District assessments may be applied to future assessments within the District commencing with Fiscal Year 2018/2019 for Zone 4 – Tract 17766 and Zone 5 – Tract 18793, Fiscal Year 2019/2020 for Zone 6 – Tract 18071 and Fiscal Year 2020/2021 for Zone 7. Zone 1 – Tract 13364, Zone 2 – Tract 14264 and Zone 3 – Tract 14471 do not have an increase in assessments. The following describes the assessment range formula:

The Maximum Assessment is equal to the initial Assessment approved by property owners adjusted annually by the percentage increase of the Local Consumer Price Index (“CPI”) plus two percent (2%). As of January 2018, the Bureau of Labor Statistics (the “BLS”) split the Los Angeles-Riverside-Orange County Area for all Urban Consumers to Los Angeles-Long Beach-Anaheim area and Riverside-San Bernardino-Ontario Area. Each fiscal year, the Maximum Assessment will be recalculated, and a new Maximum Assessment established. Currently, the District uses the Annual Riverside-San Bernardino-Ontario CPI index to compute the CPI difference each year. For Fiscal Year 2026/2027, the percentage difference is 3.281%. Therefore, the Maximum Assessment will increase by 5.281%.

The Maximum Assessment is adjusted annually and is calculated independent of the annual budgets and proposed assessments established for each Zone of the District. Any proposed annual assessment (rate per EBU) less than or equal to this Maximum Assessment (for each Zone) is not considered an increased assessment, even if the proposed assessment is much greater than the assessment applied in the prior fiscal year.

## **Section III. ESTIMATE OF IMPROVEMENT COSTS**

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In accordance with Streets and Highways Code Section 22660(a), the City Council has determined that the estimated cost of certain proposed improvements, described in Section 22525, subdivisions (a) through (d), are greater than can conveniently be raised from a single assessment, and, as a result, shall be collected in installments and held in a reserve account. In particular, Zone 1, Zone 3, Zone 4, Zone 5, Zone 6, and Zone 7 require trimming and pruning landscaping services that are proposed to be performed every five years. The proposed assessment includes a budgeted amount for trimming and pruning to collect for these services.

The following outlines the budget to fund the District improvements based on the improvements to be maintained and the associated incidental expenses for Fiscal Year 2026/2027, resulting in the proportional assessments calculated for each parcel that will be applied to the County Tax Rolls for Fiscal Year 2026/2027. The cost of maintaining improvements for Fiscal Year 2026/2027 are summarized as follows:

**Zone 1 Tract 13364 – Canal**

<b>Budget Item</b>	<b>Fiscal Year 2026/27 Current Assessment</b>
Energy Costs – Street Lighting	\$920.00
Water Supply	13,000.00
Professional Services	680.00
Contract Maintenance	2,600.00
Engineering	500.00
<b>Annual Costs Total</b>	<b>\$17,700.00</b>
<b>General Benefit - Collection/(Contribution)</b>	<b>(291.00)</b>
<b>General Fund - Collection/(Contribution)</b>	<b>(11,762.40)</b>
<b>Balance to Levy</b>	<b>\$5,646.60</b>
<b>Fiscal Year 2026/27 Assessment per Parcel</b>	<b>\$282.33</b>
<b>Fiscal Year 2026/27 Max Assessment per Parcel</b>	<b>\$282.3300</b>
<b>Fiscal Year 2025/26 Max Assessment per Parcel</b>	<b>\$282.3300</b>
<b>Number of Parcels (EBU)</b>	<b>20</b>

**Zone 2 Tract 14264 – Forrest City Phase II**

Budget Item	Fiscal Year 2026/27 Current Assessment
Energy Costs – Street Lighting	\$1,100.00
Professional Services	670.00
Engineering	500.00
<b>Annual Costs Total</b>	<b>\$2,270.00</b>
<b>General Benefit - Collection/(Contribution)*</b>	<b>0.00</b>
<b>General Fund - Collection/(Contribution)</b>	<b>(854.36)</b>
<b>Balance to Levy</b>	<b>\$1,415.64</b>
<b>Fiscal Year 2026/27 Assessment per Parcel</b>	<b>\$1,415.64</b>
<b>Fiscal Year 2026/27 Max Assessment per Parcel</b>	<b>\$1,415.6400</b>
<b>Fiscal Year 2025/26 Max Assessment per Parcel</b>	<b>\$1,415.6400</b>
<b>Number of Parcels (EBU)</b>	<b>1</b>

\*Parcels under Zone 2 receive no General Benefit, because there is no landscaping.

**Zone 3 Tract 14471 – Oriole**

<b>Budget Item</b>	<b>Fiscal Year 2026/27 Current Assessment</b>
Energy Costs – Street Lighting	\$780.00
Water Supply	1,200.00
Contractual Services	960.00
Engineering	500.00
<b>Annual Costs Total</b>	<b>\$3,440.00</b>
<b>General Benefit - Collection/(Contribution)</b>	<b>(90.45)</b>
<b>Reserve Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>General Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>Balance to Levy</b>	<b>\$3,349.55</b>
<b>Fiscal Year 2026/27 Assessment per Parcel</b>	<b>\$197.03</b>
<b>Fiscal Year 2026/27 Max Assessment per Parcel</b>	<b>\$309.9500</b>
<b>Fiscal Year 2025/26 Max Assessment per Parcel</b>	<b>\$309.9500</b>
<b>Number of Parcels (EBU)</b>	<b>17</b>

**Zone 4 Tract 17766 – Greenbriar**

Budget Item	Fiscal Year 2026/27 Current Assessment
Energy Costs – Street Lighting	\$195.00
Professional Services	500.00
Engineering	500.00
<b>Annual Costs Total</b>	<b>\$1,195.00</b>
<b>General Benefit - Collection/(Contribution)</b>	<b>(38.56)</b>
<b>HOA - Collection/(Contribution)</b>	<b>0.00</b>
<b>Reserve Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>General Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>Balance to Levy</b>	<b>\$1,156.44</b>
<b>Fiscal Year 2026/27 Assessment per Parcel</b>	<b>\$33.04</b>
<b>Fiscal Year 2026/27 Max Assessment per Parcel</b>	<b>\$242.5966</b>
<b>Fiscal Year 2025/26 Max Assessment per Parcel</b>	<b>\$230.4285</b>
<b>Number of Parcels (EBU)</b>	<b>35</b>

**Zone 5 Tract 18793 – Palomino**

Budget Item	Fiscal Year 2026/27 Current Assessment
Energy Costs – Street Lighting	\$840.00
Professional Services	0.00
Contractual Services	200.00
Engineering	500.00
<b>Annual Costs Total</b>	<b>\$1,540.00</b>
<b>General Benefit - Collection/(Contribution)</b>	<b>(46.68)</b>
<b>Reserve Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>General Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>Balance to Levy</b>	<b>\$1,493.32</b>
<b>Fiscal Year 2026/27 Assessment per Parcel</b>	<b>\$124.44</b>
<b>Fiscal Year 2026/27 Max Assessment per Parcel</b>	<b>\$760.9122</b>
<b>Fiscal Year 2025/26 Max Assessment per Parcel</b>	<b>\$722.7466</b>
<b>Number of Parcels (EBU)</b>	<b>12</b>

**Zone 6 Tract 18071 – Jaden**

Budget Item	Fiscal Year 2026/27 Current Assessment
Energy Costs - Street Lighting	\$2,500.00
Contractual Services	12,660.00
Engineering	500.00
<b>Annual Costs Total</b>	<b>\$15,660.00</b>
<b>General Benefit - Collection/(Contribution)</b>	<b>(617.50)</b>
<b>Reserve Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>General Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>Balance to Levy</b>	<b>\$15,042.50</b>
<b>Fiscal Year 2026/27 Assessment per Parcel</b>	<b>\$884.85</b>
<b>Fiscal Year 2026/27 Max Assessment per Parcel</b>	<b>\$2,188.3959</b>
<b>Fiscal Year 2025/26 Max Assessment per Parcel</b>	<b>\$2,078.6312</b>
<b>Number of Parcels (EBU)</b>	<b>17</b>

**Zone 7 Tract 18604 – Tesoro/Van Buren**

Budget Item	Fiscal Year 2026/27 Current Assessment
Contractual Services	\$0.00
Engineering	500.00
<b>Annual Costs Total</b>	<b>\$500.00</b>
<b>General Benefit - Collection/(Contribution)</b>	<b>(32.39)</b>
<b>Reserve Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>General Fund - Collection/(Contribution)</b>	<b>0.00</b>
<b>Balance to Levy</b>	<b>\$467.61</b>
<b>Fiscal Year 2026/27 Assessment per Parcel</b>	<b>\$27.51</b>
<b>Fiscal Year 2026/27 Max Assessment per Parcel</b>	<b>\$483.8126</b>
<b>Fiscal Year 2025/26 Max Assessment per Parcel</b>	<b>\$459.5458</b>
<b>Number of Parcels (EBU)</b>	<b>17</b>

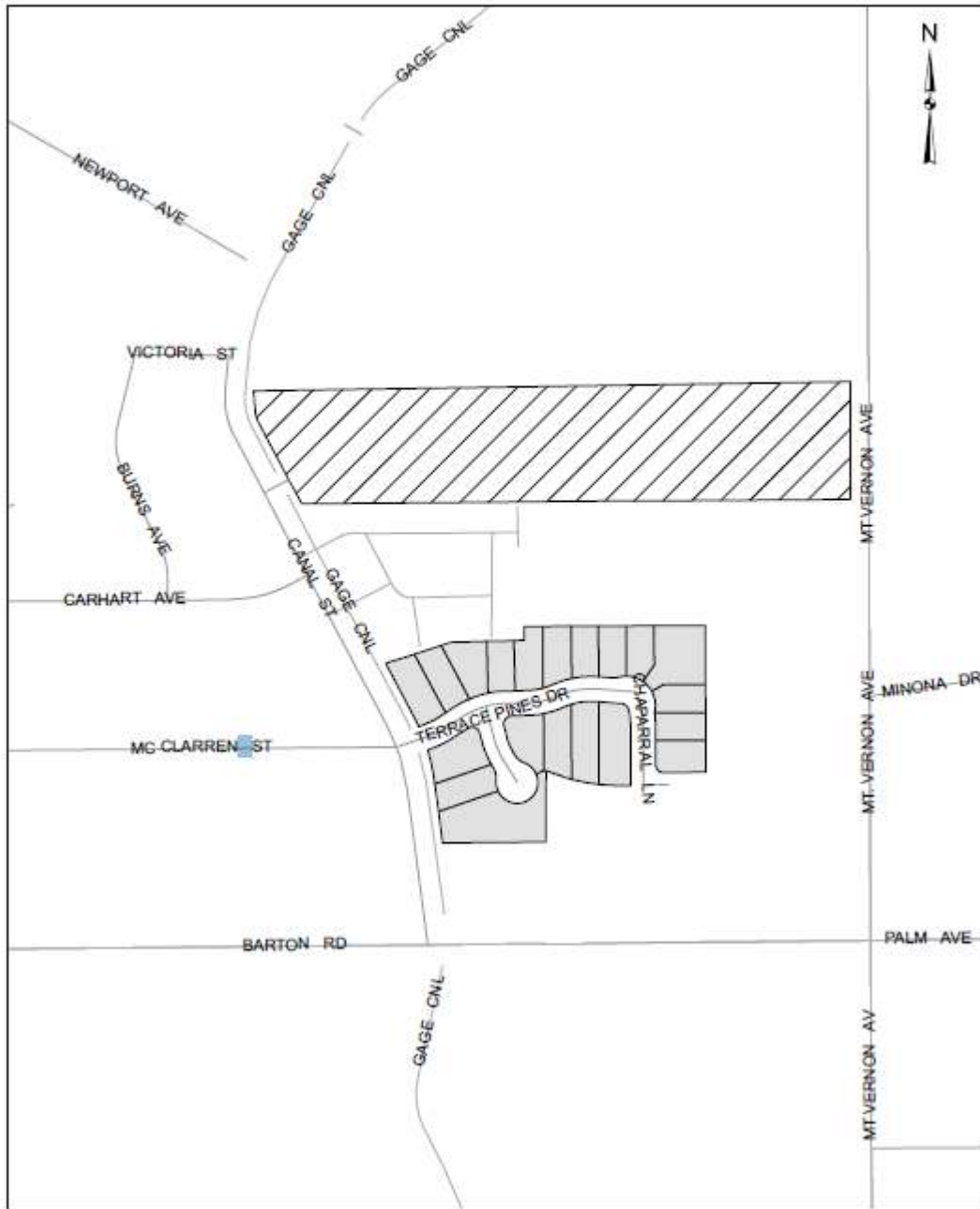
The total approved assessment for Fiscal Year 2026/2027 is \$28,571.55.

## **Section IV. ASSESSMENT DIAGRAMS**

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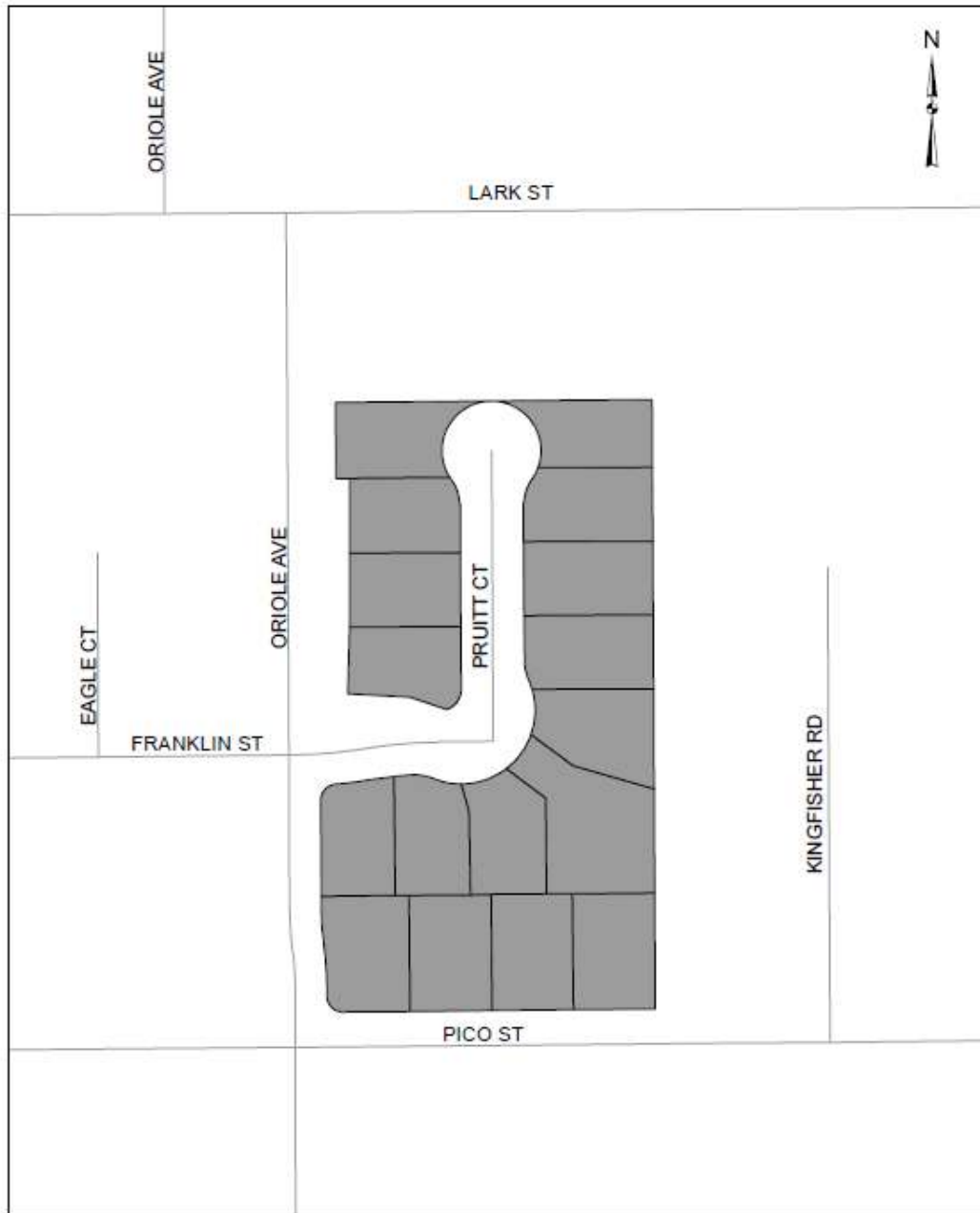
An Assessment Diagram for the District has been submitted to the Clerk of the City in the format required under the provision of the Act. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County of San Bernardino, for the year when this Report was prepared, and are incorporated by reference herein and made part of this Report. The following pages show the boundaries of each of the Zones in the District.

# CITY OF GRAND TERRACE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 89-1 ZONES 1 & 2



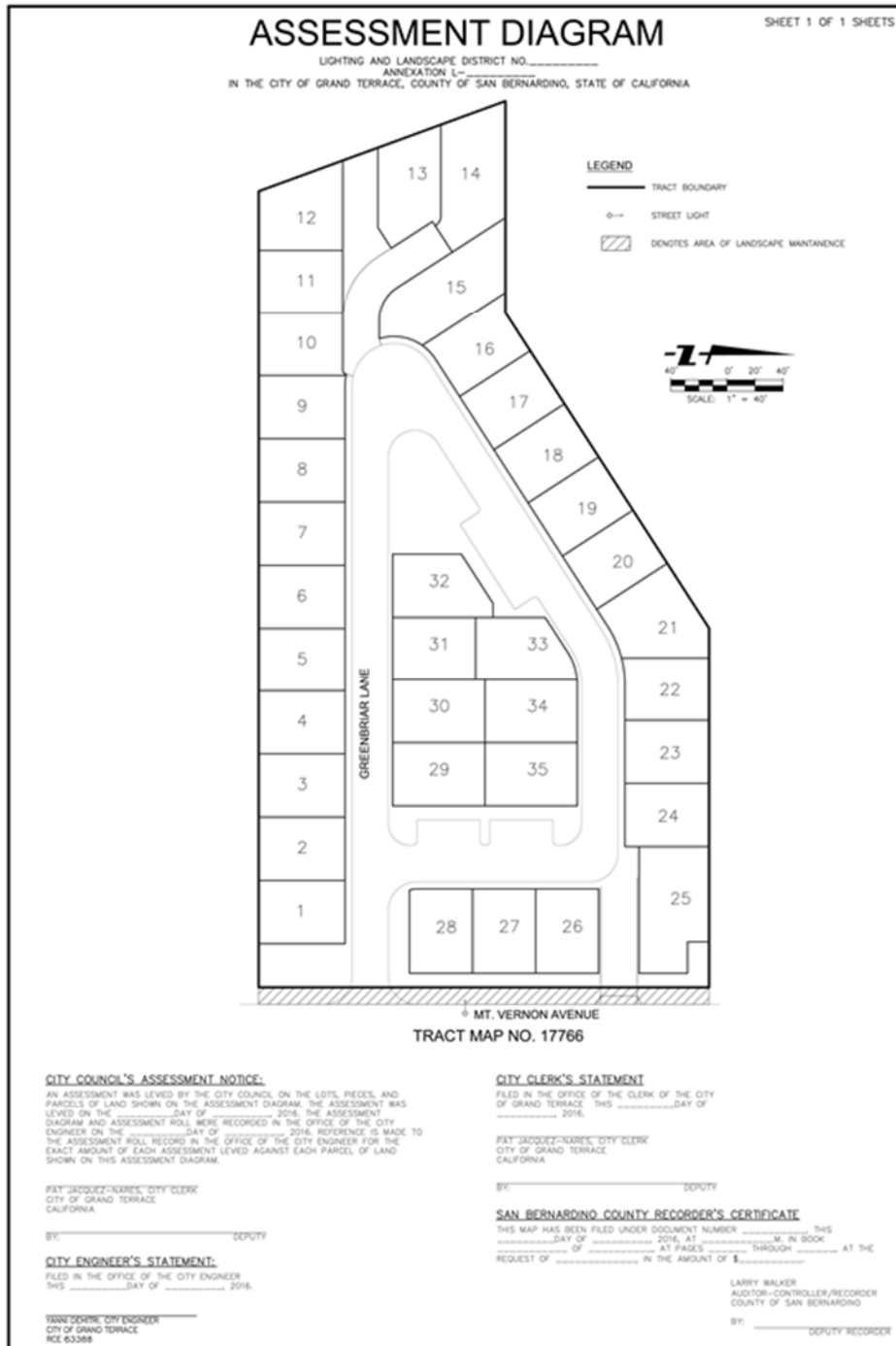
**L&L 89-1**  Zone 1  Zone 2

# CITY OF GRAND TERRACE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 89-1 ZONE 3

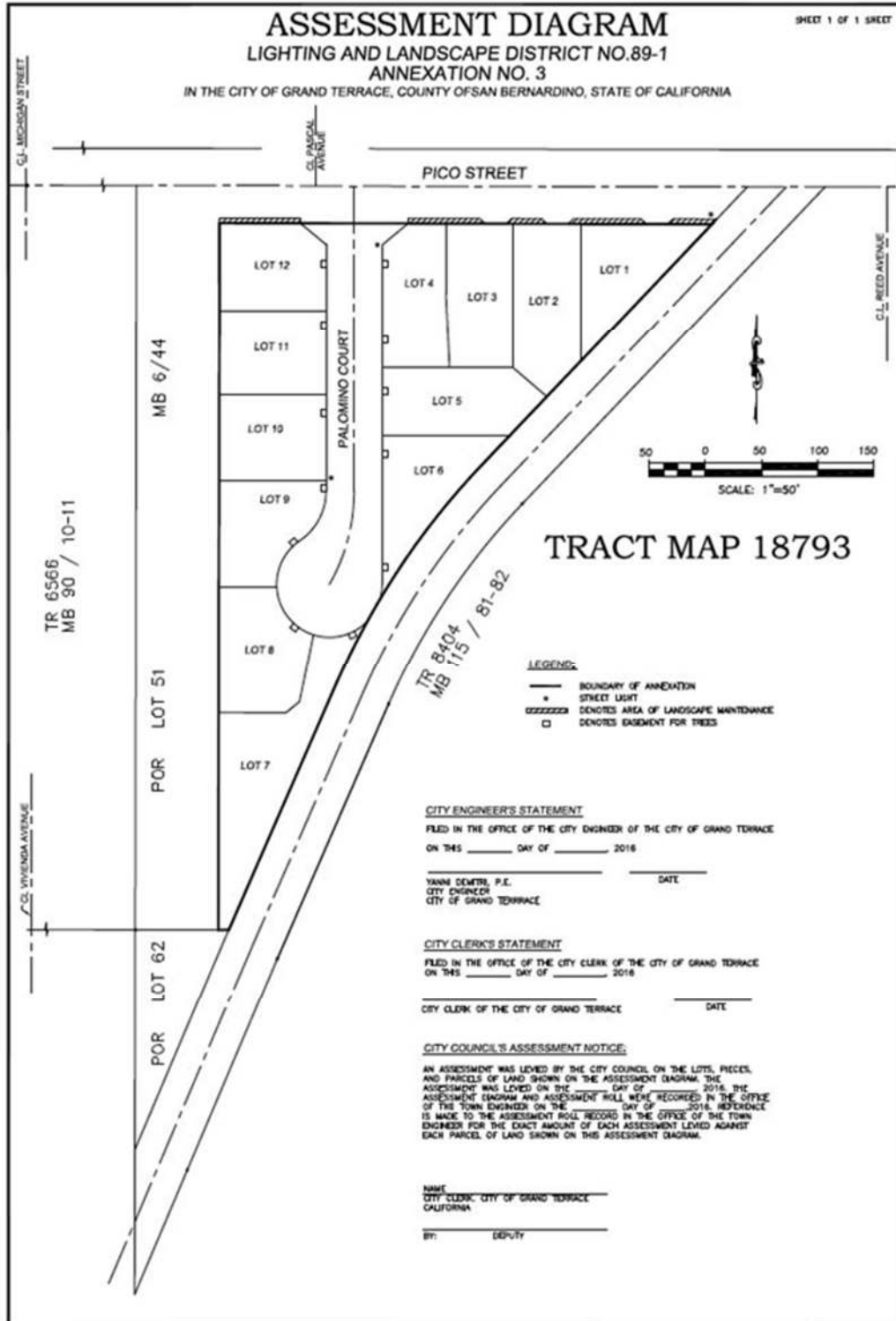


**L&L 89-1**  Zone 3

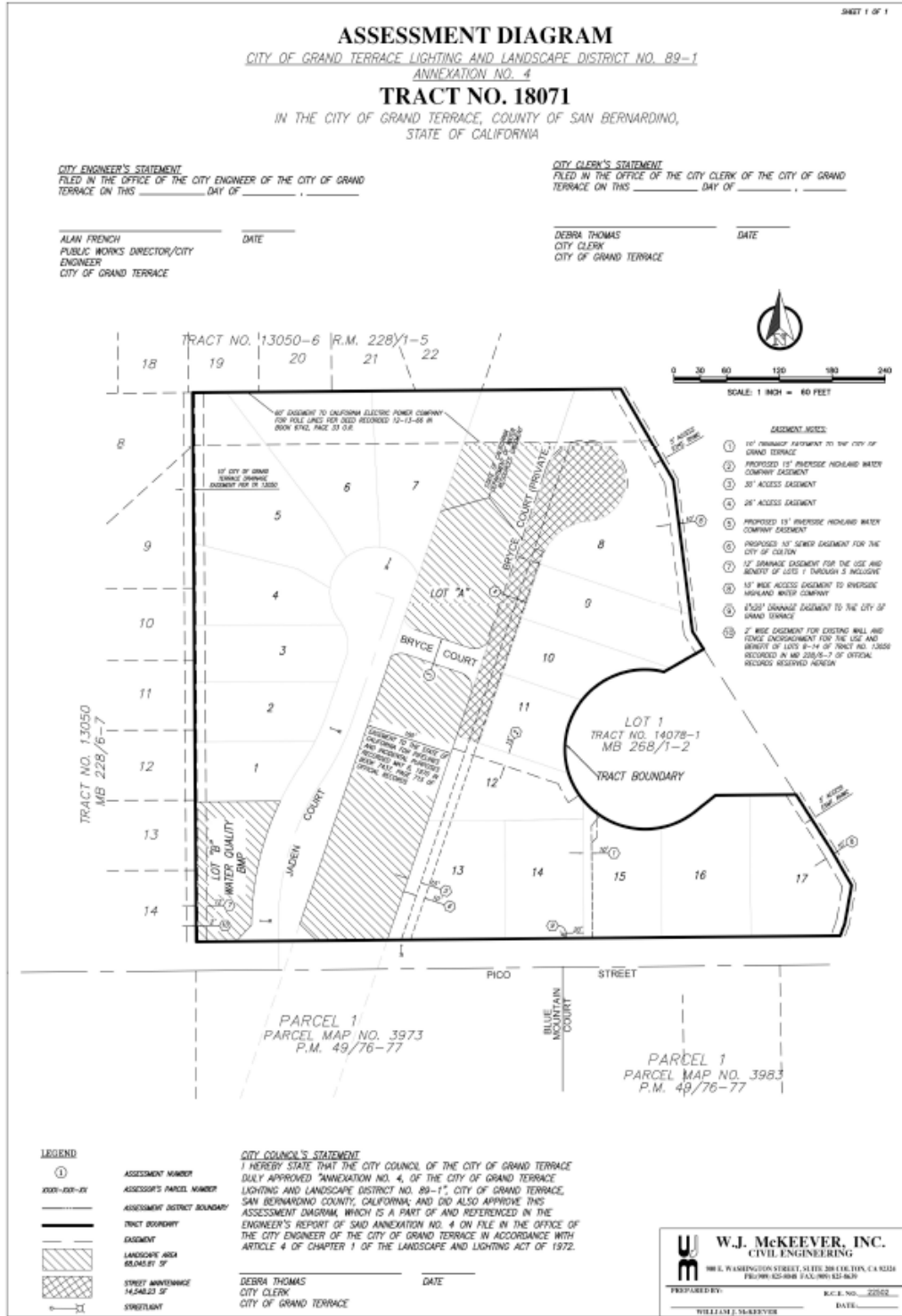
# CITY OF GRAND TERRACE LANDSCAPE AND LIGHTING ASSESMENT DISTRICT ZONE 4



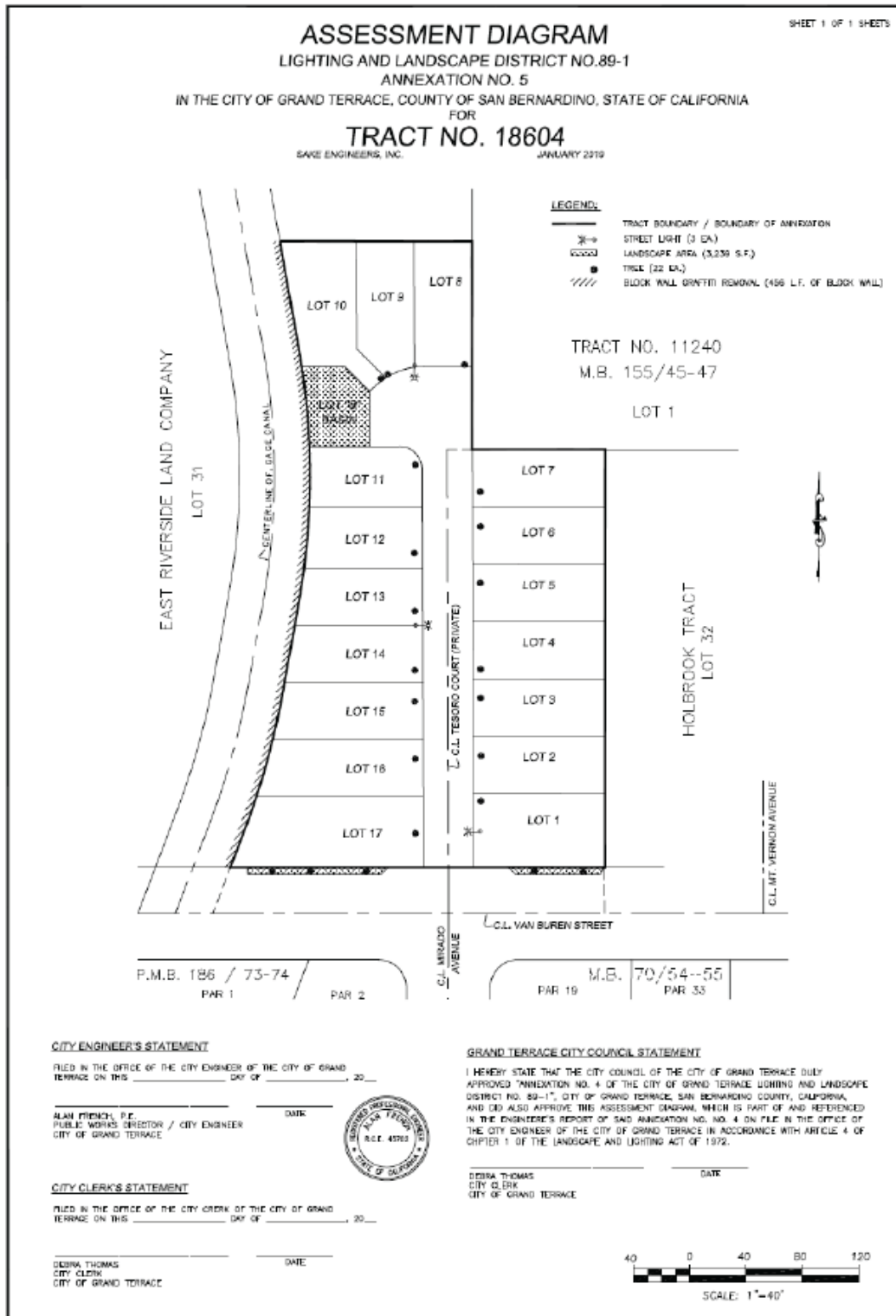
# CITY OF GRAND TERRACE LANDSCAPE AND LIGHTING ASSESMENT DISTRICT ZONE 5



# CITY OF GRAND TERRACE LANDSCAPE AND LIGHTING ASSESMENT DISTRICT Zone 6



# CITY OF GRAND TERRACE LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT ZONE 7



## Section V. ASSESSMENT ROLL

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The description of each lot or parcel is part of the records of the Assessor of the County of San Bernardino and these records are, by reference, made part of this Report. The proposed assessment and the amount of assessment for Fiscal Year 2026/2027 apportioned to each lot or parcel is shown below.

**City of Grand Terrace**  
**Landscaping and Lighting Assessment District No. 89-1**  
**Fiscal Year 2026/27 Preliminary Roll**

Zone	Assessor's Parcel Number	Tract	Equivalent Benefit Unit (EBU)	Assessment	Max Assessment
1	0275-301-08-0000	13364	1.0	\$282.33	\$282.33
1	0275-301-09-0000	13364	1.0	282.33	282.33
1	0275-301-10-0000	13364	1.0	282.33	282.33
1	0275-301-11-0000	13364	1.0	282.33	282.33
1	0275-301-12-0000	13364	1.0	282.33	282.33
1	0275-301-13-0000	13364	1.0	282.33	282.33
1	0275-301-14-0000	13364	1.0	282.33	282.33
1	0275-301-15-0000	13364	1.0	282.33	282.33
1	0275-301-16-0000	13364	1.0	282.33	282.33
1	0275-301-17-0000	13364	1.0	282.33	282.33
1	0275-301-18-0000	13364	1.0	282.33	282.33
1	0275-301-19-0000	13364	1.0	282.33	282.33
1	0275-301-20-0000	13364	1.0	282.33	282.33
1	0275-301-21-0000	13364	1.0	282.33	282.33
1	0275-301-22-0000	13364	1.0	282.33	282.33
1	0275-301-23-0000	13364	1.0	282.33	282.33
1	0275-301-24-0000	13364	1.0	282.33	282.33
1	0275-301-25-0000	13364	1.0	282.33	282.33
1	0275-301-26-0000	13364	1.0	282.33	282.33
1	0275-301-27-0000	13364	1.0	282.33	282.33
2	0275-251-81-0000	14264	1.0	1,415.64	1,415.64
3	1178-181-16-0000	14471	1.0	197.03	309.95
3	1178-181-17-0000	14471	1.0	197.03	309.95
3	1178-181-18-0000	14471	1.0	197.03	309.95
3	1178-181-19-0000	14471	1.0	197.03	309.95
3	1178-181-20-0000	14471	1.0	197.03	309.95
3	1178-181-21-0000	14471	1.0	197.03	309.95
3	1178-181-22-0000	14471	1.0	197.03	309.95
3	1178-181-23-0000	14471	1.0	197.03	309.95
3	1178-181-24-0000	14471	1.0	197.03	309.95
3	1178-181-25-0000	14471	1.0	197.03	309.95
3	1178-181-26-0000	14471	1.0	197.03	309.95
3	1178-181-27-0000	14471	1.0	197.03	309.95
3	1178-181-28-0000	14471	1.0	197.03	309.95
3	1178-181-29-0000	14471	1.0	197.03	309.95
3	1178-181-30-0000	14471	1.0	197.03	309.95
3	1178-181-31-0000	14471	1.0	197.03	309.95
3	1178-181-32-0000	14471	1.0	197.03	309.95
4	0275-331-02-0000	17766	1.0	33.04	242.59
4	0275-331-03-0000	17766	1.0	33.04	242.59
4	0275-331-04-0000	17766	1.0	33.04	242.59
4	0275-331-05-0000	17766	1.0	33.04	242.59
4	0275-331-06-0000	17766	1.0	33.04	242.59
4	0275-331-07-0000	17766	1.0	33.04	242.59
4	0275-331-08-0000	17766	1.0	33.04	242.59
4	0275-331-09-0000	17766	1.0	33.04	242.59
4	0275-331-10-0000	17766	1.0	33.04	242.59
4	0275-331-11-0000	17766	1.0	33.04	242.59
4	0275-331-12-0000	17766	1.0	33.04	242.59
4	0275-331-13-0000	17766	1.0	33.04	242.59
4	0275-331-14-0000	17766	1.0	33.04	242.59
4	0275-331-15-0000	17766	1.0	33.04	242.59
4	0275-331-17-0000	17766	1.0	33.04	242.59
4	0275-331-18-0000	17766	1.0	33.04	242.59
4	0275-331-19-0000	17766	1.0	33.04	242.59
4	0275-331-20-0000	17766	1.0	33.04	242.59
4	0275-331-21-0000	17766	1.0	33.04	242.59
4	0275-331-22-0000	17766	1.0	33.04	242.59

**City of Grand Terrace**  
**Landscaping and Lighting Assessment District No. 89-1**  
**Fiscal Year 2026/27 Preliminary Roll**

Zone	Assessor's Parcel Number	Tract	Equivalent Benefit Unit (EBU)	Assessment	Max Assessment
4	0275-331-23-0000	17766	1.0	33.04	242.59
4	0275-331-24-0000	17766	1.0	33.04	242.59
4	0275-331-25-0000	17766	1.0	33.04	242.59
4	0275-331-26-0000	17766	1.0	33.04	242.59
4	0275-331-27-0000	17766	1.0	33.04	242.59
4	0275-331-28-0000	17766	1.0	33.04	242.59
4	0275-331-29-0000	17766	1.0	33.04	242.59
4	0275-331-30-0000	17766	1.0	33.04	242.59
4	0275-331-31-0000	17766	1.0	33.04	242.59
4	0275-331-32-0000	17766	1.0	33.04	242.59
4	0275-331-33-0000	17766	1.0	33.04	242.59
4	0275-331-34-0000	17766	1.0	33.04	242.59
4	0275-331-35-0000	17766	1.0	33.04	242.59
4	0275-331-36-0000	17766	1.0	33.04	242.59
4	0275-331-37-0000	17766	1.0	33.04	242.59
5	1167-291-67-0000	18793	1.0	124.44	760.91
5	1167-291-68-0000	18793	1.0	124.44	760.91
5	1167-291-69-0000	18793	1.0	124.44	760.91
5	1167-291-70-0000	18793	1.0	124.44	760.91
5	1167-291-71-0000	18793	1.0	124.44	760.91
5	1167-291-72-0000	18793	1.0	124.44	760.91
5	1167-291-73-0000	18793	1.0	124.44	760.91
5	1167-291-74-0000	18793	1.0	124.44	760.91
5	1167-291-75-0000	18793	1.0	124.44	760.91
5	1167-291-76-0000	18793	1.0	124.44	760.91
5	1167-291-77-0000	18793	1.0	124.44	760.91
5	1167-291-78-0000	18793	1.0	124.44	760.91
6	1178-181-37-0000	18071	1.0	884.85	2,188.39
6	1178-181-38-0000	18071	1.0	884.85	2,188.39
6	1178-181-39-0000	18071	1.0	884.85	2,188.39
6	1178-181-40-0000	18071	1.0	884.85	2,188.39
6	1178-181-41-0000	18071	1.0	884.85	2,188.39
6	1178-181-42-0000	18071	1.0	884.85	2,188.39
6	1178-181-43-0000	18071	1.0	884.85	2,188.39
6	1178-181-44-0000	18071	1.0	884.85	2,188.39
6	1178-181-45-0000	18071	1.0	884.85	2,188.39
6	1178-181-46-0000	18071	1.0	884.85	2,188.39
6	1178-181-47-0000	18071	1.0	884.85	2,188.39
6	1178-181-48-0000	18071	1.0	884.85	2,188.39
6	1178-181-49-0000	18071	1.0	884.85	2,188.39
6	1178-181-50-0000	18071	1.0	884.85	2,188.39
6	1178-181-51-0000	18071	1.0	884.85	2,188.39
6	1178-181-52-0000	18071	1.0	884.85	2,188.39
6	1178-181-53-0000	18071	1.0	884.85	2,188.39
7	1167-341-80-0000	18604	1.0	27.51	483.81
7	1167-341-81-0000	18604	1.0	27.51	483.81
7	1167-341-82-0000	18604	1.0	27.51	483.81
7	1167-341-83-0000	18604	1.0	27.51	483.81
7	1167-341-84-0000	18604	1.0	27.51	483.81
7	1167-341-85-0000	18604	1.0	27.51	483.81
7	1167-341-86-0000	18604	1.0	27.51	483.81
7	1167-341-87-0000	18604	1.0	27.51	483.81
7	1167-341-88-0000	18604	1.0	27.51	483.81
7	1167-341-89-0000	18604	1.0	27.51	483.81
7	1167-341-90-0000	18604	1.0	27.51	483.81
7	1167-341-91-0000	18604	1.0	27.51	483.81
7	1167-341-92-0000	18604	1.0	27.51	483.81
7	1167-341-93-0000	18604	1.0	27.51	483.81

**City of Grand Terrace**  
**Landscaping and Lighting Assessment District No. 89-1**  
**Fiscal Year 2026/27 Preliminary Roll**

Zone	Assessor's Parcel Number	Tract	Equivalent Benefit Unit (EBU)	Assessment	Max Assessment
7	1167-341-94-0000	18604	1.0	27.51	483.81
7	1167-341-95-0000	18604	1.0	27.51	483.81
7	1167-341-96-0000	18604	1.0	27.51	483.81

Zone No.	Parcel Count	EBU	Assessment Amount	Max Assessment
Zone 1	20	20	\$5,646.60	\$5,646.60
Zone 2	1	1	1,415.64	1,415.64
Zone 3	17	17	3,349.51	5,269.15
Zone 4	35	35	1,156.40	8,490.65
Zone 5	12	12	1,493.28	9,130.92
Zone 6	17	17	15,042.45	37,202.63
Zone 7	17	17	467.67	8,224.77
<b>Grand Total:</b>	<b>119</b>	<b>119</b>	<b>\$28,571.55</b>	<b>\$75,380.36</b>

**RESOLUTION NO. 2026-xx**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, APPROVING THE ENGINEER'S REPORT FOR THE CITY OF GRAND TERRACE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 89-1 AND CONFIRMING THE DIAGRAM AND ASSESSMENT AND ORDERING THE LEVY AND COLLECTION OF THE ASSESSMENTS FOR FISCAL YEAR 2026-2027**

**WHEREAS**, the CITY COUNCIL of the CITY OF GRAND TERRACE, CALIFORNIA, (hereinafter referred to as "City Council") pursuant to the provisions of Landscaping and Lighting Act of 1972, Part 2 of Division 15, of the California Streets and Highways Code (hereafter referred to as the "Act") has by previous resolutions initiated proceedings, declared its intention to levy and collect annual assessments and preliminarily approved the Engineer's Report (hereinafter referred to as the "Report") for the annual levy of assessments, consisting of plans and specifications, an estimate of the cost, a diagram of the district, and an assessment relating to what is now known and designated as:

**CITY OF GRAND TERRACE**

**LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 89-1**

(hereinafter referred to as the "District"); and,

**WHEREAS**, by its Resolutions Nos. 2026-06, 2026-07, and 2026-08 adopted May 12<sup>th</sup>, 2026, the City Council preliminarily approved the Report, declared its intention to levy an assessment in connection with the District for Fiscal Year 2026-2027, and called a public hearing on the assessment for June 9<sup>th</sup>, 2026 (the "Hearing"); and

**WHEREAS**, at the Hearing, which was noticed as required by law, all interested persons were afforded the opportunity to hear and be heard and the City Council considered all oral and written statements and all written protests made or filed by any interest person pursuant to Chapter 3, Section 22629 of the Act; and

**WHEREAS**, this City Council has now carefully examined and reviewed the Report as presented, considered all testimony and evidence, is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the proposed assessments, on a preliminary basis, have been spread in accordance with the benefits received from the maintenance to be performed, as set forth in said Report; and

**WHEREAS**, the City Council now desires to complete proceedings to levy the Fiscal Year 2026-2027 assessment in connection with the District.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF GRAND TERRACE DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** That the above recitals are all true and correct.

**SECTION 2.** That the Report as presented consisting of the following:

- A. Plans and specifications;
- B. Method of Apportionment;
- C. Estimate of cost;
- D. Assessment Diagram of the District;
- E. Assessment of the estimated cost;

**SECTION 3.** The City Council hereby approves the Report and the assessments contained therein and finds that the assessments so described comply with the provisions of the California Constitution Article XIID.

**SECTION 4.** The Report is hereby ordered to be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection. The City Clerk shall certify the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Report.

**SECTION 5.** The City Clerk is directed to file the diagram and assessment, or a certified copy thereof, with the San Bernadino County Auditor-Controller, together with a certified copy of this Resolution upon its adoption in accordance with Chapter 4, Article 1, Section 22641 of the Act. The assessments shall be collected at the same time and in the same manner as County taxes are collected, and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments.

**SECTION 6.** That the adoption of this Resolution shall constitute the District levy of the assessment for Fiscal Year 2026-2027.

**SECTION 7.** The City Clerk shall certify to the passage and adoption of this Resolution and it shall become effective immediately.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Grand Terrace at a regular meeting held on the 9<sup>th</sup> day of June 2026.

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Bill Hussey  
Mayor

**ATTEST:**

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Daysi Alcocer  
City Clerk

**APPROVED AS TO FORM:**

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Adrian R. Guerra  
City Attorney



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Second Reading and Adoption of an Ordinance Formalizing Public Works Standard Plans and Streetlight Design Standards

PRESENTED BY: Shanita Tillman, Sr. Management Analyst

RECOMMENDATION: **CONDUCT THE SECOND READING AND ADOPT AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE ADOPTING PUBLIC WORKS STANDARD PLANS AND SPECIFICATIONS AND STREETLIGHT DESIGN STANDARDS.**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #1: Ensure Our Fiscal Viability by establishing clear and consistent engineering standards that reduce administrative inefficiencies and support cost-effective project delivery.

## **BACKGROUND:**

The City of Grand Terrace does not currently maintain a formally adopted set of Public Works Standard Plans and Specifications. In practice, the City has historically relied on the San Bernardino County Standard Plans and Specifications to support plan review, capital improvement projects, and development-related improvements.

While these standards are already used operationally, they have not been formally adopted by ordinance, which limits enforceability and creates potential inconsistencies.

In addition, the County standards do not include streetlight design criteria. To address this gap, the proposed ordinance formalizes the City's use of:

- The San Bernardino County Public Works Standard Plans and Specifications for civil infrastructure; and
- The City of Ontario Standard Drawings for street lighting, including associated conduit and electrical components specific to streetlight infrastructure, specifically Standard Drawings 5101 through 5108.

On May 26, 2026, the City Council conducted the first reading and introduction of the proposed ordinance. No substantive changes have been made since introduction, and the ordinance is now before the City Council for second reading and adoption.

## **DISCUSSION:**

The proposed ordinance formalizes the City's use of the San Bernardino County Public Works

Standard Plans and Specifications and the City of Ontario Streetlight Standard Drawings as the City's adopted engineering standards.

The ordinance received its first reading and introduction on May 26, 2026. No substantive changes have been made since introduction. Adoption of the ordinance will establish clear and enforceable standards for public infrastructure improvements and streetlight design within the City.

Exhibit A contains the Table of Contents of the San Bernardino County Standard Plans and Specifications, which are incorporated by reference and maintained on file with the City Clerk and available on the City's website. Exhibit B contains the applicable City of Ontario Streetlight Standard Drawings.

**ENVIRONMENTAL IMPACT:**

The proposed ordinance is not a project under CEQA and will not result in any physical impact on the environment.

**FISCAL IMPACT:**

There is no fiscal impact associated with adoption of this ordinance.

**ORDINANCE NO. XXX**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE ADOPTING BY REFERENCE THE SAN BERNARDINO COUNTY PUBLIC WORKS STANDARD PLANS AND SPECIFICATIONS, AND ADOPTING BY REFERENCE THE CITY OF ONTARIO STREETLIGHT STANDARDS FOR USE IN PUBLIC IMPROVEMENT DESIGN AND CONSTRUCTION**

**WHEREAS**, the City of Grand Terrace does not currently maintain its own comprehensive set of public works standard plans and specifications for infrastructure improvements; and

**WHEREAS**, in practice, the City of Grand Terrace has historically utilized the San Bernardino County Standard Plans and Specifications in public works projects and formal procurement documents; and

**WHEREAS**, developing and maintaining a fully customized set of city-specific standards would require technical resources and funding that are not presently available; and

**WHEREAS**, the City Engineer, currently contracted part-time, is not equipped or credentialed to create or certify a complete set of original standard plans beyond his or her core area of expertise; and

**WHEREAS**, the San Bernardino County standards represent regionally recognized and widely used engineering practices, providing a consistent and efficient framework for public infrastructure within the San Bernardino County; and

**WHEREAS**, the San Bernardino County standards do not include streetlight specifications; and

**WHEREAS**, the City of Ontario's streetlight design standards are suitable for the City of Grand Terrace; and

**WHEREAS**, the City of Grand Terrace now desires to adopt by reference the San Bernardino County Public Works Standard Plans and Specifications and designate the City of Ontario's streetlight design standards as the City of Grand Terrace's adopted standard for streetlight infrastructure.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRAND TERRACE DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The facts set forth in the recitals in this Ordinance are true and correct and incorporated herein by this reference.

**SECTION 2.** Adoption of San Bernardino County Standards. The City hereby adopts, by reference, the San Bernardino County Standard Plans and Specifications, as shown in Exhibit A, which is incorporated herein by reference and made part of this

Ordinance. These standards shall serve as the City's primary standard for all public works improvements, including roadway, drainage, and civil infrastructure. A copy of Exhibit A shall be kept on file in the City Clerk's Office and made available for public inspection.

**SECTION 3. Adoption of City of Ontario Streetlight Standards.** The City further adopts, by reference, the City of Ontario Standard Drawings for street lighting, including associated conduit and electrical components specific to streetlight infrastructure, specifically Standard Drawings 5101 through 5108, as shown in Exhibit B, which is incorporated herein by reference and made part of this Ordinance. These standards shall serve as the City's official design standards for streetlight improvements. A copy of Exhibit B shall be kept on file in the City Clerk's Office and made available for public inspection.

**SECTION 4. Interpretation, Conflict Resolution, and Engineer Authority.** In the event of a conflict between adopted standards, the San Bernardino County Standard Plans shall govern for roadway, drainage, and civil improvements, and the City of Ontario Standard Drawings shall govern for street lighting and associated infrastructure, unless otherwise determined by the City Engineer.

Traffic control devices, including signage, pavement markings, and striping, shall conform to the California Manual on Uniform Traffic Control Devices (CA MUTCD), as may be amended from time to time. Where no adopted standard applies, the City Engineer is authorized to determine appropriate design criteria based on accepted engineering practices, including Caltrans standards.

The City Engineer shall have the authority to interpret, apply, and approve deviations or supplements to the adopted standards as necessary to meet site-specific or project-specific conditions, and may issue administrative guidance or technical bulletins consistent with sound engineering practices.

**SECTION 5. California Environmental Quality Act (CEQA).** The City Council finds that the adoption of this Ordinance is not a project under the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(5) of the CEQA Guidelines, as it is an administrative activity of the City that will not result in a direct or reasonably foreseeable physical change in the environment. Alternatively, even if deemed a project, this action is exempt from CEQA under Section 15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility that the adoption of regional public works standards will have a significant effect on the environment.

**SECTION 6. Severability.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentences, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional due to the writs of mandate issued by the Court.

**SECTION 7. Effective Date.** This Ordinance shall take effect and be in full force and effect thirty (30) days after its adoption. The City Clerk shall certify to the adoption of

this Ordinance and cause the same to be published or posted in the manner required by law.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Grand Terrace at a regular meeting held on the 9<sup>th</sup> day of June, 2026.

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Bill Hussey  
Mayor

**ATTEST:**

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Daysi Alcocer  
City Clerk

**APPROVED AS TO FORM:**

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Adrian R. Guerra  
City Attorney

# SAN BERNARDINO COUNTY TRANSPORTATION DEPARTMENT

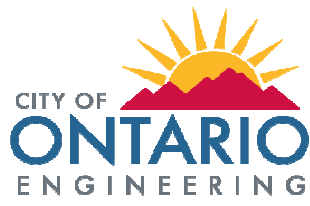
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307E	PAVEMENT MARKER (TYPE A)

310	FIRE HYDRANT LOCATION
311	UNDERGROUND UTILITY LOCATION
311A	MANHOLE APRON PAVED ROAD
312	MAILBOX (SINGLE INSTALLATION)
312A	MULTIPLE MAILBOX INSTALLATION FOR NEW SIDEWALK
312B	MULTIPLE MAILBOX INSTALLATION FOR EXISTING SIDEWALK
313	TYPICAL SIGN INSTALLATION
400	RAISED MEDIAN
401	THICKENED ASPHALT CONCRETE EDGE
402	INTERIM ASPHALT CONCRETE TRANSITION
403	BOUNDARY CHAIN LINK FENCE
404	CHANNEL WALL CHAIN LINK FENCE
500A	BRIDGE OR CULVERT GUARDRAIL RETROFIT
500B	BRIDGE OR CULVERT GUARDRAIL RETROFIT
501A	FLATBED TRUCK FALL PROTECTION
501B	FLATBED TRUCK FALL PROTECTION



## Traffic Standard Drawings List

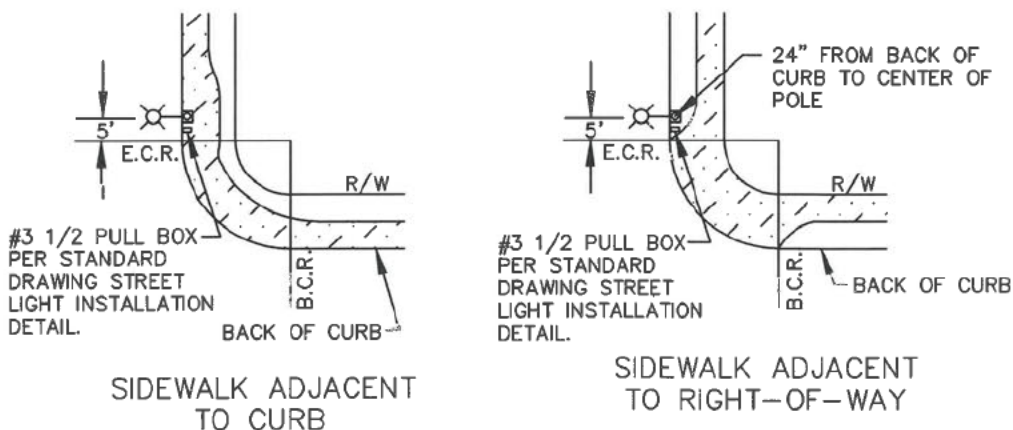
Standard Drawing No.	Details	Approval Date
5101	Street Light Standard	1-Feb-2024
5102	Street Light Installation Detail	23-Dec-2025
5103	King Street Light Standard	9-Sep-2010
5104	Drive Approach Street Light Relocation	8-Aug-2006
5105	Underground Electrical Feed Point	12-Oct-2022
5106	Street Light Pedestal Wiring Diagram	12-Oct-2022
5107	Corsican Street Light Standard	9-Sep-2010
5108	Carpinteria Street Light Standard	4-Nov-2014

# APPROVED POLE SCHEDULE

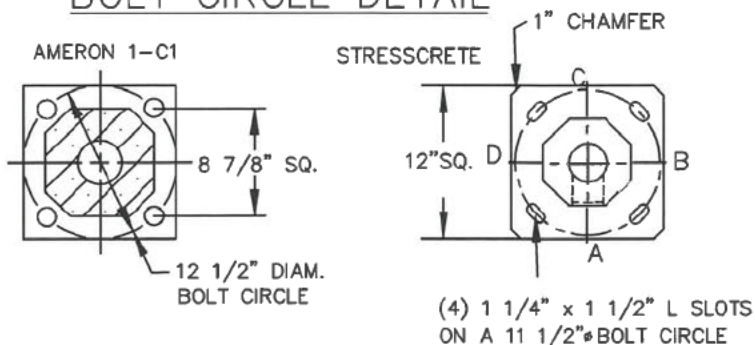
POLE	AMERON	LUMINAIRE MOUNTING HEIGHT	MASTER ARM LENGTH
A	1-C1-25-F8	29'-0"	8'
B	1-C1-25-F4	27'-6"	4'
C	1-C1-28-F8	31'-6"	8'

POLE	STRESSCRETE	LUMINAIRE MOUNTING HEIGHT	MASTER ARM LENGTH
A	P259-BPO-G-E31-CA-EAS1-OCT8'-SPCR	28'-3"	8'
B	P259-BPO-G-E31-CA-EAS1-OCT4'-SPCR	27'-3"	4'
C	P283-BPO-G-E31-CA-EAS1-OCT8'-SPCR	30'-3"	8'

## POLE LOCATION ADJACENT TO CURB RETURN



## BOLT CIRCLE DETAIL



## NOTES

- SEE CITY OF ONTARIO TRAFFIC & TRANSPORTATION GUIDELINES APPROVED MATERIAL LIST (AML) LED LUMINAIRES FOR LUMINAIRE REQUIREMENTS
- NO DEVIATION FROM THE ABOVE SCHEDULE WILL BE ALLOWED UNLESS OTHERWISE APPROVED IN WRITING BY THE CITY ENGINEER.



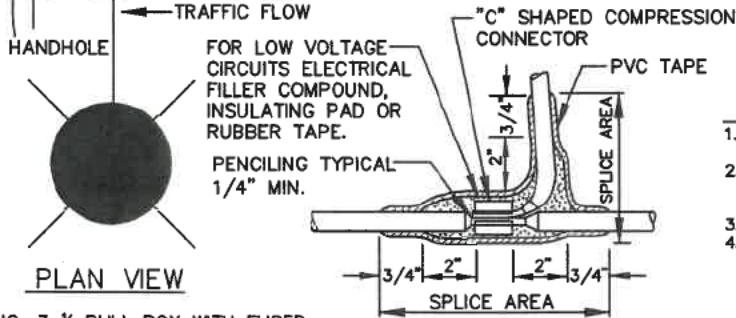
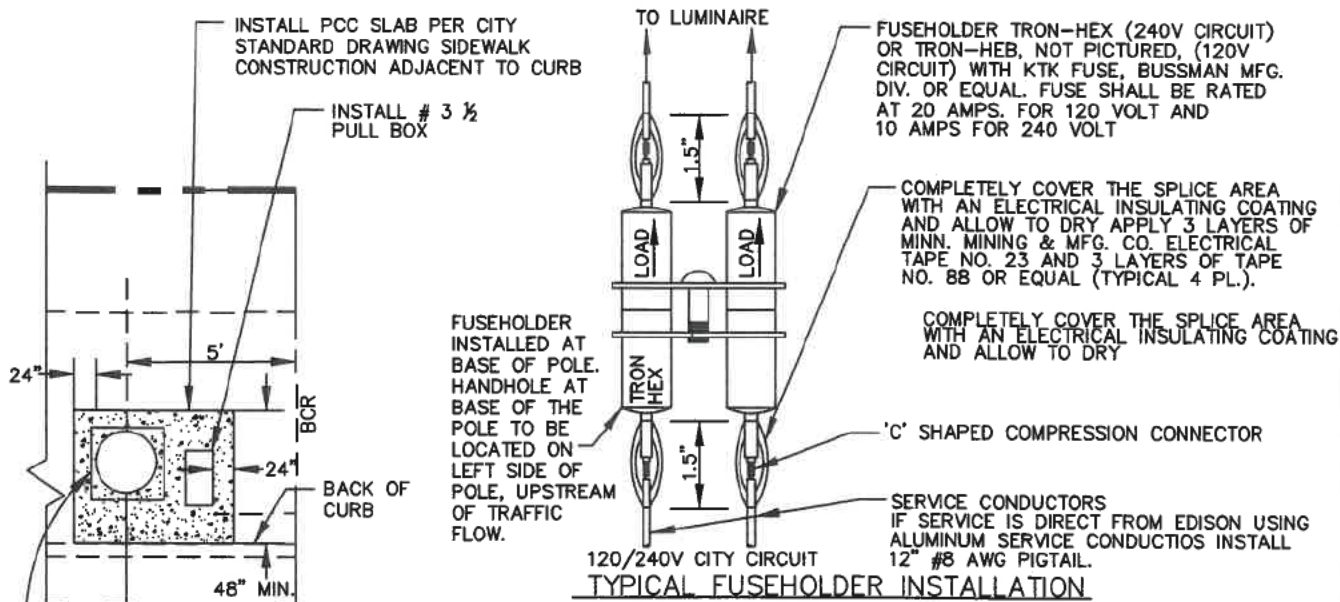
APPROVED BY: <i>[Signature]</i> 2-1-24 62809		RCE DATE	
KHOI DO, CITY ENGINEER			
RECOMMENDED: <i>[Signature]</i> 2/1/24 62841		RCE DATE	
JAY BAUTISTA, TRAFFIC/TRANSPORTATION MANAGER			
REV	DESCRIPTION	BY	APP'D DATE
1	Addition of Stresscrete poles/arms	DT	

CITY OF ONTARIO

STREET LIGHT STANDARD

STANDARD DRAWING NUMBER

5101

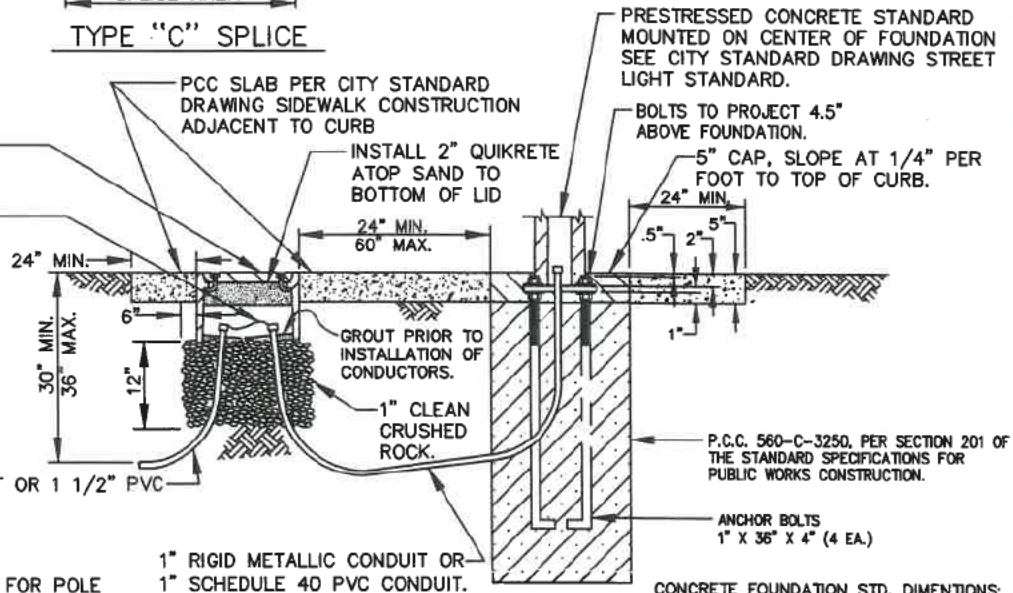


- METHOD "B"**
1. COMPLETELY COVER THE SPLICE AREA WITH ELECTRICAL INSULATING COATING AND ALLOW TO DRY.
  2. APPLY 2 LAYERS OF ELECTRICAL INSULATING PAD WITH MINIMUM THICKNESS OF 4mm EACH LAYER OR 2 LAYERS, HALF LAPPED, SYNTHETIC OIL RESISTANT, SELF FUSING RUBBER TAPE.
  3. APPLY 3 LAYERS, HALF LAPPED, POLYVINYL CHLORIDE TAPE.
  4. COVER ENTIRE SPLICE WITH ELECTRICAL INSULATING COATING AND ALLOW TO DRY.

NO. 3 1/2 PULL BOX WITH FUSED DISCONNECT (SEE DETAIL TYPICAL FUSEHOLDER INSTALLATION). INSTALL TWO 3/8" BRASS, NYLON OR STAINLESS STEEL LID LOCKS AND 2" (MIN.) GROUT IN THE BOTTOM OF BOX.

#6 AWG BOND WIRE (USE WITH METALLIC CONDUIT). WIRES TO BE BAGGED, ZIP-TIED CLOSED, AND PLACED IN 3" CLEAN SAND.

FEED CONDUIT  
1 1/2" RIGID METALLIC CONDUIT OR 1 1/2" PVC SCHEDULE 80 PVC CONDUIT



TYPICAL FOUNDATION AND PULLBOX INSTALLATION



APPROVED BY: *[Signature]* 12-29-25  
62809 RCE DATE

RECOMMENDED: *[Signature]* 12/29/25  
62841 RCE DATE

JAY BAUTISTA, TRAFFIC/TRANSPORTATION MANAGER RCE DATE

REV	DESCRIPTION	BY	APP'D	DATE

CITY OF ONTARIO

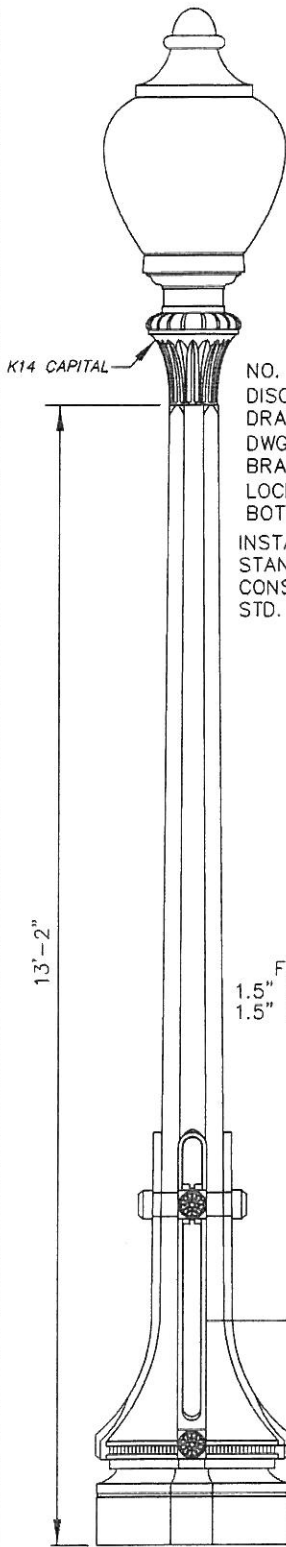
STREET LIGHT INSTALLATION DETAIL

STANDARD DRAWING NUMBER **5102**

☒ USE 60 WATT, LED KING LUMINAIRE  
# K118R-BAAR-III-60(SSL)-5000-240-K14-PR-BK

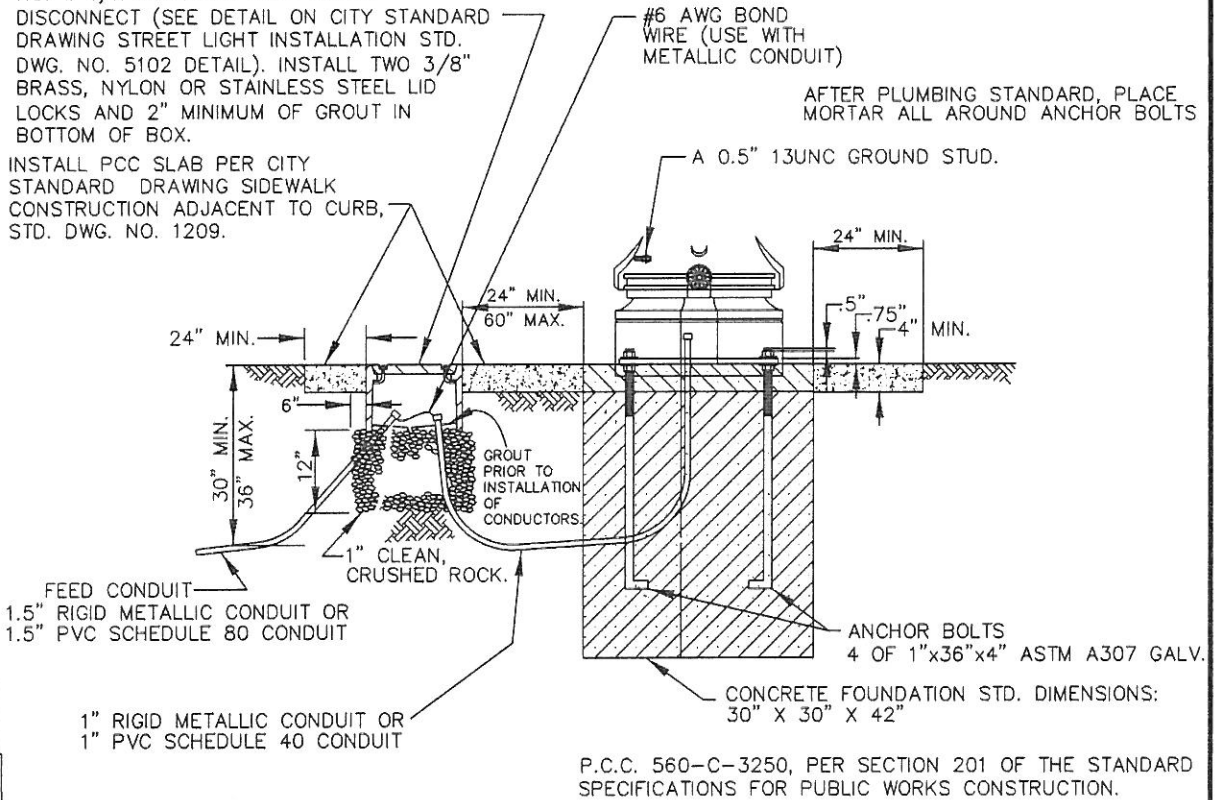
☒ USE 100 WATT, LED KING LUMINAIRE  
# K118R-BAAR-III-100(SSL)-8000-240-K14-PR-BK

FRENCH INTERMEDIATE CAST ALUMINUM POLE  
CATALOGUE # KM62-13, PAINT: BLACK  
THE POLE SHALL BE CAST ALUMINUM - A356.  
THE POLE SHALL BE 13'-2" HEIGHT WITH A 21.75" DIAMETER BASE. A TENON SHALL BE PROVIDED AT TOP OF SHAFT, 3.5" O.D. x 3.5" L.

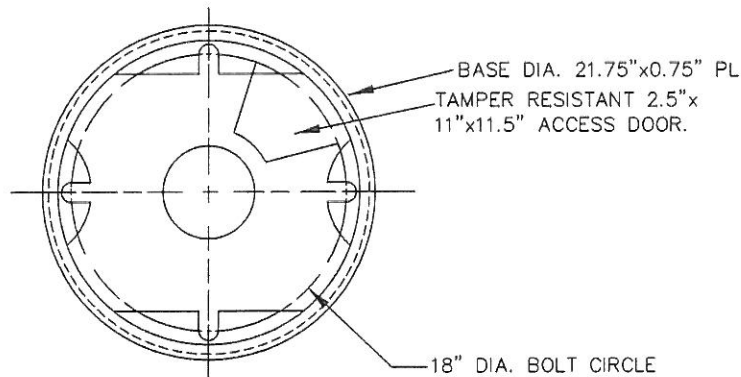


NO. 3 1/2 PULL BOX WITH FUSED DISCONNECT (SEE DETAIL ON CITY STANDARD DRAWING STREET LIGHT INSTALLATION STD. DWG. NO. 5102 DETAIL). INSTALL TWO 3/8" BRASS, NYLON OR STAINLESS STEEL LID LOCKS AND 2" MINIMUM OF GROUT IN BOTTOM OF BOX.

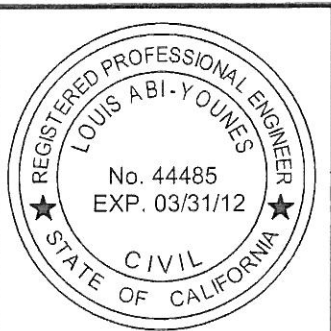
INSTALL PCC SLAB PER CITY STANDARD DRAWING SIDEWALK CONSTRUCTION ADJACENT TO CURB, STD. DWG. NO. 1209.



**KING STANDARD FOUNDATION AND PULLBOX INSTALLATION**



**KING STANDARD BOLT CIRCLE DETAIL**

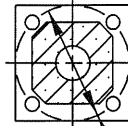


APPROVED BY:				
<i>Louis Abi-Younes</i>		44485	9.9.10	
LOUIS ABI-YOUNES CITY ENGINEER		RCE	DATE	
RECOMMENDED:				
<i>Thomas A. Davis</i>		2013	9/9/10	
TOM DANNA, TRAFFIC/TRANSPORTATION MANAGER		TE	DATE	
REV	DESCRIPTION	BY	APP'D	DATE

CITY OF ONTARIO	
KING STREET LIGHT STANDARD	STANDARD DRAWING NUMBER <b>5103</b>

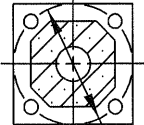
INSTALL PCC SLAB PER CITY STANDARD DRAWING SIDEWALK CONSTRUCTION ADJACENT TO CURB.

CENTRECON MBO PUMCO G6, G8



12" DIAM. BOLT CIRCLE

AMERON 1-C1

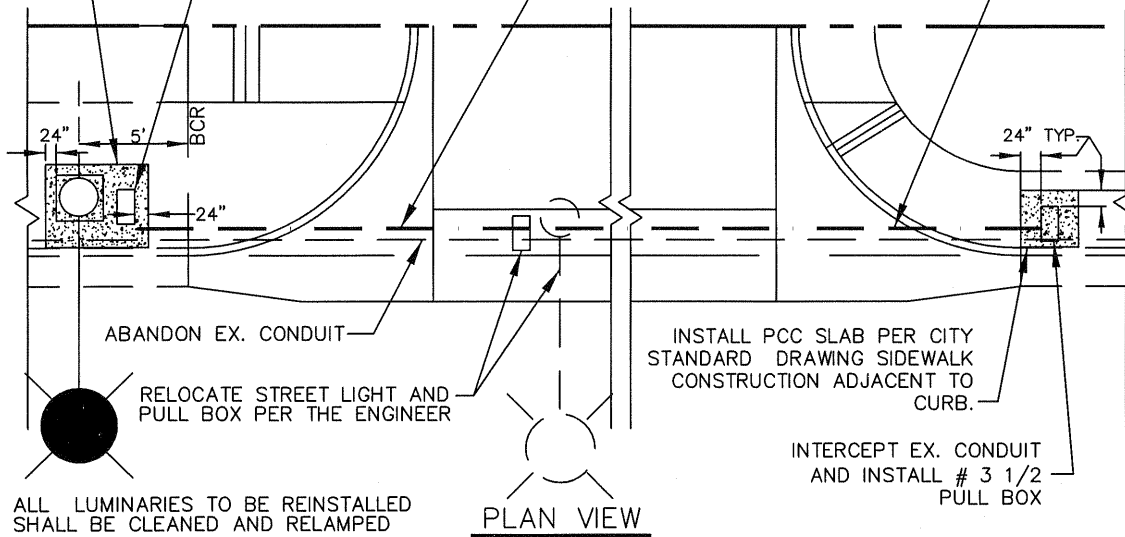


12 1/2" DIAM. BOLT CIRCLE

BOLT CIRCLE DETAIL

INTERCEPT EX. CONDUIT AND INSTALL # 3 1/2 PULL BOX

INSTALL 1 1/2" RIGID METALLIC CONDUIT OR SCH 80 PVC WITH NEW CONDUCTORS PULLED TO NEXT EXISTING POLE LOCATION.



ALL LUMINARIES TO BE REINSTALLED SHALL BE CLEANED AND RELAMPED

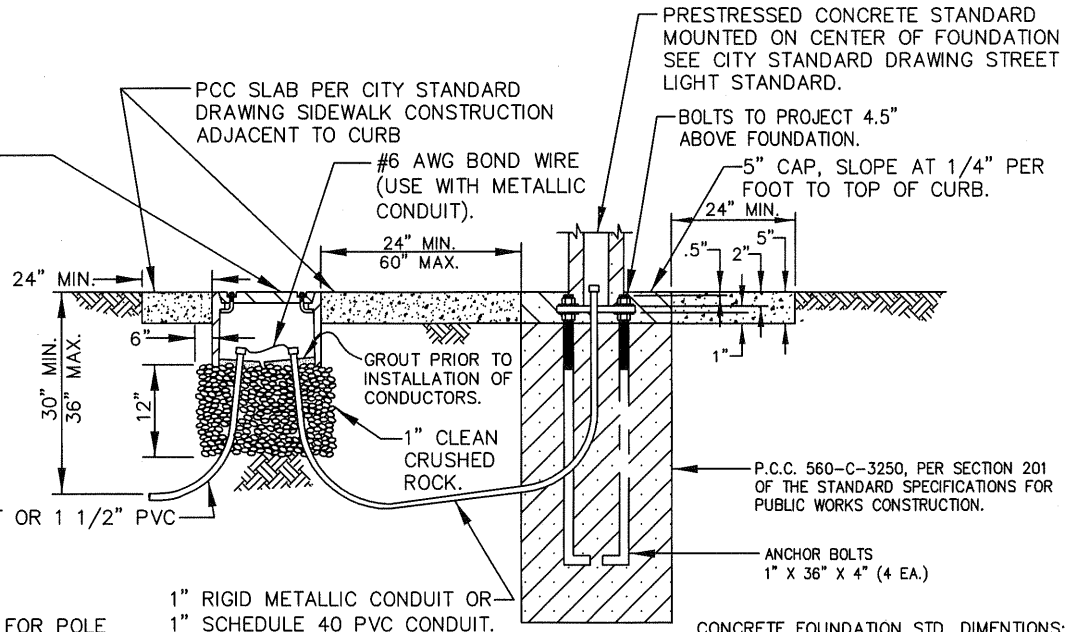
INSTALL PCC SLAB PER CITY STANDARD DRAWING SIDEWALK CONSTRUCTION ADJACENT TO CURB.

INTERCEPT EX. CONDUIT AND INSTALL # 3 1/2 PULL BOX

NOTE: WHEN A NEW DRIVE APPROACH IS INSTALLED THE EXISTING STREET LIGHT CONDUIT SHALL BE REPLACED PER THIS STANDARD DRAWING AND NEW CONDUCTORS INSTALLED. THE DEVELOPMENT ENGINEER SHALL CHECK OUT THE ORIGINAL STREET LIGHT DRAWING AND SHOW THE PROPOSED DRIVE APPROACH AND THE STREET LIGHT THAT IS TO BE RELOCATED WHEN AN EXISTING TRAFFIC SIGNAL PULL BOX LANDS IN A NEW DRIVE APPROACH, THE PULL BOX, CONDUIT AND CONDUCTORS (DLC,IC) SHALL BE RELOCATED PER THE ENGINEER.

NOTE: IN COMMERCIAL AREAS THE FUSE HOLDER SHALL BE PLACED IN THE STANDARD HAND HOLE AND THE PULL BOX LID GROUTED CLOSED

NO. 3 1/2 PULL BOX WITH FUSED DISCONNECT (SEE DETAIL TYPICAL FUSEHOLDER INSTALLATION). INSTALL TWO 3/8" BRASS, NYLON OR STAINLESS STEEL LID LOCKS AND 2"(MIN.) GROUT IN THE BOTTOM OF BOX.



FEED CONDUIT  
1 1/2" RIGID METALLIC CONDUIT OR 1 1/2" PVC SCHEDULE 80 PVC CONDUIT

1" RIGID METALLIC CONDUIT OR 1" SCHEDULE 40 PVC CONDUIT.

CONCRETE FOUNDATION STD. DIMENSIONS:  
A&B = 30" X 30" X 42"  
C = 30" X 30" X 48"

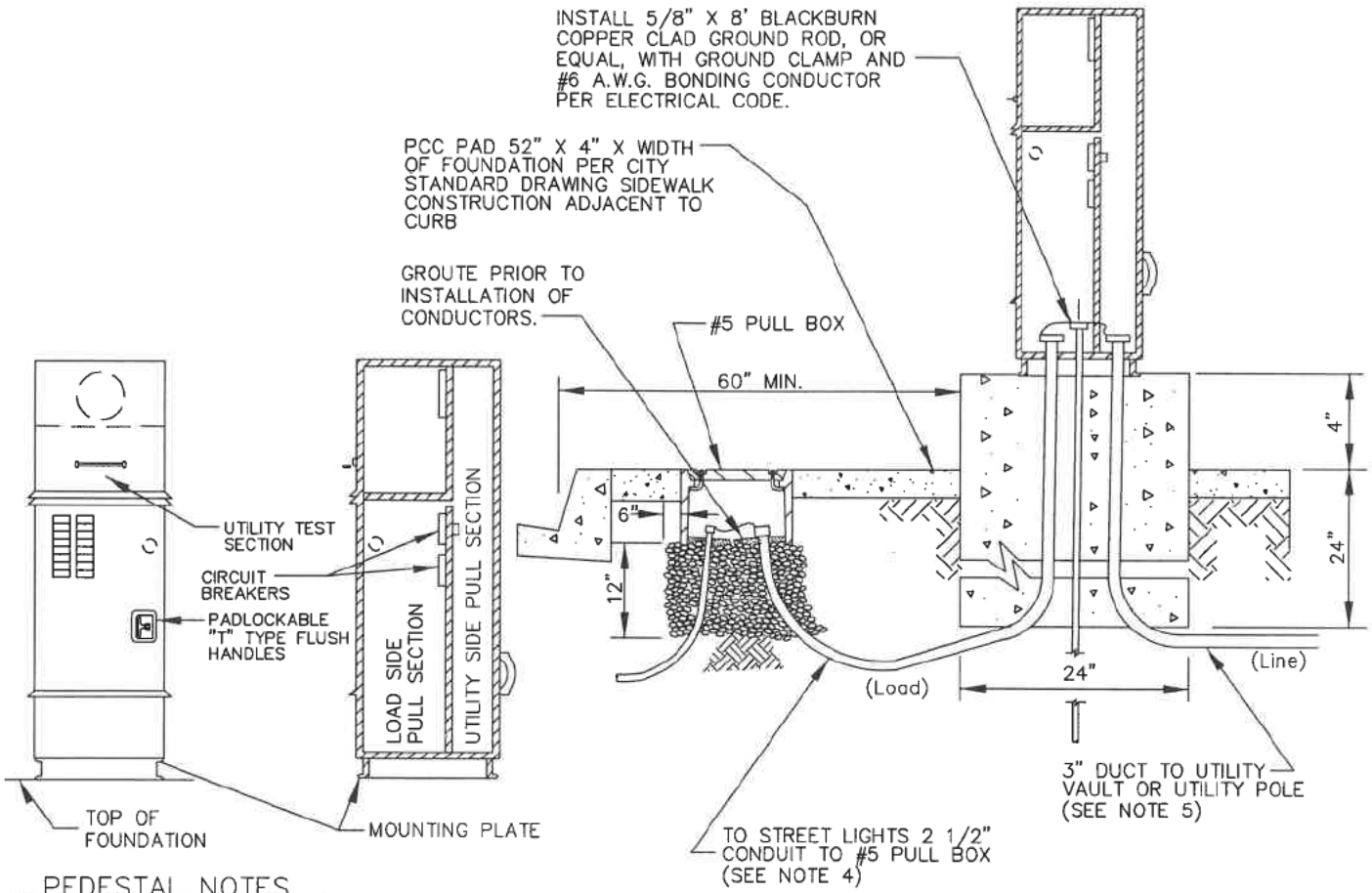
FOR POLE PLACEMENT SEE CITY STANDARD DRAWING STREET LIGHT INSTALLATION

TYPICAL FOUNDATION AND PULLBOX INSTALLATION



APPROVED BY: <i>John P. Sullivan</i> 24079 8/08/06				
JOHN P. SULLIVAN CITY ENGINEER RCE DATE				
RECOMMENDED: <i>Thomas A. Damm</i> 2013 8/07/06				
THOMAS A. DAMM TRAFFIC/TRANSPORTATION MANAGER TE DATE				
REV	DESCRIPTION	BY	APP'D	DATE

CITY OF ONTARIO	
DRIVE APPROACH STREET LIGHT RELOCATION	STANDARD DRAWING NUMBER <b>5104</b>



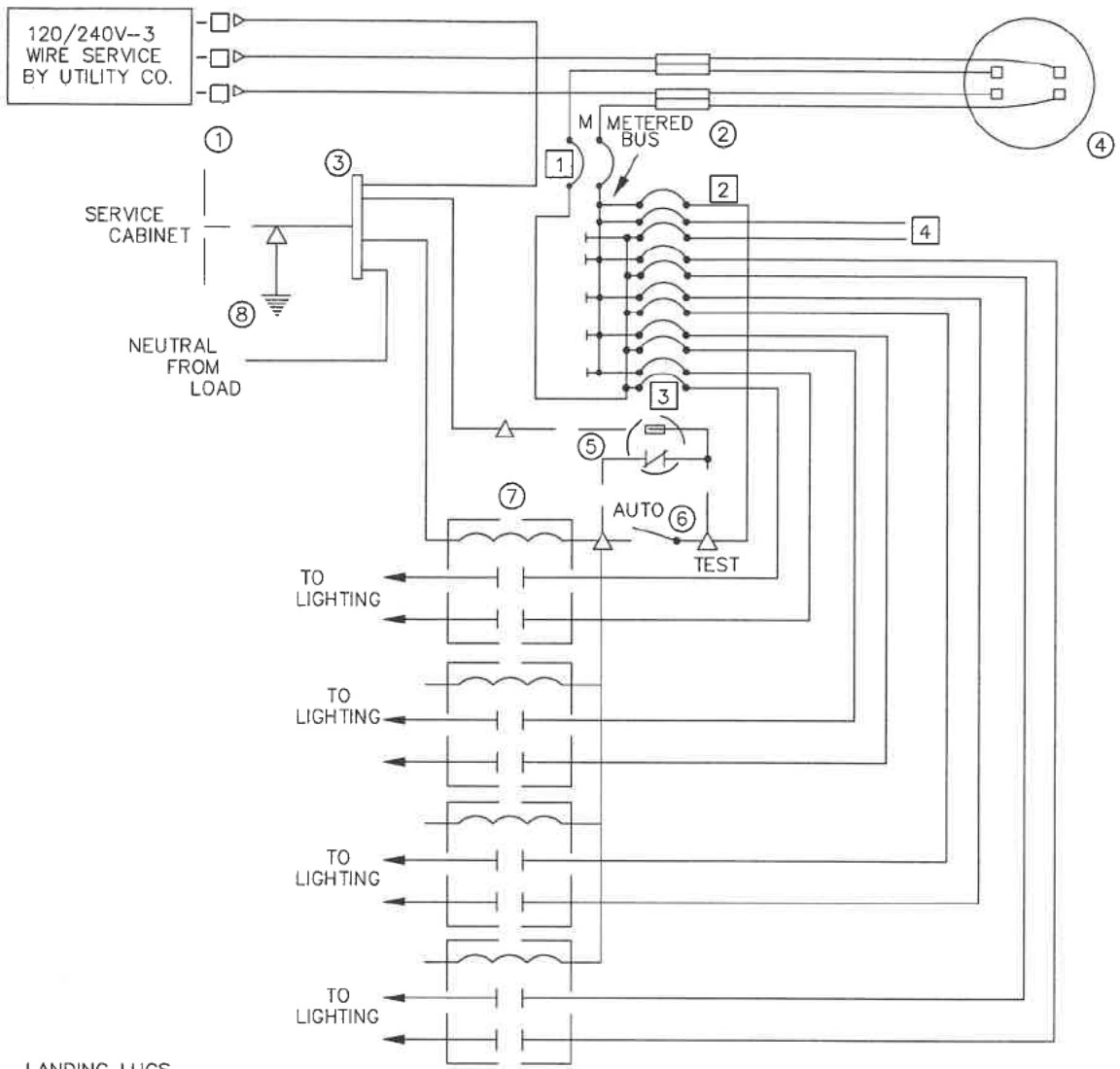
**PEDESTAL NOTES**

1. SERVICE PEDESTAL SHALL BE PACIFIC UTILITY PRODUCTS USP24-M200-112CTB-SD, MEYERS ELECTRIC PRODUCTS MEUG24-S-M200W/TB-MOD, TESCO CONTROLS, INC. OR AN EQUAL ALTERNATE APPROVED IN WRITING BY THE CITY ENGINEER. PEDESTAL LOCK SHALL BE A PAD LOCKABLE "T" TYPE FLUSH HANDLES. PEDESTAL WIRING SHALL BE PER CITY STANDARD DRAWING STREET LIGHT PEDESTAL WIRING DIAGRAM, AND CALTRANS STANDARD SPECIFICATIONS LATEST ENGLISH EDITION.
2. SERVICE PEDESTAL SHALL BE INSTALLED WITH PAD MOUNT SLEEVE.
3. CABINET SHALL BE BONDED TO A 5/8" X 8' BLACKBURN COPPER CLAD GROUND ROD, OR EQUAL, WITH GROUND CLAMP AND NO. 6 A.W.G. BONDING CONDUCTOR.
4. A 2 1/2 INCH (MINIMUM SIZE) CONDUIT WILL RUN FROM THE LOAD SIDE OF THE PEDESTAL TO THE ADJACENT #5 PULL BOX LOCATED WITHIN 5 FEET OF THE FEED PEDESTAL BASE.
5. A 3 INCH EDISON CO. APPROVED CONDUIT WITH PULL ROPE WILL RUN FROM THE UTILITY SIDE OF THE PEDESTAL TO THE FEED POINT PER S.C.E. REQUIREMENTS.
6. CONDUIT SHALL EXTEND INTO PEDESTAL 1" ABOVE FLOOR AND HAVE APPROVED CONDUIT BUSHINGS.
7. NO SPLICES WILL BE ALLOWED IN THE FIRST PULL BOX. SEPARATE CIRCUITS SHALL BE SUPPLIED FOR EACH DIRECTION OF SERVICE FROM THE PEDESTAL.
8. IN UNIMPROVED AREAS, TOP OF FOUNDATION SHALL BE AS DIRECTED BY THE CITY ENGINEER. IN IMPROVED AREAS, TOP OF FOUNDATION SHALL BE 12" ABOVE THE ADJACENT FINISHED SURFACE.
9. CONTRACTOR SHALL MAKE ARRANGEMENTS WITH THE EDISON CO. AND THE CITY ENGINEER FOR 120/240 VOLT 200 AMP SERVICE. CONTRACTOR SHALL BE RESPONSIBLE FOR ANY CHARGES FOR ANY WORK VOLT 200 AMP SERVICE. CONTRACTOR SHALL BE RESPONSIBLE FOR ANY CHARGES FOR ANY WORK.
10. CIRCUIT BREAKERS SHALL BE SUITABLE FOR USE ON 120/240 VOLT 200 AMP SERVICE AND BE U.L. LISTED.
11. ON METERED (LS-3) CIRCUITS THE PHOTOELECTRIC CONTROL WINDOW AND SOCKET SHALL BE LOCATED ON THE LOAD SIDE OF CABINET. UNMETERED (LS-2) CIRCUITS SHALL HAVE THE PHOTOELECTRIC CONTROL WINDOW AND SOCKET ON THE UTILITY SIDE OF CABINET.
12. THE APPROVED BILLING ADDRESS SHALL BE PAINTED ON THE METERED SIDE OF ALL PEDESTALS CABINETS.
13. THE PHOTO-CONTROL SHALL BE INSTALLED IN THE SERVICE PEDESTAL.



APPROVED BY:		10-12-22	
<i>[Signature]</i>		62809	
KHOI DO, CITY ENGINEER		RCE DATE	
RECOMMENDED:		10/12/22	
<i>[Signature]</i>		62841	
JAY BAUTISTA, TRAFFIC/TRANSPORTATION MANAGER		RCE DATE	
REV	DESCRIPTION	BY	APP'D DATE

<b>CITY OF ONTARIO</b>	
<b>UNDERGROUND ELECTRICAL FEED POINT</b>	STANDARD DRAWING NUMBER <b>5105</b>



- ① LANDING LUGS
- ② TEST BYPASS FACILITIES
- ③ SOLID NEUTRAL
- ④ 200 AMP METER SOCKET
- ⑤ A FISHER PIERCE OR APPROVED EQUAL PHOTOELECTRIC CONTROL MOUNT SHALL ALSO BE INSTALLED IN THE SERVICE CABINET
- ⑥ 15A, 1R, TEST SWITCH
- ⑦ 30A, 2P NO CONTACTOR
- ⑧ GROUND ROD

CIRCUIT BREAKER SCHEDULE

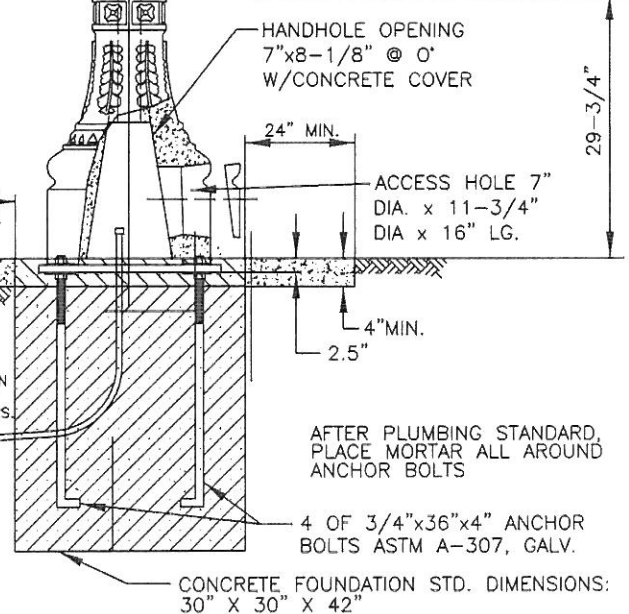
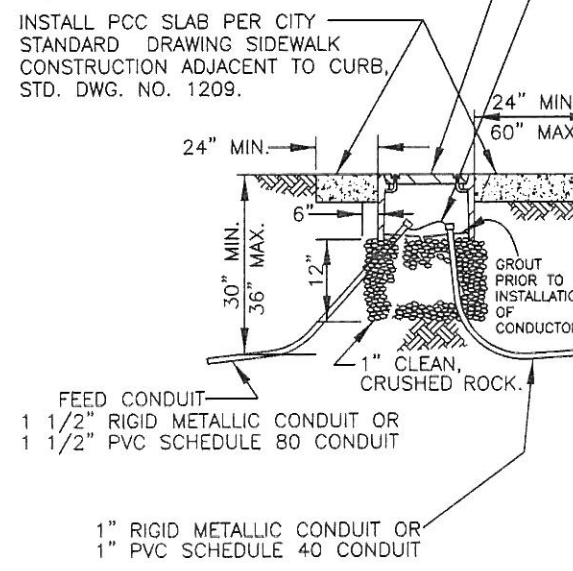
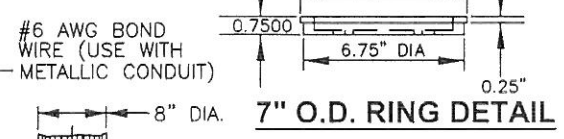
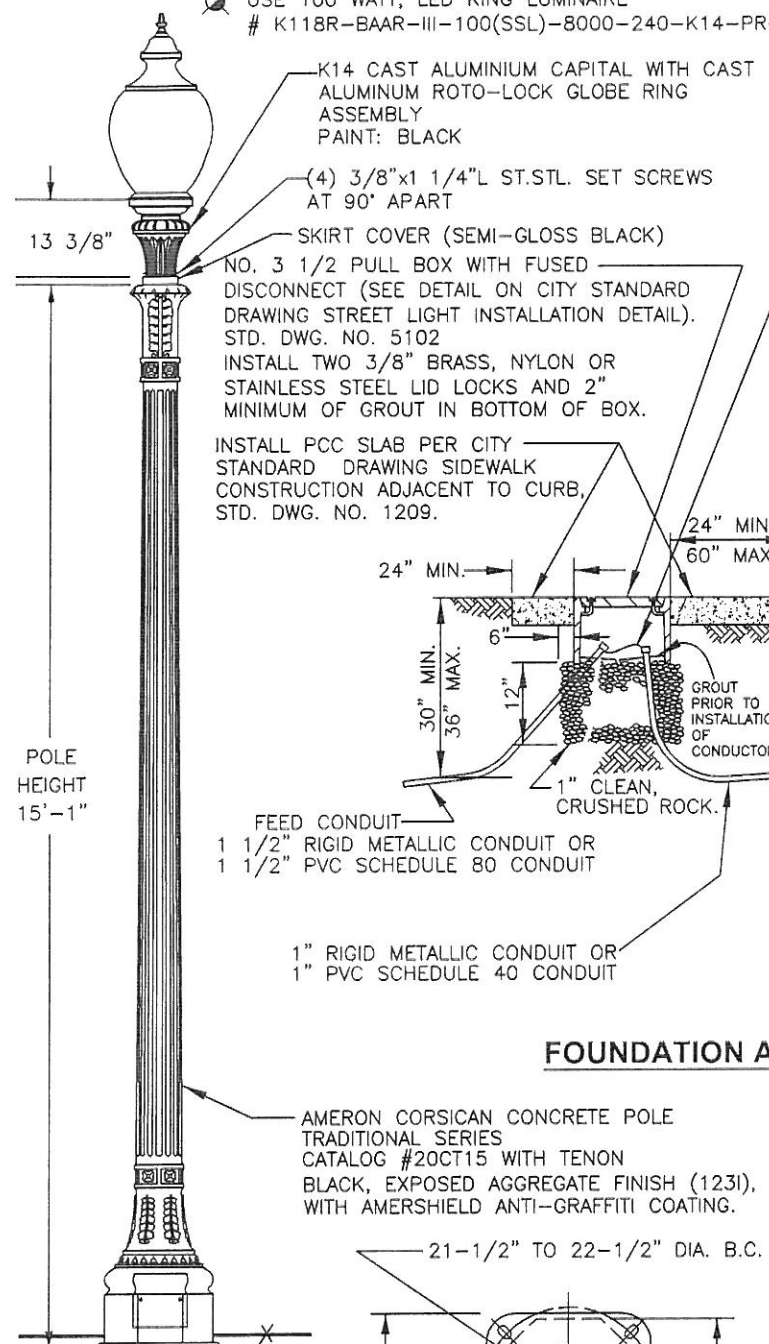
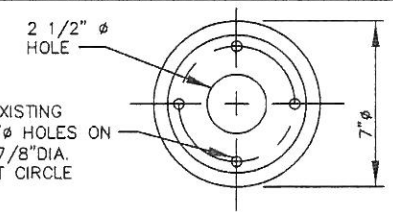
- ① MAIN - 200AMP., 240V., 2P.
- ② PHOTOELECTRIC CONTROL - 15AMP., 120V., 1P.
- ③ 240V. STREET LIGHTING - 4, 30AMP., 240V., 2P.
- ④ 120V. STREET LIGHTING - 2, 30AMP., 120V., 1P.



APPROVED BY:		10-12-22	
<i>[Signature]</i>		62809	
KHOI DO, CITY ENGINEER		RCE DATE	
RECOMMENDED:		10/12/22	
<i>[Signature]</i>		62841	
JAY BAUHSTA, TRAFFIC/TRANSPORTATION MANAGER RCE		DATE	
REV	DESCRIPTION	BY	APP'D DATE

<b>CITY OF ONTARIO</b>	
<b>STREET LIGHT PEDESTAL WIRING DIAGRAM</b>	STANDARD DRAWING NUMBER  <b>5106</b>

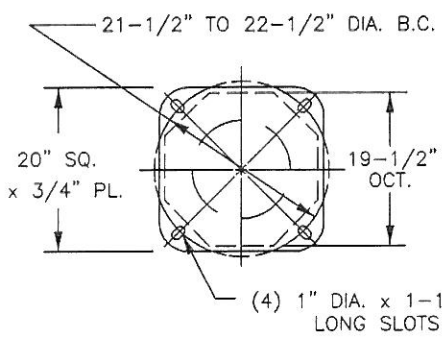
- USE 60 WATT, LED KING LUMINAIRE  
# K118R-BAAR-III-60(SSL)-5000-240-K14-PR-BK
- USE 100 WATT, LED KING LUMINAIRE  
# K118R-BAAR-III-100(SSL)-8000-240-K14-PR-BK



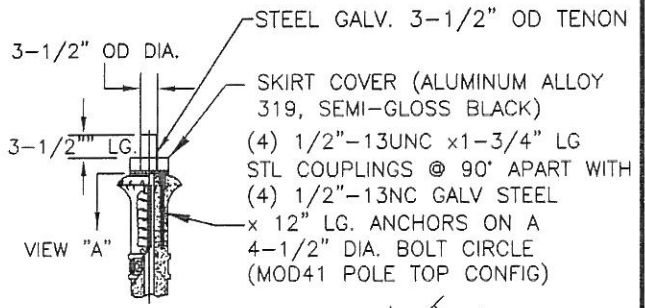
P.C.C. 560-C-3250, PER SECTION 201 OF THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION.

**FOUNDATION AND PULLBOX INSTALLATION**

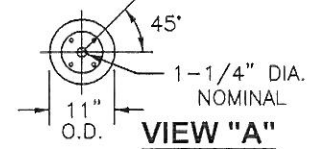
AMERON CORSICAN CONCRETE POLE TRADITIONAL SERIES CATALOG #20CT15 WITH TENON BLACK, EXPOSED AGGREGATE FINISH (123I), WITH AMERSHIELD ANTI-GRAFFITI COATING.



**BOLT CIRCLE DETAIL**



**TOP DETAIL**

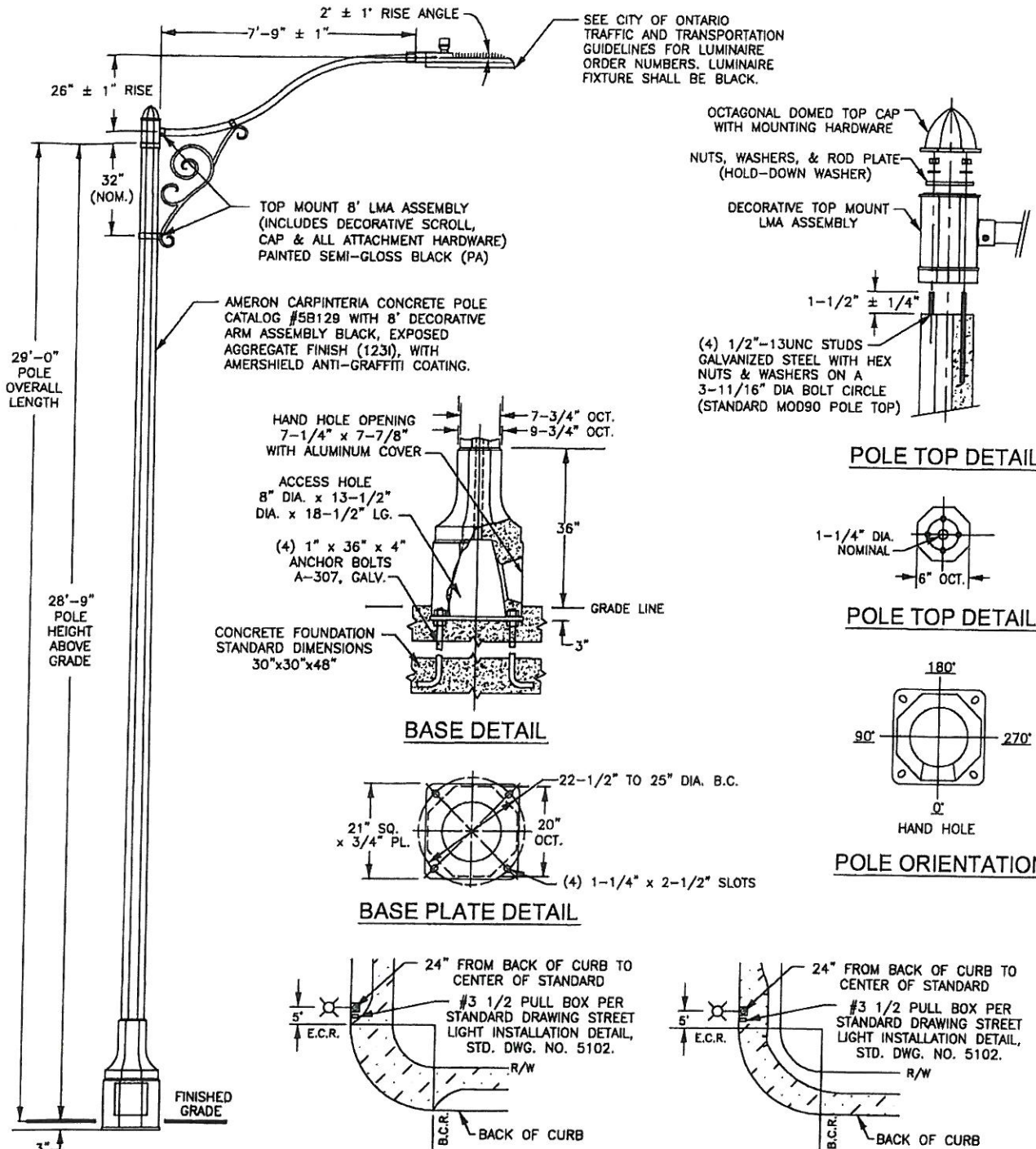


**VIEW "A"**



APPROVED BY:		44485 9.9.10	
<i>Louis Abi-Younes</i>		RCE	DATE
LOUIS ABI-YOUNES, CIVIL ENGINEER			
RECOMMENDED BY:		2013 9/9/10	
<i>Tom Danna</i>			
TOM DANNA, TRAFFIC/TRANSPORTATION MANAGER		TE	DATE
REV	DESCRIPTION	BY	APP'D DATE

CITY OF ONTARIO	
CORSICAN STREET LIGHT STANDARD	STANDARD DRAWING NUMBER
	<b>5107</b>



SEE CITY OF ONTARIO TRAFFIC AND TRANSPORTATION GUIDELINES FOR LUMINAIRE ORDER NUMBERS. LUMINAIRE FIXTURE SHALL BE BLACK.

POLE TOP DETAIL

POLE TOP DETAIL

POLE ORIENTATION

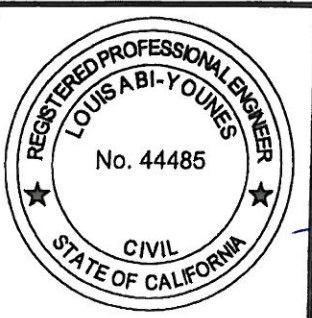
BASE DETAIL

BASE PLATE DETAIL

STANDARD POLE LOCATION ADJACENT TO CURB RETURN

**NOTE**

STANDARD 5108 SHALL APPLY FOR STREET LIGHTS ALONG NMC ARTERIAL AND COLLECTOR STREETS, UNLESS OTHERWISE SPECIFIED BY THE CITY ENGINEER.



APPROVED BY:				
<i>Louis Abi-Younes</i>		44485 11.6.14		
LOUIS ABI-YOUNES, CITY ENGINEER		RCE	DATE	
RECOMMENDED:				
<i>Tom Danna</i>		2013 10/21/14		
TOM DANNA, TRAFFIC/TRANSPORTATION MANAGER		TE	DATE	
REV	DESCRIPTION	BY	APP'D	DATE
2	LED Luminaire's Color	JMC		

<b>CITY OF ONTARIO</b>	
<b>CARPINTERIA STREET LIGHT STANDARD</b>	STANDARD DRAWING NUMBER
	<b>5108</b>



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Adoption of the FY2026-27 Proposed Budget

PRESENTED BY: Christine Clayton, Finance Director

RECOMMENDATION: **ADOPT A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2026-27.**

---

## **2030 VISION STATEMENT:**

This staff report supports City Council Goal #1 "Ensure of Fiscal Viability" through the continuous monitoring of revenue receipts and expenditure disbursements against approved budget appropriations.

## **BACKGROUND:**

In prior years, staff has submitted, for City Council's review and approval, the proposed budget for the upcoming year. Once approved, this document has served as the City's financial plan for the following year and acts as the basis for budgetary control.

For Fiscal Year (FY) 2025-26, City Council approved a one-year budget, with any adjustments submitted for the FY2025-26 budget, during the current year.

An annual budget allows the city to:

1. Improve financial management,
2. Greater flexibility to respond to our confusing and uncertain environment,
3. Greater ability to shift resources because of service level demands; and
4. Quickly Reallocation and redeploy resources.

## **DISCUSSION:**

### **GENERAL FUND**

### **FISCAL YEAR 2025-26**

Table 1 reflects the FY2025-26 Year-End Revenue and Expenditure projections.

**City of Grand Terrace  
FY 2025-26 General Fund Revenue and Expenditure Report**

<b>Revenues</b>	<b>2025-26</b>	<b>2025-26</b>
	<b>Adj. Budget 05-26-26</b>	<b>Projections 03-18-2026</b>
Property Tax	\$5,190,000	\$6,478,224
Proceeds from Sale of Property	\$0	\$0
Franchise Fees	\$675,000	\$708,466
Licenses, Fees & Permits	\$505,320	\$470,509
Sales Tax	\$1,600,000	\$1,372,682
Intergovernmental Revenue/Grants	\$58,500	\$43,791
Charges for Services	\$132,500	\$47,914
Fines & Forfeitures	\$41,000	\$21,591
Miscellaneous	\$33,624	\$144,065
Use of Money & Property	\$72,660	\$200,463
Wastewater Receipts	\$401,500	\$481,800
Transfers In	\$0	\$0
<b>Total Revenues</b>	<b>\$8,710,104</b>	<b>\$9,969,505</b>
<b>Expenditures</b>		
Salaries	\$2,186,753	\$1,974,924
Benefits	\$1,642,959	\$1,571,925
Materials & Supplies	\$455,175	\$434,991
Professional/Cont. Services	\$4,552,992	\$4,974,117
Equipment	\$50,400	\$411,946
Lease of Facility/Equipment	\$3,750	\$5,316
Utilities	\$257,620	\$256,777
Overhead Cost Allocation	(\$281,950)	(\$90,145)
Capital Projects	\$0	\$56,000
Debt Service	\$0	\$3
Transfers Out	\$208,152	\$479,946
<b>Total Expenditures</b>	<b>\$9,075,851</b>	<b>\$10,075,800</b>
Revenues	\$8,710,104	\$9,969,505
Expenditures	(\$9,075,851)	(\$10,075,800)
<b>Projected Surplus</b>	<b>(\$365,747)</b>	<b>(\$106,295)</b>

**FISCAL YEAR 2026-27**

The City continues to receive optimistic sales tax projections that build on the success from prior and current year sales tax growth. Staff continues to meet with our property and sales tax consultants (HdL) to monitor quarterly sales tax trends.

Revenues:

1. Property Tax projections: Were provided by HdL with funds being received in the amount of \$4,145,000; and
2. Property Tax VLF swap projections: Were provided by HdL in the amount of \$2,370,000; and
3. Sales Tax projections: HdL projects sales tax revenue for FY2026-27 in the amount of \$1,350,000.

Expenditures:

1. For the Sheriff's Department, the proposed contract amount is \$3,061,144, which is a 13.6% increase from fiscal year 2025-26, which equates to \$366,766. The contract proposes the addition of a Sheriff's Service Specialist and in personnel liability and bonding.
2. Under Public Works, the addition of a Senior Management Analyst with costs ranging from \$140,000 to \$163,200.
3. General Fund Maintenance of Effort: The City receives Measure "I" funds (1/2 cent sales tax collected throughout San Bernardino County for transportation improvements - \$332k) and Road Maintenance and Rehabilitation Program (RMRP) funds (\$330k) into the RMRA Fund for use on local street and road systems. The term "Maintenance of Effort" (MOE) generally refers to a requirement placed upon state and federally funded grant programs that requires local cities and counties to maintain general fund spending for streets and roads either through a certain percentage or formula, which may include the local agency's history of past spending on street rehabilitation and/or maintenance.

Table 2 summarizes the FY2026-27 Proposed General Fund Budget:

**City of Grand Terrace  
FY 2026-27 Proposed General Fund Revenue and Expenditure Report**

<b><u>Revenues</u></b>	<b><u>Proposed</u></b>
	<b><u>05/26/2026</u></b>
Property Tax	\$6,515,000
Franchise Fees	\$710,000
Licenses, Fees & Permits	\$665,300
Sales Tax	\$1,350,000
Intergovernmental Revenue/Grants	\$60,000
Charges for Services	\$58,400
Fines & Forfeitures	\$35,000
Miscellaneous	\$25,000
Use of Money & Property	\$219,200
Wastewater Receipts	\$481,800
Transfers In	\$13,000
<b>Total Revenues</b>	<b><u>\$10,132,700</u></b>
<b><u>Expenditures</u></b>	<b><u>Proposed</u></b>
	<b><u>05/26/2026</u></b>
Salaries	\$2,344,229
Benefits	\$1,741,021
Materials & Supplies	\$508,975
Professional/Contractual Services	\$5,031,625
Equipment	\$86,500
Lease of Facility/Equipment	\$4,850
Utilities	\$273,530
Overhead Cost Allocation	(\$90,145)
Capital Projects	\$1,250

Transfers Out	\$229,052
<b>Total Expenditures</b>	<b>\$10,130,887</b>
Revenues	\$10,132,700
Expenditures	(\$10,130,887)
<b>Fund Balance</b>	<b>\$1,813</b>

There is no liquidation of assets that will impact the Fund Balance. The projected revenues are greater than the projected expenditures. This is consistent with the City Council’s policy to not fund ongoing expenses with one-time revenue.

**CITY-WIDE PROPOSED FY2026-27 BUDGET**

The total Proposed Budget for FY2026-27 is \$13,536,431 in revenues and \$14,544,305 in expenditures. The overage of expenditures versus revenues is due to a one-time expenditure for traffic signals. Revenues from Fund 25 - Spring Mountain Ranch that were received in prior years will offset these expenditures.

The City’s Proposed Budget, which is presented for City Council’s review and consideration,

- Supports the City’s mission, vision, core values and goals by preserving and protecting the community and its exceptional quality of life; and

**PROPOSED BUDGET BY FUND FY 2026-27**

The next two tables show the Citywide Proposed Revenues and Expenditure budgets by fund:

Table 3 (Proposed Revenues)

**City of Grand Terrace  
FY 2026-27 Proposed Revenue Summary by Fund**

		<u>2024-25</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2025-26</u>	<u>2026-27</u>
<u>Fund</u>	<u>Type</u>	<u>Adjusted Budget</u>	<u>Actuals</u>	<u>Adjusted Budget</u>	<u>Year-End Projections</u>	<u>Proposed Budget</u>
<b><u>GENERAL FUNDS</u></b>						
10	GENERAL FUND	\$8,251,489	\$8,913,707	\$8,710,104	\$9,969,505	\$10,132,700
61	COMMUNITY BENEFITS FUND	\$20,000	\$22,498	\$20,000	\$20,000	\$20,000
62	LIGHT UP GRAND TERRACE	\$33,000	\$31,272	\$33,000	\$35,434	\$33,000
63	GT ILLEGAL FIREWORKS ENFORCEMENT	\$2,000	\$6	\$0	\$0	\$0
64	PUBLIC SAFETY FUND	\$0	\$716	\$0	\$0	\$0
69	COMMUNITY DAY FUND	\$22,000	\$8,805	\$20,000	\$20,000	\$20,000
68	40TH YEAR BIRTHDAY CELEBRATION FND	\$0	\$0	\$0	\$0	\$0

70	EQUIP REPLACEMENT RESERVE FUND	\$0	\$5	\$0	\$180,728	\$0
71	FIRE STATION PROCEEDS	\$0	\$819,780	\$0	\$0	\$0
<b><u>DEVELOPMENT IMPACT FEES (DIF)</u></b>						
11	STREET FUND	\$88,000	\$24,808	\$58,000	\$4,801	\$0
12	STORM DRAIN FUND	\$800	\$12,771	\$3,500	\$3,423	\$0
13	PARK FUND	\$800	\$70,066	\$800	\$775	\$0
19	FACILITIES FUND	\$1,800	\$5,811	\$3,300	\$3,253	\$2,500
<b><u>SPECIAL REVENUE FUNDS</u></b>						
14	SLESF (AB3229 COPS)	\$185,500	\$196,718	\$196,100	\$202,733	\$201,100
15	AIR QUALITY IMPROVEMENT FUND	\$16,400	\$19,664	\$17,200	\$17,178	\$17,400
16	GAS TAX FUND	\$438,400	\$456,807	\$441,000	\$440,898	\$441,000
17	TRAFFIC SAFETY FUND	\$5,000	\$6,127	\$4,000	\$3,993	\$4,500
20	MEASURE "I" FUND	\$330,400	\$349,658	\$342,500	\$342,500	\$332,500
25	SPRING MOUNTAIN RANCH	\$2,000	\$30,134	\$0	\$30,000	\$0
26	LNDSCP & LGTG ASSESSMENT DIST	\$60,732	\$71,507	\$72,219	\$72,219	\$72,219
56	ROAD MAINT & REHAB ACCT	\$305,000	\$370,614	\$325,000	\$324,900	\$330,000
67	PUBLIC, EDUCATIONAL & GOVT ACCESS	\$19,300	\$21,552	\$19,300	\$26,247	\$22,000
76	EIFD - ENHANCED INFRAST FIN DIST	\$0	\$0	\$0	\$0	\$0
85	OPIOID SETTLEMENT PAYMENTS	\$3,400	\$28,231	\$3,400	\$9,549	\$8,000
90	COVID-19 FEMA REIMBURSEMENT FUND	\$0	\$0	\$0	\$0	\$0
91	SB COUNTY COVID-19	\$0	\$0	\$0	\$0	\$0
93	COVID - INFRASTRUCTURE	\$0	\$0	\$0	\$0	\$0
94	ARPA	\$0	\$0	\$0	\$0	\$0
<b><u>ENTERPRISE FUND</u></b>						
21	WASTEWATER DISPOSAL FUND	\$4,000	\$52,605	\$10,000	\$9,578	\$10,000

<b><u>GRANT FUNDS</u></b>						
22	CDBG - COMM DEV BLOCK GRANT	\$90,000	\$73,929	\$138,678	\$128,678	\$124,998
65	SENIOR BUS PROGRAM FUND	\$114,996	\$72,623	\$109,334	\$269,334	\$109,514
66	CAL RECYCLE GRANT	\$0	(\$20,880)	\$0	\$0	\$0
73	ACTIVE TRANSPORTATION PRGRM FUND	\$0	\$0	\$0	\$0	\$0
74	HIGHWAY SAFETY IMPROV PROGRAM	\$0	\$0	\$0	\$0	\$0
75	EMERMGMT PREP GRANT	\$0	\$0	\$27,216	\$0	\$0
77	SO CAL INCENTIVE PROJ (SCIP) GRANT	\$0	\$0	\$0	\$0	\$0
92	CDBG – COVID	\$0	\$0	\$0	\$0	\$0
<b><u>SUCCESSOR AGENCY</u></b>						
31	S/A RDA REVENUE FUND	\$0	\$0	\$0	\$0	\$0
32	S/A CAPITAL PROJECTS FUND	\$0	\$0	\$0	\$0	\$0
33	S/A DEBT SERVICE FUND	\$0	\$0	\$0	\$0	\$0
36	2011 TABS A & B BOND PROCEEDS	\$0	\$0	\$0	\$0	\$0
<b><u>CAPITAL PROJECT FUNDS</u></b>						
45	CIP - COMMERCE WAY	\$0	\$26,283	\$0	\$0	\$0
46	CAPITAL IMPROVEMENTS - STREETS	\$664,833	\$896,749	\$650,000	\$750,000	\$1,655,000
47	CAP.PRJ. BARTON/COLTON BRIDGE	\$0	\$0	\$0	\$0	\$0
48	CAPITAL PROJECTS FUND	\$0	\$0	\$0	\$0	\$0
49	CAPITAL PROJECTS FUND- PARKS	\$0	\$207,723	\$0	\$0	\$0
50	CAPITAL PROJECT BOND PROCEEDS	\$0	\$819,403	\$0	\$0	\$0
52	<u>HOUSING AUTHORITY</u>	\$0	\$108,638	\$0	(\$365)	\$0
95	<u>DOG PARK</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

ENDOWMENT FUND

**\$10,659,850 \$13,698,330 \$11,204,651 \$12,865,361 \$13,536,431**

Table 4 (Proposed Expenditures)  
**City Of Grand Terrace**  
**FY 2026-27 Proposed Expense Summary by Fund**

<u>Fund</u>	<u>Type</u>	<u>2024-25 Adjusted Budget</u>	<u>2024-25 Actuals</u>	<u>2025-26 Adjusted Budget</u>	<u>2025-26 Year-End Projections</u>	<u>2026-27 Proposed Budget</u>
<b><u>GENERAL FUNDS</u></b>						
10	GENERAL FUND	\$8,918,863	\$10,688,561	\$9,075,851	\$10,075,800	\$10,130,887
61	COMMUNITY BENEFITS FUND	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
62	LIGHT UP GRAND TERRACE	\$33,000	\$23,795	\$33,000	\$35,434	\$33,000
63	GT ILLEGAL FIREWORKS ENFORCEMENT	\$2,000	\$0	\$0	\$0	\$0
64	PUBLIC SAFETY FUND	\$0	\$0	\$0	\$0	\$0
69	COMMUNITY DAY FUND	\$22,000	\$16,552	\$20,000	\$20,000	\$20,000
68	40TH YEAR BIRTHDAY CELEBRATION FND	\$0	\$0	\$0	\$0	\$0
70	EQUIP REPLACEMENT RESERVE FUND	\$0	\$70,852	\$0	\$180,728	\$0
<b><u>DEVELOPMENT IMPACT FEES (DIF)</u></b>						
11	STREET FUND	\$0	\$0	\$0	\$0	\$0
12	STORM DRAIN FUND	\$0	\$0	\$0	\$0	\$0
13	PARK FUND	\$0	\$0	\$0	\$0	\$0
19	FACILITIES FUND	\$0	(\$2,742)	\$0	\$0	\$0
<b><u>SPECIAL REVENUE FUNDS</u></b>						
14	SLESF (AB3229 COPS)	\$185,550	\$194,820	\$195,000	\$195,000	\$200,550
15	AIR QUALITY IMPROVEMENT FUND	\$0	\$0	\$20,000	\$20,000	\$25,000

16	GAS TAX FUND	\$484,400	\$503,726	\$436,198	\$436,198	\$431,042
17	TRAFFIC SAFETY FUND	\$4,000	\$0	\$4,000	\$4,000	\$4,000
20	MEASURE "I" FUND	\$330,000	\$335,598	\$340,000	\$340,000	\$330,000
25	SPRING MOUNTAIN RANCH	\$0	\$0	\$0	\$0	\$1,041,000
26	LNDSCP & LGTG ASSESSMENT DIST	\$52,325	\$35,252	\$41,545	\$41,899	\$40,315
56	ROAD MAINT & REHAB ACCT	\$305,000	\$525,391	\$325,000	\$325,000	\$330,000
67	PUBLIC, EDUCATIONAL & GOVT ACCESS	\$16,800	\$9,910	\$16,800	\$23,889	\$22,000
76	EIFD - ENHANCED INFRAST FIN DIST	\$0	\$0	\$0	\$0	\$0
85	OPIOID SETTLEMENT PAYMENTS	\$0	\$0	\$0	\$0	\$0
90	COVID-19 FEMA REIMBURSEMENT FUND	\$0	\$0	\$0	\$0	\$0
91	SB COUNTY COVID-19	\$0	\$0	\$0	\$0	\$0
92	CDBG – COVID	\$0	\$0	\$0	\$0	\$0
93	COVID – INFRASTRUCTURE	\$0	\$0	\$0	\$0	\$0
94	ARPA	\$0	\$69,717	\$0	\$0	\$0
<b><u>ENTERPRISE FUND</u></b>						
21	WASTEWATER DISPOSAL FUND	\$0	\$88,570	\$0	\$0	\$0
<b><u>GRANT FUNDS</u></b>						
22	CDBG - COMM DEV BLOCK GRANT	\$90,000	\$45,563	\$138,678	\$128,678	\$124,998
65	SENIOR BUS PROGRAM FUND	\$114,996	\$101,590	\$109,334	\$109,430	\$109,514
66	CAL RECYCLE GRANT	\$0	\$0	\$0	\$0	\$0
73	ACTIVE TRANSPORTATION PRGRM FUND	\$0	\$0	\$0	\$0	\$0
74	HIGHWAY SAFETY IMPROV PROGRAM	\$1,691	\$0	\$0	\$0	\$0
75	EMER MGMT PREP GRANT	\$0	\$0	\$27,216	\$0	\$0

77	SO CAL INCENTIVE PROJ (SCIP) GRANT	\$0	\$0	\$0	\$0	\$0
<b><u>SUCCESSOR AGENCY</u></b>						
31	S/A RDA REVENUE FUND	\$0	\$0	\$0	\$0	\$0
32	S/A CAPITAL PROJECTS FUND	\$0	\$0	\$0	\$0	\$0
33	S/A DEBT SERVICE FUND	\$0	\$0	\$0	\$0	\$0
36	2011 TABS A & B BOND PROCEEDS	\$0	\$0	\$0	\$0	\$0
<b><u>CAPITAL PROJECT FUNDS</u></b>						
45	CIP - COMMERCE WAY	\$0	\$0	\$0	\$0	\$0
46	CAPITAL IMPROVEMENTS - STREETS	\$868,825	\$896,749	\$650,000	\$684,852	\$1,655,000
47	CAP.PRJ. BARTON/COLTON BRIDGE	\$0	\$0	\$0	\$0	\$0
48	CAPITAL PROJECTS FUND	\$0	\$33,810	\$0	\$0	\$0
49	CAPITAL PROJECTS FUND- PARKS	\$0	\$29,373	\$0	\$45,194	\$0
50	CAPITAL PROJECTS BOND PROCEEDS	\$0	\$945	\$0	\$0	\$0
52	<u>HOUSING AUTHORITY</u>	\$19,567	\$22,338	\$24,017	\$44,637	\$26,999
95	<u>DOG PARK ENDOWMENT FUND</u>	\$0	\$0	\$0	\$0	\$0
		<b>\$11,469,017</b>	<b>\$13,710,370</b>	<b>\$11,476,639</b>	<b>\$12,730,739</b>	<b>\$14,544,305</b>

Budget Schedule

The proposed schedule leading to adoption of the FY2026-27 is as follows:

<u>Description</u>	<u>Date</u>
Budget Workshop	Tuesday, May 12th
Budget Introduction and Deliberations	Tuesday, May 26th
Continue Budget Deliberations and Budget Adoption	Tuesday, June 9th

**ENVIRONMENTAL IMPACT:**

N/A

**FISCAL IMPACT:**

Fiscal impacts of the FY2026-27 Proposed Budget are identified in the FY2026-27 Proposed Budget Summary (which is being made available in the City Clerk's office).

**RESOLUTION NO. 2026-xx**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2026-2027**

**RECITALS**

**WHEREAS**, a Proposed Budget for Fiscal Year 2026-2027 was introduced during a regularly scheduled City Council meeting on May 26, 2026; and

**WHEREAS**, continued deliberations for the Annual Budget for Fiscal Year 2026-2027 was continued during a regularly scheduled City Council meeting on June 9, 2026; and

**WHEREAS**, the City Manager has heretofore submitted to the City Council a Proposed Budget for the City for Fiscal Year 2026-2027, a copy of which, as may have been amended by the City Council, is on file in the City Clerk's Department and is available for public inspection; and

**WHEREAS**, the said Proposed Budget contains estimates of the services, activities and projects comprising the budget, and contains expenditure requirements and the resources available to the City; and

**WHEREAS**, the said Proposed Budget contains the estimates of uses of fund balance as required to stabilize the delivery of City services during periods of operational deficits; and

**WHEREAS**, the City Council authorizes payment of expenses incurred by means of a check register prepared by the Finance Department and approved at regular meetings of City Council; and

**WHEREAS**, said expenses are recurring in nature, the amounts having been previously approved by ordinance or resolution or otherwise entailing normal, administrative expenses including tax deposits, utility costs, storage fees and related costs of doing business; and

**WHEREAS**, the City Council has made such revisions to the Proposed Budget as so desired; and

**WHEREAS**, the Proposed Budget conforms with the City's 2030 Vision and 2014-2020 Strategic Plan; and

**WHEREAS**, the Proposed Budget, as herein approved, will enable the City Council to make adequate financial plans and will ensure that City officers can administer their respective functions in accordance with such plans.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

1. The Proposed Budget, with summaries listed as Attachment A to this Resolution and as on file in the City Clerk's Department and as may have been amended by the City Council, is hereby approved and adopted as the Annual Budget of the City of Grand Terrace for Fiscal Year 2026-2027.

2. The amounts of proposed expenditures, which include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal years.

3. If any section, subsection, sentence, clause, phrase, or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution. The City Council of the City of Grand Terrace hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, phrase, or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

4. The City Clerk shall certify to the adoption of this Resolution.

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

**PASSED, APPROVED AND ADOPTED** by the City Council of Grand Terrace at a regular meeting held on the 9th day of June 2026.

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Bill Hussey  
Mayor

**ATTEST:**

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Daysi Alcocer  
City Clerk

**APPROVED AS TO FORM:**

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Adrian R. Guerra  
City Attorney



### FY 2026-27 Proposed Budget

Type	Fund	Comb 1	Fund	Type	2024-25 Adjusted Budget	2024-25 Actuals	2025-26 Adjusted Budget	2025-26 Year-End Projections	2026-27 Proposed Budget
R	10	R10	General Fund	Rev	\$8,251,489	\$8,913,707	\$8,710,104	\$9,969,505	\$10,132,700
E	10	E10	General Fund	Exp	8,918,863	10,688,561	9,075,851	10,075,800	10,130,887
					\$(667,374)	\$(1,774,854)	\$(365,747)	\$(106,295)	\$1,813
R	11	R11	Street Fund	Rev	88,000	24,808	58,000	4,801	-
E	11	E11	Street Fund	Exp	-	-	-	-	-
					\$88,000	\$24,808	\$58,000	\$4,801	\$-
R	12	R12	Storm Drain Fund	Rev	800	12,771	3,500	3,423	-
E	12	E12	Storm Drain Fund	Exp	-	-	-	-	-
					\$800	\$12,771	\$3,500	\$3,423	\$-
R	13	R13	Park Fund	Rev	800	70,066	800	775	-
E	13	E13	Park Fund	Exp	-	-	-	-	-
					\$800	\$70,066	\$800	\$775	\$-
R	14	R14	SLESF (AB3229 COPS)	Rev	185,500	196,718	196,100	202,733	201,100
E	14	E14	SLESF (AB3229 COPS)	Exp	185,550	194,820	195,000	195,000	200,550
					\$(50)	\$1,898	\$1,100	\$7,733	\$550
R	15	R15	Air Quality Improvement Fund	Rev	16,400	19,664	17,200	17,178	17,400
E	15	E15	Air Quality Improvement Fund	Exp	-	-	20,000	20,000	25,000
					\$16,400	\$19,664	\$(2,800)	\$(2,822)	\$(7,600)
R	16	R16	Gas Tax Fund	Rev	438,400	456,807	441,000	440,898	441,000
E	16	E16	Gas Tax Fund	Exp	484,400	503,726	436,198	436,198	431,042
					\$(46,000)	\$(46,919)	\$4,802	\$4,700	\$9,958
R	17	R17	Traffic Safety Fund	Rev	5,000	6,127	4,000	3,993	4,500
E	17	E17	Traffic Safety Fund	Exp	4,000	-	4,000	4,000	4,000
					\$1,000	\$6,127	\$-	\$(7)	\$500
R	19	R19	Facilities Fund	Rev	1,800	5,811	3,300	3,253	2,500
E	19	E19	Facilities Fund	Exp	-	(2,742)	-	-	-
					\$1,800	\$8,553	\$3,300	\$3,253	\$2,500
R	20	R20	Measure "I" Fund	Rev	330,400	349,658	342,500	342,500	332,500
E	20	E20	Measure "I" Fund	Exp	330,000	335,598	340,000	340,000	330,000
					\$400	\$14,060	\$2,500	\$2,500	\$2,500
R	21	R21	Waste Water Disposal Fund	Rev	4,000	52,605	10,000	9,578	10,000
E	21	E21	Waste Water Disposal Fund	Exp	-	88,570	-	-	-
					\$4,000	\$(35,965)	\$10,000	\$9,578	\$10,000

### FY 2026-27 Proposed Budget (continued)

Type	Fund	Comb 1	Fund	Type	2024-25 Adjusted Budget	2024-25 Actuals	2025-26 Adjusted Budget	2025-26 Year-End Projections	2026-27 Proposed Budget
R	22	R22	CDBG - Comm Dev Block Grant	Rev	90,000	73,929	138,678	128,678	124,998
E	22	E22	CDBG - Comm Dev Block Grant	Exp	90,000	45,563	138,678	128,678	124,998
					\$-	\$28,366	\$-	\$-	\$-
R	25	R25	Spring Mountain Ranch	Rev	2,000	30,134	-	30,000	-
E	25	E25	Spring Mountain Ranch	Exp	-	-	-	-	1,041,000
					\$2,000	\$30,134	\$-	\$30,000	\$(1,041,000)
R	26	R26	LNDSCP & LGTG Assessment Dist	Rev	60,732	71,507	72,219	72,219	72,219
E	26	E26	LNDSCP & LGTG Assessment Dist	Exp	52,325	35,252	41,545	41,899	40,315
					\$8,407	\$36,255	\$30,674	\$30,320	\$31,904
R	31	R31	S/A RDA Obligation Retirement Fund	Rev	-	-	-	-	-
E	31	E31	S/A RDA Obligation Retirement Fund	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-
R	32	R32	S/A Capital Projects Fund	Rev	-	-	-	-	-
E	32	E32	S/A Capital Projects Fund	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-
R	33	R33	S/A Debt Service Fund	Rev	-	-	-	-	-
E	33	E33	S/A Debt Service Fund	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-
R	36	R36	2011 Tabs A & B Bond Proceeds	Rev	-	-	-	-	-
E	36	E36	2011 Tabs A & B Bond Proceeds	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-
R	45	R45	Capital Improvements - Commerce Way	Rev	-	26,283	-	-	-
E	45	E45	Capital Improvements - Commerce Way	Exp	-	-	-	-	-
					\$-	\$26,283	\$-	\$-	\$-
R	46	R46	Capital Improvements - Streets	Rev	664,833	896,749	650,000	750,000	1,655,000
E	46	E46	Capital Improvements - Streets	Exp	868,825	896,749	650,000	684,852	1,655,000
					\$(203,992)	\$-	\$-	\$65,148	\$-
R	47	R47	Cap. Prj. Barton/Colton Bridge	Rev	-	-	-	-	-
E	47	E47	Cap. Prj. Barton/Colton Bridge	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-
R	48	R48	Capital Projects Fund	Rev	-	-	-	-	-
E	48	E48	Capital Projects Fund	Exp	-	33,810	-	-	-
					\$-	\$(33,810)	\$-	\$-	\$-



### FY 2026-27 Proposed Budget (continued)

Type	Fund	Comb 1	Fund	Type	2024-25 Adjusted Budget	2024-25 Actuals	2025-26 Adjusted Budget	2025-26 Year-End Projections	2026-27 Proposed Budget
R	49	R49	Capital Projects Fund - Parks	Rev	-	207,723	-	-	-
E	49	E49	Capital Projects Fund - Parks	Exp	-	29,373	-	45,194	-
					\$-	\$178,350	\$-	\$(45,194)	\$-
R	50	R50	Capital Project Bond Proceeds	Rev	-	819,403	-	-	-
E	50	E50	Capital Project Bond Proceeds	Exp	-	945	-	-	-
					\$-	\$818,458	\$-	\$-	\$-
R	52	R52	Housing Authority	Rev	-	108,638	-	(365)	-
E	52	E52	Housing Authority	Exp	19,567	22,338	24,017	44,637	26,999
					\$(19,567)	\$86,300	\$(24,017)	\$(45,002)	\$(26,999)
R	56	R56	Road Maintenance & Rehab Acct Fund	Rev	305,000	370,614	325,000	324,900	330,000
E	56	E56	Road Maintenance & Rehab Acct Fund	Exp	305,000	525,391	325,000	325,000	330,000
					\$-	\$(154,777)	\$-	\$(100)	\$-
R	61	R61	Community Benefits Fund	Rev	20,000	22,498	20,000	20,000	20,000
E	61	E61	Community Benefits Fund	Exp	20,000	20,000	20,000	20,000	20,000
					\$-	\$2,498	\$-	\$-	\$-
R	62	R62	Light Up Grand Terrace	Rev	33,000	31,272	33,000	35,434	33,000
E	62	E62	Light Up Grand Terrace	Exp	33,000	23,795	33,000	35,434	33,000
					\$-	\$7,477	\$-	\$-	\$-
R	63	R63	GT Illegal Fireworks Enforcement	Rev	2,000	6	-	-	-
E	63	E63	GT Illegal Fireworks Enforcement	Exp	2,000	-	-	-	-
					\$-	\$6	\$-	\$-	\$-
R	64	R64	Public Safety Fund	Rev	-	716	-	-	-
E	64	E64	Public Safety Fund	Exp	-	-	-	-	-
					\$-	\$716	\$-	\$-	\$-
R	65	R65	Senior Bus Program	Rev	114,996	72,623	109,334	269,334	109,514
E	65	E65	Senior Bus Program	Exp	114,996	101,590	109,334	109,430	109,514
					\$-	\$(28,967)	\$-	\$159,904	\$-
R	66	R66	Cal Recycle Grant	Rev	-	(20,880)	-	-	-
E	66	E66	Cal Recycle Grant	Exp	-	-	-	-	-
					\$-	\$(20,880)	\$-	\$-	\$-
R	67	R67	Public, Educational, & Govt Access	Rev	19,300	21,552	19,300	26,247	22,000
E	67	E67	Public, Educational, & Govt Access	Exp	16,800	9,910	16,800	23,889	22,000
					\$2,500	\$11,642	\$2,500	\$2,358	\$-

### FY 2026-27 Proposed Budget (continued)

Type	Fund	Comb 1	Fund	Type	2024-25 Adjusted Budget	2024-25 Actuals	2025-26 Adjusted Budget	2025-26 Year-End Projections	2026-27 Proposed Budget
R	68	R68	40TH Year Birthday Celebration Fnd	Rev	-	-	-	-	-
E	68	E68	40TH Year Birthday Celebration Fnd	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-
R	69	R69	Community Day Fund	Rev	22,000	8,805	20,000	20,000	20,000
E	69	E69	Community Day Fund	Exp	22,000	16,552	20,000	20,000	20,000
					\$-	\$(7,747)	\$-	\$-	\$-
R	70	R70	Equip Replacement Reserve Fund	Rev	-	5	-	180,728	-
E	70	E70	Equip Replacement Reserve Fund	Exp	-	70,852	-	180,728	-
					\$-	\$(70,847)	\$-	\$-	\$-
R	71	R71	Firestation Proceeds	Rev	-	819,780	-	-	-
E	71	E71	Firestation Proceeds	Exp	-	-	-	-	-
					\$-	\$819,780	\$-	\$-	\$-
R	73	R73	Active Transportation Prgm Fund	Rev	-	-	-	-	-
E	73	E73	Active Transportation Prgm Fund	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-
R	74	R74	Highway Safety Improv Program	Rev	-	-	-	-	-
E	74	E74	Highway Safety Improv Program	Exp	1,691	-	-	-	-
					\$(1,691)	\$-	\$-	\$-	\$-
R	75	R75	Emer Mgmt Prep Grant (EMPG) Fund	Rev	-	-	27,216	-	-
E	75	E75	Emer Mgmt Prep Grant (EMPG) Fund	Exp	-	-	27,216	-	-
					\$-	\$-	\$-	\$-	\$-
R	76	R76	Eifd - Enhanced Infrast Fin Dist	Rev	-	-	-	-	-
E	76	E76	Eifd - Enhanced Infrast Fin Dist	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-
R	77	R77	So Cal Incentive Proj (Scip) Grant	Rev	-	-	-	-	-
E	77	E77	So Cal Incentive Proj (Scip) Grant	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-
R	85	R85	Opiod Settlement Funds	Rev	3,400	28,231	3,400	9,549	8,000
E	85	E85	Opiod Settlement Funds	Exp	-	-	-	-	-
					\$3,400	\$28,231	\$3,400	\$9,549	\$8,000
R	90	R90	COVID-19 Reimbursement Funds	Rev	-	-	-	-	-
E	90	E90	COVID-19 Reimbursement Funds	Exp	-	-	-	-	-
					\$-	\$-	\$-	\$-	\$-



### FY 2026-27 Proposed Budget (continued)

Type	Fund	Comb 1	Fund	Type	2024-25 Adjusted Budget	2024-25 Actuals	2025-26 Adjusted Budget	2025-26 Year-End Projections	2026-27 Proposed Budget	
R	91	R91	SB County Corona Virus Relief	Rev	-	-	-	-	-	
E	91	E91	SB County Corona Virus Relief	Exp	-	-	-	-	-	
					\$-	\$-	\$-	\$-	\$-	
R	92	R92	CDBG - Covid	Rev	-	-	-	-	-	
E	92	E92	CDBG - Covid	Exp	-	-	-	-	-	
					\$-	\$-	\$-	\$-	\$-	
R	93	R93	Covid - Infrastructure	Rev	-	-	-	-	-	
E	93	E93	Covid - Infrastructure	Exp	-	-	-	-	-	
					\$-	\$-	\$-	\$-	\$-	
R	94	R94	ARPA (American Rescue Plan Act)	Rev	-	-	-	-	-	
E	94	E94	ARPA (American Rescue Plan Act)	Exp	-	69,717	-	-	-	
					\$-	\$(69,717)	\$-	\$-	\$-	
R					Total Revenue	\$10,659,850	\$13,698,330	\$11,204,651	\$12,865,361	\$13,536,431
E					Total Expense	\$11,469,017	\$13,710,370	\$11,476,639	\$12,730,739	\$14,544,305
					\$	(809,167)	\$	(271,988)	\$	(1,007,874)

## FY 2026-27 Proposed Revenue Summary by Fund

Fund	Fund Title	2023-24 Actual	2024-25 Actual	2025-2026 Projected	2026-27 Proposed Budget
<b>General Funds</b>					
10	General Fund	\$11,197,404	\$8,913,707	\$9,969,505	\$10,132,700
61	Community Benefits Fund	22,481	22,498	20,000	20,000
62	Light Up Grand Terrace	33,920	31,272	35,434	33,000
63	GT Illegal Fireworks Enforcement	6	6	-	-
64	Public Safety Fund	719	716	-	-
69	Community Day Fund	28,097	8,805	20,000	20,000
70	Equip Replacement Reserve Fund	64,287	5	180,728	-
71	Firestation Proceeds	-	819,780	-	-
<b>Development Impact Fees</b>					
11	Street Fund	\$70,646	\$24,808	\$4,801	\$-
12	Storm Drain Fund	9,896	12,771	3,423	-
13	Park Fund	4,330	70,066	775	-
19	Facilities Fund	7,550	5,811	3,253	2,500
<b>Special Revenue Funds</b>					
14	SLESF (AB3229 COPS)	\$188,355	\$196,718	\$202,733	\$201,100
15	Air Quality Improvement Fund	20,144	19,664	17,178	17,400
16	Gas Tax Fund	534,061	456,808	440,898	441,000
17	Traffic Safety Fund	7,666	6,127	3,993	4,500
20	Measure "I" Fund	351,743	349,658	342,500	332,500
25	Spring Mountain Ranch	31,039	30,134	30,000	-
26	LNDSF & LGTG Assessment Dist	71,039	71,507	72,219	72,219
56	Road Maintenance & Rehab Acct Fund	359,920	370,614	324,900	330,000
67	Public, Educational, & Govt Access	7,969	21,552	26,247	22,000
85	Opioid Settlement Funds	5,740	28,231	9,549	8,000
94	ARPA (American Rescue Plan Act)	747,544	-	-	-
<b>Enterprise Fund</b>					
21	Waste Water Disposal Fund	\$64,578	\$52,605	\$9,578	\$10,000
<b>Grant Funds</b>					
22	CDBG - Comm Dev Block Grant	\$3,142	\$73,929	\$128,678	\$124,998
65	Senior Bus Program	162,377	72,623	269,334	109,514
66	Cal Recycle Grant	562	(20,880)	-	-
75	Emer Mgmt Prep Grant (EMPG) Fund	29,212	-	-	-
<b>Successor Agency</b>					
<b>Capital Project Funds</b>					
45	Capital Improvements - Commerce Way	\$26,388	\$26,283	\$-	\$-
46	Capital Improvements - Streets	851,878	896,749	750,000	1,655,000
49	Capital Projects Fund - Parks	89	207,723	-	-
50	Capital Project Bond Proceeds	-	819,403	-	-
<b>Housing Authority</b>					
52	Housing Authority	\$44,932	\$108,638	\$(365)	\$-
<b>Dog Park Endowment Fund</b>					
		<b>\$14,947,714</b>	<b>\$13,698,331</b>	<b>\$12,865,361</b>	<b>\$13,536,431</b>

## FY 2026-27 Proposed Expenditure Summary by Fund

Fund	Fund Title	2023-24 Actual	2024-25 Actual	2025-2026 Projected	2026-27 Proposed Budget
<b>General Funds</b>					
10	General Fund	\$7,981,623	\$10,688,561	\$10,075,800	\$10,130,887
61	Community Benefits Fund	11,350	20,000	20,000	20,000
62	Light Up Grand Terrace	26,626	23,795	35,434	33,000
69	Community Day Fund	20,266	16,552	20,000	20,000
70	Equip Replacement Reserve Fund	35,598	70,852	180,728	-
<b>Development Impact Fees</b>					
19	Facilities Fund	5,000	(2,742)	-	-
<b>Special Revenue Funds</b>					
14	SLESF (AB3229 COPS)	\$186,851	\$194,820	\$195,000	\$200,550
15	Air Quality Improvement Fund	11,000	-	20,000	25,000
16	Gas Tax Fund	336,092	503,726	436,198	431,042
17	Traffic Safety Fund	6,571	-	4,000	4,000
20	Measure "I" Fund	299,336	335,598	340,000	330,000
25	Spring Mountain Ranch	50,000	-	-	1,041,000
26	LNDSCP & LGTG Assessment Dist	47,093	35,252	41,899	40,315
56	Road Maintenance & Rehab Acct Fund	625,794	525,391	325,000	330,000
67	Public, Educational, & Govt Access	9,142	9,910	23,889	22,000
94	ARPA (American Rescue Plan Act)	785,989	69,717	-	-
<b>Enterprise Fund</b>					
21	Waste Water Disposal Fund	\$88,570	\$88,570	\$-	\$-
<b>Grant Funds</b>					
22	CDBG - Comm Dev Block Grant	\$43,526	\$45,563	\$128,678	\$124,998
65	Senior Bus Program	306,027	101,590	109,430	109,514
75	Emer Mgmt Prep Grant (EMPG) Fund	29,212	-	-	-
92	CDBG - Covid	22,995	-	-	-
<b>Successor Agency</b>					
<b>Capital Project Funds</b>					
46	Capital Improvements - Streets	916,682	896,749	684,852	1,655,000
48	Capital Projects Fund	-	33,810	-	-
49	Capital Projects Fund - Parks	27,426	29,373	45,194	-
50	Capital Project Bond Proceeds	207,000	945	-	-
<b>Housing Authority</b>					
52	Housing Authority	\$38,325	\$22,338	\$44,637	\$26,999
		<b>\$12,118,094</b>	<b>\$13,710,370</b>	<b>\$12,730,739</b>	<b>\$14,544,305</b>

## FY 2026-27 Proposed Citywide Revenue and Expenditure Report

	2024-25 Adjusted Budget	2024-25 Actuals	2025-26 Adjusted Budget	2025-26 Year-End Projections	2026-27 Proposed Budget
<b>REVENUES</b>					
Property Tax	\$4,970,732	\$5,253,219	\$5,262,219	\$6,550,443	\$6,587,219
Residual Receipts - RPTTF	-	-	-	-	-
Proceeds from Sale of Property	-	1,325	-	-	-
Franchise Fees	675,000	737,287	675,000	708,466	710,000
Licenses, Fees & Permits	758,970	693,033	575,520	487,709	681,700
Sales Tax	1,690,000	1,697,739	1,940,000	1,712,682	1,680,000
Intergovernmental Revenue/Grants	749,007	1,017,161	791,876	927,139	744,460
Charges for Services	135,500	101,065	132,500	47,914	58,400
Fines & Forfeitures	49,400	91,971	48,400	35,140	47,000
Miscellaneous	42,710	66,420	49,624	157,725	39,000
Use of Money & Property	84,060	559,302	101,860	258,397	239,800
Waste Water Receipts	318,349	401,500	401,500	481,800	481,800
Transfers In	818,122	2,704,188	858,152	1,129,946	871,052
Residual Receipts - Sr Ctr	-	-	-	-	-
Gas Tax	368,000	374,121	368,000	368,000	368,000
Bond Proceeds	-	-	-	-	-
Capital Projects	-	-	-	-	1,028,000
<b>Total Revenues</b>	<b>\$10,659,850</b>	<b>\$13,698,331</b>	<b>\$11,204,651</b>	<b>\$12,865,361</b>	<b>\$13,536,431</b>
<b>EXPENDITURES BY CATEGORY</b>					
Salaries	\$2,123,159	\$2,136,812	\$2,410,151	\$2,198,322	\$2,612,746
Benefits	1,532,638	1,342,104	1,746,015	1,674,697	1,857,521
Materials & Supplies	489,880	406,052	457,825	437,641	511,635
Professional/Contractual Services	5,509,657	5,670,586	5,167,101	5,581,887	5,581,341
Equipment	7,100	168,372	50,400	539,138	86,500
Lease of Facility/Equipment	8,700	8,473	3,750	5,316	4,850
Utilities	360,645	333,519	372,195	371,352	393,005
Overhead Cost Allocation	(248,400)	-	(248,400)	(56,595)	(56,595)
Capital Projects	879,516	940,256	659,450	849,032	1,656,250
Debt Service	-	8	-	3	-
Transfers Out	806,122	2,704,188	858,152	1,129,946	1,897,052
<b>Total Expenditures</b>	<b>\$11,469,017</b>	<b>\$13,710,370</b>	<b>\$11,476,639</b>	<b>\$12,730,739</b>	<b>\$14,544,305</b>
Revenues	10,659,850	13,698,331	11,204,651	12,865,361	13,536,431
Expenditures by Category	(11,469,017)	(13,710,370)	(11,476,639)	(12,730,739)	(14,544,305)
<b>Surplus or Approved Use of Fund Balance</b>	<b>\$(809,167)</b>	<b>\$(12,039)</b>	<b>\$(271,988)</b>	<b>\$134,622</b>	<b>\$(1,007,874)</b>



### FY 2026-27 Proposed General Fund Revenue and Expenditure Report

	2024-25 Adjusted Budget	2024-25 Actuals	2025-26 Adjusted Budget	2025-26 Year-End Projections	2026-27 Proposed Budget
<b>REVENUES</b>					
Property Tax	\$4,910,000	\$5,187,316	\$5,190,000	\$6,478,224	\$6,515,000
Proceeds from Sale of Property	-	1,325	-	-	-
Franchise Fees	675,000	737,287	675,000	708,466	710,000
Licenses, Fees & Permits	658,770	606,030	505,320	470,509	665,300
Sales Tax	1,360,000	1,365,441	1,600,000	1,372,682	1,350,000
Intergovernmental Revenue/Grants	58,500	74,018	58,500	43,791	60,000
Charges for Services	132,500	101,065	132,500	47,914	58,400
Fines & Forfeitures	39,000	59,664	41,000	21,591	35,000
Miscellaneous	26,710	53,326	33,624	144,065	25,000
Use of Money & Property	72,660	257,018	72,660	200,463	219,200
Waste Water Receipts	318,349	401,500	401,500	481,800	481,800
Transfers In	-	69,717	-	-	13,000
<b>Total Revenues</b>	<b>\$8,251,489</b>	<b>\$8,913,707</b>	<b>\$8,710,104</b>	<b>\$9,969,505</b>	<b>\$10,132,700</b>
<b>EXPENDITURES BY CATEGORY</b>					
Salaries	\$1,983,894	\$1,982,956	\$2,186,753	\$1,974,924	\$2,344,229
Benefits	1,468,901	1,289,221	1,642,959	1,571,925	1,741,021
Materials & Supplies	489,280	403,412	455,175	434,991	508,975
Professional/Contractual Services	4,849,769	5,022,581	4,552,992	4,974,117	5,031,625
Equipment	7,100	97,520	50,400	411,946	86,500
Lease of Facility/Equipment	8,700	8,473	3,750	5,316	4,850
Utilities	251,880	224,562	257,620	256,777	273,530
Overhead Cost Allocation	(281,950)	(90,145)	(281,950)	(90,145)	(90,145)
Capital Projects	-	12,251	-	56,000	1,250
Debt Service	-	8	-	3	-
Transfers Out	141,289	1,737,722	208,152	479,946	229,052
<b>Total Expenditures</b>	<b>\$8,918,863</b>	<b>\$10,688,561</b>	<b>\$9,075,851</b>	<b>\$10,075,800</b>	<b>\$10,130,887</b>
Revenues	8,251,489	8,913,707	8,710,104	9,969,505	10,132,700
Expenditures by Category	(8,918,863)	(10,688,561)	(9,075,851)	(10,075,800)	(10,130,887)
<b>Surplus or Approved Use of Fund Balance</b>	<b>\$(667,374)</b>	<b>\$(1,774,854)</b>	<b>\$(365,747)</b>	<b>\$(106,295)</b>	<b>\$1,813</b>

## FY 2026-27 Proposed General Fund Revenue and Expenditure Report

	2024-25 Adjusted Budget	2024-25 Actuals	2025-26 Adjusted Budget	2025-26 Year-End Projections	2026-27 Proposed Budget
<b>REVENUES</b>					
Property Tax	\$4,910,000	\$5,187,316	\$5,190,000	\$6,478,224	\$6,515,000
Proceeds from Sale of Property	-	1,325	-	-	-
Franchise Fees	675,000	737,287	675,000	708,466	710,000
Licenses, Fees & Permits	658,770	606,030	505,320	470,509	665,300
Sales Tax	1,360,000	1,365,441	1,600,000	1,372,682	1,350,000
Intergovernmental Revenue/Grants	58,500	74,018	58,500	43,791	60,000
Charges for Services	132,500	101,065	132,500	47,914	58,400
Fines & Forfeitures	39,000	59,664	41,000	21,591	35,000
Miscellaneous	26,710	53,326	33,624	144,065	25,000
Use of Money & Property	72,660	257,018	72,660	200,463	219,200
Waste Water Receipts	318,349	401,500	401,500	481,800	481,800
Transfers In	-	69,717	-	-	13,000
<b>Total Revenues</b>	<b>\$8,251,489</b>	<b>\$8,913,707</b>	<b>\$8,710,104</b>	<b>\$9,969,505</b>	<b>\$10,132,700</b>
<b>EXPENDITURES BY DEPARTMENT</b>					
City Council	\$115,650	\$117,662	\$110,522	\$109,088	\$124,294
City Manager	1,026,316	972,575	1,014,832	1,133,740	1,298,871
City Clerk	355,978	347,842	309,618	305,113	364,485
Finance	682,162	666,857	838,726	759,139	807,302
City Attorney	185,000	219,259	207,500	294,887	235,000
Planning & Dev. Svcs	1,366,671	1,269,801	1,168,324	1,096,673	1,126,266
Public Works	1,648,797	1,847,078	1,537,477	1,987,846	1,595,412
Non-Departmental	787,089	2,579,004	947,602	1,406,918	1,243,057
Public Safety	2,751,200	2,668,483	2,941,250	2,982,396	3,336,200
<b>Total Expenditures</b>	<b>\$8,918,863</b>	<b>\$10,688,561</b>	<b>\$9,075,851</b>	<b>\$10,075,800</b>	<b>\$10,130,887</b>
Revenues	\$8,251,489	\$8,913,707	\$8,710,104	\$9,969,505	\$10,132,700
Expenditures by Department	(8,918,863)	(10,688,561)	(9,075,851)	(10,075,800)	(10,130,887)
<b>Surplus or Approved Use of Fund Balance</b>	<b>\$(667,374)</b>	<b>\$(1,774,854)</b>	<b>\$(365,747)</b>	<b>\$(106,295)</b>	<b>\$1,813</b>

## Summary of Positions

Class Title	2021-22	2022-23	2023-24	2024-25	2025-26	Proposed Requests	2026-27	Annual Minimum	Annual Maximum
1 Assistant City Manager	1.0	-	-	-	-	-	-	\$172,839	\$210,087
2 Assistant Planner	1.0	1.0	1.0	1.0	-	1	1.0	66,732	81,113
3 Assistant to CM	-	-	-	-	-	-	-	77,433	94,120
4 Associate Planner	1.0	-	-	-	1.0	-	1.0	77,249	93,896
5 Building Permit Tech	1.0	1.0	1.0	1.0	1.0	(1)	-	58,339	70,911
6 Bus Driver	1.0	1.0	1.0	1.0	1.0	-	1.0	48,845	59,372
7 City Clerk	1.0	1.0	1.0	1.0	1.0	-	1.0	103,744	126,102
8 City Manager	1.0	1.0	1.0	1.0	1.0	-	1.0	253,050	253,050
9 Code Enf/Animal Ctrl Off	1.0	1.0	1.0	1.0	1.0	(1)	-	63,057	76,646
10 Community Development Director	-	-	-	-	-	1	1.0	181,153	220,193
11 Department Secretary	2.0	2.0	2.0	2.0	2.0	1	3.0	51,689	62,828
12 Executive Assistant	-	-	-	-	-	-	-	57,698	70,132
13 Finance Director	-	1	1.0	1.0	1.0	-	1.0	152,177	184,972
14 Finance Manager	1	1	1.0	1.0	1.0	0.0	1.0	103,744	126,102
15 Finance Technician	-	-	1.0	1.0	-	-	-	43,439	52,799
16 Grants & Government Affairs Manager	-	-	-	-	-	1	1.0	108,493	131,874
17 Intern-1 (P/T)	0.5	0.5	0.5	0.5	0.5	-	0.5	18,200	22,122
18 Maintenance Crew Leader	1.0	-	1.0	1.0	2.0	-	2.0	61,247	74,446
19 Maintenance Crew Leader (PT)	-	-	-	-	-	-	-	61,247	74,446
20 Maintenance Project Manager	-	-	-	-	1.0	-	1.0	104,797	127,382
21 Maintenance Worker I	1.0	1.0	2.0	2.0	1.0	(1)	-	45,703	55,553
22 Maintenance Worker II	2.0	3.0	1.0	1.0	1.0	1.0	2.0	52,907	64,309
23 Management Analyst	1.0	1.0	1.0	1.0	2.0	-	2.0	77,052	93,657
24 Office Specialist	1.0	-	-	1.0	1.0	(1.0)	-	44,650	54,273
25 Planning & Development Svcs Dir	1.0	-	1.0	1.0	1.0	(1.0)	-	149,035	181,153
26 Planning Technician	-	-	-	-	-	-	-	54,899	66,731
27 Senior Accountant	2.0	1.0	-	1.0	1.0	-	1.0	77,258	93,907
28 Senior Finance Tech	-	-	-	-	-	-	-	51,415	62,495
29 Sr. Code Enforcement Off	-	1.0	1.0	1.0	1.0	1.0	2.0	72,993	88,723
30 Sr. Maint Crew Leader	-	1.0	1.0	1.0	-	-	-	74,597	90,673
31 Sr. Management Analyst	1.0	1.0	2.0	2.0	2.0	0	2.0	89,257	108,493
32 Sr. Planner	0.0	1.0	0	0.0	0	-	-	89,824	109,182
<b>TOTAL</b>	<b>21.5</b>	<b>20.5</b>	<b>21.5</b>	<b>23.5</b>	<b>23.5</b>	<b>1.0</b>	<b>24.5</b>		

City Council  
FY2026-27 Budget - GENERAL FUND

	<u>10-110</u> <u>City</u> <u>Council</u>	<u>TOTAL</u> <u>CITY COUNCIL</u>
Salaries	\$31,200	\$31,200
Benefits	\$54,144	\$54,144
Materials & Supplies	\$37,800	\$37,800
Professional/Contractual Services	\$1,150	\$1,150
Equipment	\$0	\$0
Lease of Facility/Equipment	\$0	\$0
Utilities	\$0	\$0
Overhead Cost Allocation	\$0	\$0
Capital Projects	\$0	\$0
Debt Service	\$0	\$0
Transfers Out	\$0	\$0
TOTAL	<u>\$124,294</u>	<u>\$124,294</u>

City Manager's Office  
FY2026-27 Budget - GENERAL FUND

	<u>10-120</u> <u>City Manager's</u> <u>Office</u>	<u>10-805</u> <u>Sr. Citizen's</u> <u>Program</u>	<u>10-808</u> <u>Emergency</u> <u>Operations</u>	<u>10-380</u> <u>Mgmt</u> <u>Information Sys</u>	<u>TOTAL</u> <u>CITY MGR</u>
Salaries	\$666,060	\$0	\$0	\$0	\$666,060
Benefits	\$267,991	\$0	\$0	\$0	\$267,991
Materials & Supplies	\$47,120	\$14,500	\$9,000	\$1,500	\$72,120
Professional/Contractual Services	\$42,500	\$27,000	\$7,500	\$5,000	\$82,000
Special Events	\$10,000				\$10,000
Advertising	\$18,400				\$18,400
Janitors		\$20,500			\$20,500
OnSite				\$132,000	\$132,000
Equipment	\$0	\$3,500	\$0	\$0	\$3,500
Lease of Facility/Equipment	\$0	\$0	\$0	\$0	\$0
Utilities	\$0	\$26,300	\$0	\$0	\$26,300
Overhead Cost Allocation	\$0	\$0	\$0	\$0	\$0
Capital Projects	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Debt Service					
Transfers Out	\$0	\$0	\$0	\$0	\$0
TOTAL	<u>\$1,052,071</u>	<u>\$91,800</u>	<u>\$16,500</u>	<u>\$138,500</u>	<u>\$1,298,871</u>

City Clerk's Department  
 FY2026-27 Budget - GENERAL FUND

	<u>10-125</u> City Clerk's Office	<u>10-804</u> Historical & Cultural Comm	<u>TOTAL</u> CITY CLERK
Salaries	\$185,926	\$0	\$185,926
Benefits	\$87,509	\$0	\$87,509
Materials & Supplies	\$9,700	\$0	\$9,700
Professional/Contractual Services	\$0	\$2,000	\$2,000
<i>Agenda Mgmt System</i>	\$12,700		\$12,700
<i>Laserfiche</i>	\$11,200		\$11,200
<i>Election</i>	\$25,000		\$25,000
<i>Various</i>	\$30,450		\$30,450
Equipment	\$0	\$0	\$0
Lease of Facility/Equipment	\$0	\$0	\$0
Utilities	\$0	\$0	\$0
Overhead Cost Allocation	\$0	\$0	\$0
Capital Projects	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0
Transfers Out	\$0	\$0	\$0
TOTAL	<u>\$362,485</u>	<u>\$2,000</u>	<u>\$364,485</u>

City Attorney  
 FY2026-27 Budget - GENERAL FUND

	<u>10-160</u> City Attorney	<u>TOTAL</u> CITY ATTY
Salaries	\$0	\$0
Benefits	\$0	\$0
Materials & Supplies	\$0	\$0
Professional/Contractual Services	\$0	\$0
<i>General Services</i>	\$150,000	\$150,000
<i>Litigation</i>	\$85,000	\$85,000
Equipment	\$0	\$0
Lease of Facility/Equipment	\$0	\$0
Utilities	\$0	\$0
Overhead Cost Allocation	\$0	\$0
Capital Projects	\$0	\$0
Debt Service	\$0	\$0
Transfers Out	\$0	\$0
TOTAL	<u>\$235,000</u>	<u>\$235,000</u>

Finance Department  
FY2026-27 Budget - GENERAL FUND

	<u>10-140</u> <u>Finance</u> <u>Department</u>	<u>10-190</u> <u>Non-</u> <u>Departmental</u>	<u>10-999</u> <u>Overhead Cost</u> <u>Allocation</u>	<u>TOTAL</u> <u>FINANCE</u>
Salaries	\$429,745	\$0	\$0	\$429,745
Benefits	\$154,757	\$705,000	\$0	\$859,757
Materials & Supplies	\$8,700	\$87,625	\$0	\$96,325
Professional/Contractual Services	\$0	\$0	\$0	\$0
<i>Eden</i>	\$36,000			\$36,000
<i>LSL - Auditors</i>	\$50,000			\$50,000
<i>Payroll Processing</i>	\$20,000			\$20,000
<i>Gravity</i>	\$21,000			\$21,000
GovInvest - Pension/OPEB	\$18,400			\$18,400
<i>Various</i>	\$65,300			\$65,300
<i>Gen Liab Insurance</i>		\$110,000		\$110,000
<i>Property</i>		\$22,500		\$22,500
<i>Bank Fees</i>		\$10,000		\$10,000
<i>Various</i>		\$35,125		\$35,125
Equipment	\$0	\$0	\$0	\$0
Lease of Facility/Equipment	\$3,400	\$0	\$0	\$3,400
Utilities	\$0	\$133,900	\$0	\$133,900
Overhead Cost Allocation	\$0	\$0	(\$90,145)	(\$90,145)
Capital Projects	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0
Transfers Out	<u>\$0</u>	<u>\$70,000</u>	<u>\$159,052</u>	<u>\$229,052</u>
TOTAL	<u>\$807,302</u>	<u>\$1,174,150</u>	<u>\$68,907</u>	<u>\$2,050,359</u>

Public Safety  
FY2026-27 Budget - GENERAL FUND

	<u>10-410</u> <u>Sheriff's</u> <u>Department</u>	<u>TOTAL</u> <u>SHERIFF's</u>
Salaries	\$0	\$0
Benefits	\$0	\$0
Materials & Supplies	\$150,000	\$150,000
Professional/Contractual Services	\$0	\$0
<i>See next page for detail</i>	\$3,060,000	\$3,060,000
<i>Overtime</i>	\$230,000	\$230,000
<i>CAL ID</i>	\$15,200	\$15,200
<i>LESS: Amt coded to Fund 14</i>	(\$200,000)	(\$200,000)
Equipment	\$81,000	\$81,000
Lease of Facility/Equipment	\$0	\$0
Utilities	\$0	\$0
Overhead Cost Allocation	\$0	\$0
Capital Projects	\$0	\$0
Debt Service	\$0	\$0
Transfers Out	<u>\$0</u>	<u>\$0</u>
TOTAL	<u>\$3,336,200</u>	<u>\$3,336,200</u>



**SCHEDULE A  
LAW ENFORCEMENT SERVICES CONTRACT  
CITY OF GRAND TERRACE  
FY 2026-27**

**ROLLOVER**

<b>LEVEL OF SERVICE</b>	<b>FY 2026-27 COST</b>
0.21 - Lieutenant	93,781
0.90 - Sergeant	326,591
0.56 - Detective/Corporal	173,774
5.76 - Deputy Sheriff Tier 2	1,518,762
1.26 - Law & Justice Office Specialist	132,055
1.00 - Sheriff's Services Specialist	104,913
3.00 - Marked Unit	68,956
0.50 - Unmarked Unit	5,698
0.50 - Command Staff Vehicle	8,198
1.00 - Pickup Truck	11,557
1.00 - Citizen Patrol Truck	9,697
Dispatch Services	152,982
9 - HTs (Amortization, Access & Maintenance)	18,738
Administrative Support	11,949
Office Automation	29,356
Axon Contract	17,918
Vehicle Insurance	43,460
Personnel Liability & Bonding	291,787
Workers' Comp Experience Modification	4,775
County Administrative Cost	36,197
<b>Estimated Cost for FY2026-27</b>	
<b>\$3,061,144</b>	

**Monthly Payment Schedule**

1st payment due July 15, 2026:	\$255,095
2nd through 12th payments due the 5th of each month:	\$255,095

1 Personnel costs include salary and benefits and are subject to change by Board of Supervisors' action. Changes in salary and benefit costs will be billed to the City on a quarterly invoice.

2 Vehicle costs do not include fuel and maintenance. The City is responsible for fuel, repair and maintenance of all contract vehicles, including collision damage. All fuel, repair and maintenance costs incurred by the County will be billed to the City on a quarterly invoice.

3 No replacement cost is included for grant funded or donated vehicles.

4 Services and supplies will be billed to the City on a quarterly invoice.

Planning & Development Services  
FY2026-27 Budget - GENERAL FUND

	<u>10-172</u> <u>Building</u> <u>&amp; Safety</u>	<u>10-185</u> <u>Code</u> <u>Enforcement</u>	<u>10-187</u> <u>Enforcement</u> <u>Programs</u>	<u>10-370</u> <u>Planning &amp;</u> <u>Development</u>	<u>10-801</u> <u>Planning</u> <u>Commission</u>	<u>TOTAL</u> <u>PLNG &amp; DEV</u>
Salaries	\$76,803	\$170,322	\$0	\$264,155	\$6,000	\$517,280
Benefits	\$39,016	\$80,654	\$0	\$93,856	\$875	\$214,401
Materials & Supplies	\$5,835	\$21,800	\$0	\$13,000	\$15,600	\$56,235
Professional/Contractual Services	\$0	\$0	\$0	\$0	\$0	\$0
<i>Willdan</i>	\$120,000					\$120,000
<i>Various</i>	\$2,400					\$2,400
<i>SB Animal Shelter</i>		\$60,000				\$60,000
<i>Various</i>		\$10,500				\$10,500
<i>Homeless Encampment CleanUp</i>			\$20,000			\$20,000
<i>Household Waste</i>			\$22,000			\$22,000
<i>Weedabatement</i>			\$10,000			\$10,000
<i>Various</i>			\$8,200			\$8,200
<i>MBI</i>				\$25,000		\$25,000
<i>BRSP Disolution/ZCA</i>				\$45,000		\$45,000
<i>Various</i>				\$14,000		\$14,000
Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Lease of Facility/Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0
Overhead Cost Allocation						
Capital Projects	\$0	\$0	\$0	\$1,250	\$0	\$1,250
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Transfers Out	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$244,054</b>	<b>\$343,276</b>	<b>\$60,200</b>	<b>\$456,261</b>	<b>\$22,475</b>	<b>\$1,126,266</b>

Public Works  
FY2026-27 Budget - GENERAL FUND

	<u>10-175</u> <u>Public</u> <u>Works</u>	<u>10-195</u> <u>Facilities</u> <u>Maintenance</u>	<u>10-450</u> <u>Parks</u> <u>Maintenance</u>	<u>10-625</u> <u>NPDES</u>	<u>10-631</u> <u>Storm Drain</u> <u>Maintenance</u>	<u>TOTAL</u> <u>PUBLIC WKS</u>
Salaries	\$319,366	\$0	\$194,652	\$0	\$0	\$514,018
Benefits	\$190,759	\$0	\$66,460	\$0	\$0	\$257,219
Materials & Supplies	\$79,065	\$0	\$7,730	\$0	\$0	\$86,795
Professional/Contractual Services	\$0	\$0	\$0	\$85,400	\$8,100	\$93,500
<i>Goodman - Engineering Svcs</i>	\$15,000					\$15,000
<i>Willdan - Plan Check</i>	\$89,500					\$89,500
<i>Riverside Personnel</i>	\$28,000					\$28,000
<i>Various</i>	\$65,860					\$65,860
<i>HVAC Svcs</i>		\$9,500				\$9,500
<i>Maint of City Hall &amp; grounds</i>		\$16,295				\$16,295
<i>Various</i>		\$16,860				\$16,860
<i>EZ Sunny Days</i>		\$0	\$44,120			\$44,120
<i>Mowing Rollins Field</i>			\$28,200			\$28,200
<i>Janitorial Svcs</i>		\$41,000	\$23,065			\$64,065
<i>Baseball Field Renovation</i>			\$90,000			\$90,000
<i>Various</i>			\$59,700			\$59,700
Equipment	\$2,000	\$0	\$0	\$0	\$0	\$2,000
Lease of Facility/Equipment	\$1,450	\$0	\$0	\$0	\$0	\$1,450
Utilities	\$5,000	\$0	\$108,330	\$0	\$0	\$113,330
Overhead Cost Allocation	\$0	\$0	\$0	\$0	\$0	\$0
Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Transfers Out	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$796,000</b>	<b>\$83,655</b>	<b>\$622,257</b>	<b>\$85,400</b>	<b>\$8,100</b>	<b>\$1,595,412</b>



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Discussion and Direction Regarding Vacant Commercial Property Registration and Maintenance

PRESENTED BY: Konrad Bolowich, City Manager

RECOMMENDATION: **PROVIDE DIRECTION TO CITY STAFF ON PREPARATION OF AN APPROPRIATE ORDINANCE REGARDING VACANT COMMERCIAL PROPERTY REGISTRATION AND MAINTENANCE**

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## **2030 VISION STATEMENT:**

This staff report supports City Council Goal #3, “Promote Economic Development” and Goal #5, “Engage in Proactive Communication”. This staff report provides an overview of a potential vacant commercial property registration and its potential role in addressing commercial vacancies and supporting economic activity within the City.

## **BACKGROUND:**

During the March 24, 2026, City Council meeting, Councilmember Allen requested that a future agenda item be brought forward for discussion regarding a potential vacancy tax on commercial properties.

California municipalities have broad police power authority under Article XI, section 7 of the California Constitution to enact ordinances addressing public health, safety, and welfare. This authority includes the regulation of property conditions for purposes such as nuisance abatement, blight prevention, and maintenance standards for vacant or underutilized structures.

Attachment No. 1 provides an overview of a model ordinance for City Council discussion regarding vacant commercial property registration and maintenance standards.

## **DISCUSSION:**

Commercial vacancy can have a direct impact on the economic vitality, appearance, and overall health of a City’s commercial corridors. Prolonged vacancies may contribute to blight, reduced pedestrian activity, and deterioration of building conditions, particularly when properties are not actively maintained or secured. In some cases, vacant commercial properties may also become vulnerable to nuisance conditions, including illegal dumping, unauthorized occupancy, or vandalism.

The proposed ordinance establishes a vacant commercial property registration and maintenance framework intended to provide the City with basic information regarding vacant properties while promoting proactive maintenance and re-occupancy. The program would require owners of qualifying vacant commercial properties to register with the City and provide updated contact information, along with general information regarding the property’s status and intended future use.

In addition to registration, the ordinance establishes minimum maintenance and security standards to

ensure that vacant properties are not maintained in a manner that contributes to blight or creates public health and safety concerns. These standards include requirements related to securing structures, maintaining site cleanliness, and preventing nuisance conditions. The ordinance also contemplates enhanced expectations for properties that remain vacant for extended periods, including demonstration of active marketing efforts or submission of plans for re-occupancy or redevelopment.

The ordinance further provides the City with the ability to conduct inspections to verify compliance, subject to applicable legal requirements, and to enforce the provisions through existing administrative and nuisance abatement procedures. Enforcement tools may include administrative citations, cost recovery for abatement, and other remedies authorized under the municipal code.

This item is presented for City Council discussion and direction regarding whether to pursue development of a formal vacant commercial property registration ordinance. The City Council may wish to consider whether additional information is needed regarding commercial vacancy trends, administrative costs, and potential implementation mechanisms prior to directing staff to prepare a formal ordinance for adoption.

**ATTACHMENTS:**

1) Model Ordinance: Vacant Commercial Property Registration and Maintenance

**ENVIRONMENTAL IMPACT:**

None.

**FISCAL IMPACT:**

None.

## Model Ordinance: Vacant Commercial Property Registration and Maintenance

### Section 1. Purpose and Intent

The purpose of this chapter is to:

- Prevent blight and deterioration of vacant commercial properties
- Protect public health, safety, and welfare
- Maintain the economic vitality of commercial corridors
- Establish a reasonable regulatory framework for monitoring and maintaining vacant properties

### Section 2. Definitions

**“Vacant Commercial Property”** means any commercial or mixed-use building, or portion thereof, that:

- Is unoccupied by authorized persons for more than **[to be determined, i.e., 60] consecutive days**, and
- Is not actively operating under a valid business license or lawful occupancy

**“Owner”** includes any person or entity holding legal or equitable title to the property.

**“Active Marketing”** means a good-faith effort to sell or lease the property, including listing with a licensed broker or verifiable advertising methods.

### Section 3. Registration Requirement

- Any vacant commercial property may be required to **register with the City within [to be determined, i.e., 30] days** of becoming vacant.
- Registration may include, at a minimum:
  - Owner contact information
  - Local property manager contact (if applicable)
  - Emergency contact information (24-hour response)
  - General statement of intended use, re-occupancy or disposition

### Section 4. Annual Renewal and Fees

- Registration may be subject to annual renewal, if established by City Council resolution.
- The City Council may establish fees by resolution to recover administrative costs associated with program implementation, which may:
  - Increase escalated fees for properties vacant longer than 12 months
  - Be waived or reduced for properties under active permit or construction

### Section 5. Maintenance and Security Standards

All vacant commercial properties shall be maintained in a manner that does not create blight or nuisance conditions and shall generally::

- Be secured against unauthorized entry where feasible (e.g., doors, windows, openings)
- Be maintained free of graffiti, debris, and overgrown vegetation
- Maintain exterior building conditions in a safe and non-deteriorated state

- Maintain basic site maintenance, including landscaping where applicable
- Provide adequate lighting if required for safety
- Not constitute a public nuisance under applicable municipal code provisions

### **Section 6. Additional Requirements for Properties Vacant Over 12 Months**

Properties vacant for more than 12 months shall:

- Demonstrate **active marketing or reuse efforts**, or
- Submit a general plan for re-occupancy, rehabilitation, or redevelopment

The City may require periodic updates documenting these efforts.

### **Section 7. Inspections**

- The City may conduct **periodic inspections** to verify compliance with applicable standards
- Access shall be coordinated in accordance with applicable law and notice requirements

### **Section 8. Prohibited Conditions**

It shall be unlawful for a vacant commercial property to be maintained in a condition that:

- Creates a known public health, safety, or fire hazard
- Constitutes a public nuisance under applicable municipal code
- Is used for unauthorized storage, dumping, illegal activity, or unpermitted occupancy

### **Section 9. Enforcement and Penalties**

- The City may enforce this chapter through existing administrative and nuisance abatement procedures
- Failure to comply may result in:
  - Administrative citations
  - Fines established by resolution
  - Recovery of abatement costs
- The City may determine appropriate enforcement mechanisms consistent with municipal code authority
- Failure to adhere to the maintenance standards for nonresidential properties shall be a public nuisance, subject to abatement or summary abatement in accordance with this Code.

### **Section 10. Exemptions**

The following may be exempt or conditionally exempt:

- Properties undergoing active construction with valid permits
- Properties undergoing active renovation or redevelopment approvals
- Properties temporarily vacant but actively maintained or marketed
- Properties actively listed for sale/lease and in full compliance
- Other exemptions as determined appropriate by the City Council

**Section 11. Severability / Administration**

Standard severability and implementation provisions shall apply as adopted by the City Council.



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Discussion and Direction Regarding Billboard Businesses

PRESENTED BY: Konrad Bolowich, City Manager

RECOMMENDATION: **PROVIDE DIRECTION TO CITY STAFF ON ABILITY TO PASS AN ACTIVE COMMERCIAL USE ORDINANCE TO ADDRESS BILLBOARD BUSINESSES**

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## **2030 VISION STATEMENT:**

This staff report supports City Council Goal #5, “Engage in Proactive Communication”. This report provides an overview of legal considerations associated with a potential ordinance addressing nonoperative or underutilized commercial uses, including “billboard businesses.”

## **BACKGROUND:**

During the April 14, 2026, City Council meeting, Councilmember Wilson requested that a future agenda item be brought forward for discussion regarding commercial properties or businesses that appear to have no credible or active operations.

## **DISCUSSION:**

Cities generally have authority under Article XI, section 7 of the California Constitution to regulate land use, zoning, and property maintenance for purposes related to public health, safety, and welfare. Within this authority, municipalities commonly address issues such as vacancy, blight, and nuisance conditions through zoning regulations and property maintenance standards.

The concept of regulating the level or intensity of business operations within an otherwise permitted commercial use raises implementation and legal considerations. Unlike traditional zoning regulations, which focus on permitted uses, development standards, or property conditions, operational requirements tied to business activity levels may present challenges in defining measurable standards and enforcing compliance in a consistent manner.

City staff is not aware of an established California statutory or case law authority specifically addressing ordinances that require a minimum level of ongoing business activity as a condition of lawful commercial occupancy. Existing municipal approaches generally address commercial vacancy, nuisance conditions, or physical property maintenance rather than operational activity thresholds.

City staff also notes that previously discussed vacant commercial property registration and maintenance concepts may address some related policy objectives, including identification of underutilized properties and mitigation of blight conditions, through more commonly used regulatory frameworks.

This item is presented for City Council discussion and direction on whether to further explore potential regulatory approaches related to nonoperative or underutilized commercial uses.

**RECOMMENDATION:**

- 1) Take no further action regarding the development of an Active Commercial Use Requirement ordinance.
- 2) Provide any other direction.

**ENVIRONMENTAL IMPACT:**

None.

**FISCAL IMPACT:**

None.



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Operation of Bicycles within the City of Grand Terrace

PRESENTED BY: Konrad Bolowich, City Manager

RECOMMENDATION: **THAT THE CITY COUNCIL PROVIDE DIRECTION TO STAFF TO PREPARE AN ORDINANCE REGULATING THE OPERATION OF BICYCLES WITHIN THE CITY OF GRAND TERRACE, INCLUDING ELECTRIC BICYCLES**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #2, Maintain Public Safety

## **BACKGROUND:**

California law regulates both traditional bicycles and electric bicycles through the California Vehicle Code. Bicyclists generally possess the same rights and responsibilities as motorists and are required to obey applicable traffic laws unless a specific exception applies.

State law establishes three classifications of electric bicycles:

<b>Class</b>	<b>Description</b>	<b>Maximum Assisted Speed</b>
Class 1	Pedal-assist only; motor provides assistance only while pedaling	20 mph
Class 2	Equipped with a throttle and may be propelled without pedaling	20 mph
Class 3	Pedal-assist only and equipped with a speedometer	28 mph

To qualify as an electric bicycle, the bicycle must have fully operable pedals and an electric motor producing less than 750 watts. Devices exceeding these limitations may be classified as mopeds, motor-driven cycles, or motorcycles and become subject to separate licensing, registration, and operational requirements.

California law also establishes operational requirements for bicycles and electric bicycles, including:

- Bicyclists are generally subject to the same rules of the road as motor vehicles.
- Bicycles operated on a roadway or shoulder must travel in the same direction as vehicular traffic.
- Riders under 18 years of age must wear a helmet while operating an electric bicycle.

- All Class 3 electric bicycle operators must wear a helmet regardless of age.
- Riders must be at least 16 years of age to operate a Class 3 electric bicycle.

While California establishes the statewide framework governing bicycles and electric bicycles, local agencies retain authority to regulate their operation on local streets, sidewalks, trails, parks, and other public facilities.

As a result, cities may regulate matters such as:

- Operation on sidewalks.
- Operation within parks, plazas, trails, and recreational facilities.
- Speed limits within designated areas.
- Operation within pedestrian-oriented environments.
- Unsafe or reckless riding behavior.
- Use of handheld electronic devices while riding.
- Local enforcement provisions.

However, cities may not adopt regulations that conflict with state law regarding bicycle classifications, equipment requirements, registration requirements, licensing requirements, or other matters preempted by the California Vehicle Code.

Over the past several years, many California communities have experienced significant growth in bicycle and electric bicycle usage. While these devices provide important transportation and recreational benefits, local agencies have also reported increased complaints involving excessive speed in pedestrian areas, operation on sidewalks, stunt riding, near-collisions with pedestrians, and unsafe operation within parks and parking lots.

In response, numerous California jurisdictions, including Manhattan Beach, Huntington Beach, San Marcos, Santa Barbara, Marin County, and Redlands, have adopted local regulations intended to address public safety concerns while preserving the ability of residents to utilize bicycles and electric bicycles for transportation and recreation.

The City of Grand Terrace currently relies primarily upon state law to regulate bicycle and electric bicycle operation. Although bicycle riding is prohibited within City parks, the Municipal Code does not contain a comprehensive ordinance governing bicycle operation on sidewalks, within public parking lots, or addressing unsafe riding behaviors. Consequently, the City Council may wish to consider whether additional local regulations are appropriate to address safety concerns and provide clearer standards for bicycle operation within the City.

## **DISCUSSION:**

The policy question before the City Council is not whether bicycles and electric bicycles should be permitted within the community, but whether additional local regulations are necessary to promote public safety and reduce conflicts between bicyclists and pedestrians.

Bicycles and electric bicycles provide significant transportation and recreational benefits. However, their increasing use, particularly electric bicycles capable of speeds between 20 and 28 miles per hour, has generated concerns regarding operation in pedestrian-oriented areas such as sidewalks, parks, trails, and parking lots.

Although state law governs bicycle operation on public roadways, many of the concerns raised by

residents occur in locations where local agencies possess regulatory authority. These areas frequently involve close interaction between bicyclists and pedestrians, creating circumstances where collisions may result in injury.

Sidewalks are intended primarily for pedestrian travel and often contain driveways, intersections, landscaping, and other visibility constraints. Pedestrians generally do not anticipate bicycle traffic approaching from behind or traveling at speeds significantly faster than a walking pace. Similar concerns exist within City parks and parking lots, where bicyclists, pedestrians, and motorists frequently interact in confined spaces.

Staff believes these areas warrant additional consideration because they present the greatest potential for conflicts between bicyclists and other users of public facilities.

Staff also recommends focusing any future ordinance on unsafe conduct rather than bicycle type. While electric bicycles have received significant public attention, many of the behaviors creating safety concerns are equally dangerous when performed on traditional bicycles. A conduct-based approach is easier to enforce, easier for the public to understand, and less susceptible to future changes in bicycle technology.

Consistent with ordinances adopted in Redlands and other California communities, prohibited conduct could include:

- Wheelies, jumps, tricks, or exhibition riding.
- Riding against the flow of traffic.
- Weaving through pedestrians or vehicles.
- Operating at a speed unsafe for conditions.
- Carrying passengers on bicycles not designed for passenger use.
- Standing on seats, handlebars, or other unintended portions of the bicycle.
- Failing to obey traffic control devices.
- Using a handheld electronic device while riding.
- Any operation that creates a substantial risk of injury to persons or property.

These provisions would allow enforcement personnel to address unsafe behavior before an accident occurs while preserving the ability of residents to utilize bicycles for transportation and recreation.

Should the City Council wish to pursue additional regulation, staff recommends preparation of an ordinance applicable to all bicycles, including electric bicycles, prohibiting operation on sidewalks, within City parks, and within City-owned parking lots, while establishing standards for safe operation. Such an ordinance would be consistent with actions taken by numerous California jurisdictions and would provide a clear framework for bicycle operation within the City.

#### **NEXT STEPS:**

Should the City Council determine that additional regulations are warranted, staff recommends directing preparation of an ordinance, resolution, and associated documents establishing regulations governing bicycle operations within the City.

The proposed regulations would include:

- Prohibiting bicycle operation on sidewalks.
- Prohibiting bicycle operation within City parks.
- Prohibiting bicycle operation within City-owned parking lots, except where specifically

authorized.

- Establishing standards prohibiting unsafe or reckless bicycle operation.
- Prohibiting stunt riding, exhibition riding, wheelies, and similar unsafe displays.
- Prohibiting the use of handheld electronic devices while operating a bicycle.
- Establishing penalties and enforcement procedures for violations.

Staff would return to the City Council with the proposed ordinance, resolution, and supporting documents for consideration and action.

**ENVIRONMENTAL IMPACT:**

This action does not meet the threshold of a project under CEQA and is exempt.

**FISCAL IMPACT:**

There is no direct fiscal impact associated with this action.



# AGENDA REPORT

MEETING DATE: June 9, 2026

TITLE: Sales Tax Measure Polling

PRESENTED BY: Konrad Bolowich, City Manager

RECOMMENDATION: **RECEIVE AND FILE THE COMMUNITY SURVEY PRESENTATION REGARDING A POTENTIAL LOCAL TRANSACTIONS AND USE TAX MEASURE AND PROVIDE DIRECTION TO STAFF AS APPROPRIATE**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #1: Ensure Fiscal Sustainability and Goal #2: Maintain Public Safety.

## **BACKGROUND:**

Over the past several years, cities throughout California have experienced increasing fiscal pressures resulting from inflationary impacts, rising service costs, increased public safety expenditures, and growing demand for municipal services. At the same time, local governments face limitations on revenue generation and increasing uncertainty regarding future state and federal funding sources. To evaluate the feasibility of pursuing a local revenue measure, the City retained Rincon Strategies to conduct a statistically valid survey of likely November 2026 voters residing within the City of Grand Terrace.

The survey was designed to assess voter attitudes regarding a potential one-percent (1%) local transactions and use tax and to provide the City Council with objective information regarding community priorities, voter concerns, and the likelihood of voter support for various revenue measure structures.

The survey was conducted using a mixed-mode methodology consisting of live telephone interviews and text-to-web responses. The survey sample includes approximately 325 likely November 2026 voters and has an estimated margin of error of plus or minus 5.6 percent at the 95 percent confidence level. The limited sample size due to the population of the community, precludes obtaining a margin of error of less than 5.6%.

The survey was designed to:

- Measure baseline voter support for a proposed one-percent local sales tax.
- Compare voter receptiveness to a general tax measure and a legally restricted special tax measure.
- Evaluate the likelihood of passage under applicable voter approval thresholds.
- Identify key voter concerns and priorities.
- Evaluate persuasive and opposing messages.
- Assess demographic and geographic voting trends.
- Provide strategic recommendations regarding measure structure, ballot language, and voter communication.

The survey tested two potential revenue measure structures:

## **General Tax**

A general transactions and use tax of one percent (1%) generating approximately \$1.7 million annually for general municipal purposes, including support for public safety and other essential City services. A general tax requires approval by a simple majority of voters.

## **Special Tax**

A special transactions and use tax of one percent (1%) generating approximately \$1.7 million annually dedicated exclusively to law enforcement and public safety purposes. A special tax requires approval by two-thirds of voters.

The survey further evaluated voter attitudes regarding public safety, emergency response, infrastructure, homelessness, parks, code enforcement, fiscal stability, and other municipal service priorities.

## **AVAILABILITY OF SURVEY RESULTS**

At the time of agenda publication, the City's consultant had not completed the tabulation, analysis, and final presentation of the survey results. As a result, the final survey report was not available for inclusion within the agenda packet.

The purpose of this agenda item is to receive and discuss the results of the voter survey regarding potential local transactions and use tax measure. Staff anticipates receiving the final survey results after publication of the agenda but prior to the City Council meeting.

Consistent with the Brown Act and Government Code Section 54957.5, any written survey results, presentation materials, or other documents distributed to a majority of the City Council regarding this agenda item will be made available to the public at the same time they are distributed to the City Council. Such materials will also be posted on the City's website in accordance with the City's standard procedures for late-distributed agenda materials.

If the final survey results are not available until the time of the meeting, the materials will be distributed to the City Council and made available to the public simultaneously during the meeting.

The survey results are being presented solely for informational purposes to assist the City Council in evaluating potential fiscal options and determining whether additional analysis or action is warranted. The presentation of survey results does not constitute advocacy for or against any potential ballot measure and is intended to provide factual information regarding voter attitudes, priorities, and perceptions related to municipal services and potential revenue measures.

Accordingly, staff believes the proposed process is consistent with the requirements of the Ralph M. Brown Act, promotes transparency, and provides the public with a meaningful opportunity to review and comment upon the information being considered by the City Council.

## **DISCUSSION:**

The purpose of the survey is to provide the City Council with objective information regarding voter attitudes before determining whether to place a local revenue measure on a future ballot.

If the City Council elects to pursue a revenue measure, state law provides several options regarding both the structure of the measure and the intended use of revenues. These options carry different legal requirements and voter approval thresholds.

A general tax measure may be used for any lawful municipal purpose and requires approval by a majority of voters. A special tax measure restricts revenues to specific purposes identified in the ballot measure but requires approval by two-thirds of voters.

The survey was specifically designed to evaluate voter support for both approaches and to determine

whether voters respond more favorably to a broader municipal funding measure emphasizing public safety or to a legally restricted public safety measure.

In addition to measuring voter support, the survey examines:

- Community priorities regarding City services.
- Voter perceptions of City performance.
- Arguments that increase or decrease support for a revenue measure.
- Demographic and geographic trends in voter support.
- The durability of support after exposure to both supporting and opposing campaign messages.

The survey results will assist the City Council in determining:

- Whether a revenue measure is likely to be successful.
- Which measure structure, if any, appears most viable.
- Whether voter support is sufficient to justify proceeding.
- What service priorities resonate most strongly with residents.
- Whether additional public outreach or fiscal planning efforts are warranted.

Because survey tabulation and final analysis are still being completed, the survey results were not available in time for inclusion within the published agenda packet. The completed survey results and presentation materials will be provided to the City Council prior to the meeting and will be made publicly available at the meeting.

Staff and the City's consultant will present the survey findings and recommendations during the meeting and will be available to answer questions from the City Council and the public.

## **NEXT STEPS**

Following presentation and discussion of the survey results, the City Council may provide direction to staff regarding whether and how to proceed with potential local transactions and use tax measures.

Potential actions may include:

- Receiving and filing the survey results.
- Directing staff to conduct additional public outreach or community engagement.
- Directing staff to prepare ballot measure options, including both general tax and special tax alternatives.
- Directing staff to return with draft ballot language, resolutions, impartial analysis, and other election-related documents necessary for consideration of a future ballot measure.
- Taking no further action at this time.

Should the City Council determine that placement of a measure on a future ballot warrants further consideration, staff will return with the necessary resolutions, ballot language, fiscal analysis, and supporting documentation for formal Council consideration and action in accordance with applicable election deadlines and legal requirements.

## **ENVIRONMENTAL IMPACT:**

This action does not meet the threshold of a project under CEQA and is exempt.

## **FISCAL IMPACT:**

There is no direct fiscal impact associated with this action.

