



A G E N D A



**CITY OF IMPERIAL BEACH
CITY COUNCIL
PLANNING COMMISSION
PUBLIC FINANCING AUTHORITY
HOUSING AUTHORITY
IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY**

NOVEMBER 7, 2012

**Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932**

REGULAR MEETING – 6:00 P.M.

THE CITY COUNCIL ALSO SITS AS THE CITY OF IMPERIAL BEACH PLANNING COMMISSION, PUBLIC FINANCING AUTHORITY, HOUSING AUTHORITY AND IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY

The City of Imperial Beach is endeavoring to be in total compliance with the Americans with Disabilities Act (ADA). If you require assistance or auxiliary aids in order to participate at City Council meetings, please contact the City Clerk's Office at (619) 423-8301, as far in advance of the meeting as possible.

REGULAR MEETING CALL TO ORDER

ROLL CALL BY CITY CLERK

PLEDGE OF ALLEGIANCE

AGENDA CHANGES

**MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/
REPORTS ON ASSIGNMENTS AND COMMITTEES**

COMMUNICATIONS FROM CITY STAFF

PUBLIC COMMENT - *Each person wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda.*

PRESENTATIONS (1)

None.

CONSENT CALENDAR (2.1-2.4) - *All matters listed under Consent Calendar are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items, unless a Councilmember or member of the public requests that particular item(s) be removed from the Consent Calendar and considered separately. Those items removed from the Consent Calendar will be discussed at the end of the Agenda.*

2.1 MINUTES.

City Manager's Recommendation: Approve the minutes of the Regular City Council Meeting of October 17, 2012.

Continued on Next Page

Any writings or documents provided to a majority of the City Council/Planning Commission/Public Financing Authority/Housing Authority/I.B. Redevelopment Agency Successor Agency regarding any item on this agenda will be made available for public inspection in the office of the City Clerk located at 825 Imperial Beach Blvd., Imperial Beach, CA 91932 during normal business hours.

CONSENT CALENDAR (Continued)

2.2 RATIFICATION OF WARRANT REGISTER. (0300-25)

City Manager's Recommendation: Ratify the following registers: Accounts Payable Numbers 81340 through 81458 with a subtotal amount of \$1,453,048.70 and Payroll Checks/Direct Deposit 44907 through 44951 for a subtotal amount of \$306,205.03 for a total amount of \$1,759,253.73.

2.3 RESOLUTION NO. 2012-7264 AUTHORIZING THE CITY OF IMPERIAL BEACH TO PARTICIPATE IN A REGIONAL WASTE TIRE ENFORCEMENT PROGRAM IN PARTNERSHIP WITH THE CITY OF SAN DIEGO – SOLID WASTE LOCAL ENFORCEMENT AGENCY – AND AUTHORIZING THE CITY OF SAN DIEGO TO ACT ON BEHALF OF THE CITY OF IMPERIAL BEACH TO EXECUTE ALL NECESSARY GRANT DOCUMENTS FOR THE PURPOSE OF SECURING GRANT FUNDS AND TO IMPLEMENT AND CARRY OUT THE WORK SPECIFIED IN THE GRANT THROUGH JUNE 30, 2017. (0270-30)

City Manager's Recommendation: Adopt resolution.

2.4 RESOLUTION NUMBER 2012-7263, APPROVING A THREE-YEAR EXTENSION TO THE REGIONAL COMMUNICATION SYSTEM PARTICIPATING AGENCY AGREEMENT FOR RADIO COMMUNICATIONS IN SAN DIEGO AND IMPERIAL COUNTIES. (0210-10)

City Manager's Recommendation: Adopt resolution.

ORDINANCES – INTRODUCTION/FIRST READING (3.1-3.2)

3.1 ORDINANCE NO. 2012-1132 REPEALING CHAPTER 8.08 AND ADDING A NEW CHAPTER 8.08 TO TITLE 8 OF THE IMPERIAL BEACH MUNICIPAL CODE CONCERNING PERMANENT AND MOBILE FOOD FACILITIES. (0240-28)

City Manager's Recommendation:

1. Receive report;
2. Mayor calls for the first reading of the title of Ordinance No. 2012-1132 "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, REPEALING CHAPTER 8.08 AND ADDING A NEW CHAPTER 8.08 TO TITLE 8 OF THE IMPERIAL BEACH MUNICIPAL CODE BY ADOPTING BY REFERENCE TITLE 6, DIVISION 1 OF THE SAN DIEGO COUNTY CODE OF REGULATORY ORDINANCES CONCERNING PERMANENT AND MOBILE FOOD FACILITIES";
3. City Clerk to read Ordinance 2012-1132; and
4. Motion to dispense first reading and introduction of Ordinance No. 2012-1132 by title only, schedule a public hearing for December 5, 2012 to consider the Second Reading and adoption of Ordinance No. 2012-1132 and direct staff to publish notice of the public hearing as presented to the Council.

3.2 ORDINANCE NO. 2012-1131, CHAPTER 13.14 OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO THE REGULATION OF FATS, OILS AND GREASE DISPOSAL IN THE SEWER COLLECTION SYSTEM AND AMENDING SECTION 13.04.040 OF THE IMPERIAL BEACH MUNICIPAL CODE. (0830-95)

City Manager's Recommendation:

1. Receive report;
2. Mayor calls for the first reading of the title of Ordinance No. 2012-1131 "ADDING CHAPTER 13.14 OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO THE REGULATION OF FATS, OILS AND GREASE DISPOSAL IN THE SEWER COLLECTION SYSTEM AND AMENDING SECTION 13.04.040 OF THE IMPERIAL BEACH MUNICIPAL CODE";
3. City Clerk to read Ordinance 2012-1131; and
4. Motion to dispense first reading and introduction of Ordinance No. 2012-1131 by title only and set the matter for adoption at the next regularly scheduled City Council meeting of November 21, 2012.

ORDINANCES – SECOND READING & ADOPTION (4)

None.

PUBLIC HEARINGS (5.1)

5.1 ADOPTION OF RESOLUTION NO. 2012-7262 APPROVING THE IMPERIAL BEACH BUSINESS IMPROVEMENT DISTRICT ANNUAL REPORT AND AUTHORIZING THE LEVYING OF THE FISCAL YEAR 2012-13 ANNUAL ASSESSMENT FOR THE DISTRICT PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1989. (0465-20)

City Manager's Recommendation:

1. Declare public hearing open;
2. Receive public testimony;
3. Close public hearing; and
4. Adopt Resolution No. 2012–7262 approving the Report from the BID Advisory Board for Fiscal Year 2011-12 and the budget and proposed activities for Fiscal Year 2012-13 and levying the assessment for properties within the BID for Fiscal Year 2012-13.

REPORTS (6.1-6.2)

6.1 QUARTERLY INVESTMENT REPORT FOR THE 4TH QUARTER OF FY 2011-2012 AS OF JUNE 30, 2012 (0350-90)

City Manager's Recommendation: Review and accept the Quarterly Investment Report of the fourth quarter ending June 30, 2012, and adopt Resolution No: 2012-7265 considering and accepting the Quarterly Investment Report of the fourth quarter ending June 30, 2012.

6.2 RESOLUTION NO. 2012-7267 AUTHORIZING CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE SAN DIEGO UNIFIED PORT DISTRICT (PORT DISTRICT) FOR THE ALLOCATION AND USE OF UP TO \$150,000 OF THE PORT DISTRICT'S APPROVED FISCAL YEAR (FY) 2014-2018 CAPITAL IMPROVEMENT PROGRAM (CIP) FUNDS FOR CONSTRUCTION OF THE DATE AVENUE STREET END IMPROVEMENT. (0150-70 & 0720-20)

City Manager's Recommendation: Adopt resolution.

I.B. REDEVELOPMENT AGENCY SUCCESSOR AGENCY REPORTS (7.1)

7.1 INVESTMENT POLICY – FY 2012-2013 UPDATE. (0350-95)

City Manager's Recommendation:

1. That the City Council complete the annual review and consideration of the Investment Policy and adopt Resolution No: 2012-7266 accepting and approving the Investment Policy Update for FY 2012-2013 and
2. That the Imperial Beach Redevelopment Successor Agency complete the annual review and consideration of the Investment Policy and adopt Resolution No: SA-12-17 accepting and approving the Investment Policy Update for FY 2012-2013.

ITEMS PULLED FROM THE CONSENT CALENDAR (IF ANY)

ADJOURNMENT

The Imperial Beach City Council welcomes you and encourages your continued interest and involvement in the City's decision-making process.

FOR YOUR CONVENIENCE, A COPY OF THE AGENDA AND COUNCIL MEETING PACKET MAY BE VIEWED IN THE OFFICE OF THE CITY CLERK AT CITY HALL OR ON OUR WEBSITE AT

www.cityofib.com.

/s/
Jacqueline M. Hald, MMC
City Clerk

CITY OF IMPERIAL BEACH
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OCTOBER 17, 2012

Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932

CLOSED SESSION MEETING – 5:15 P.M.
REGULAR MEETING – 6:00 P.M.

CLOSED SESSION CALL TO ORDER

MAYOR JANNEY called the Closed Session Meeting to order at 5:16 p.m.

ROLL CALL BY CITY CLERK

Councilmembers present: Bragg, King, Bilbray
Councilmembers absent: None
Mayor present: Janney
Mayor Pro Tem present: Spriggs
Staff present: City Manager Brown; City Attorney Lyon; City Clerk Hald

CLOSED SESSION

MOTION BY BILBRAY, SECOND BY KING, TO ADJOURN TO CLOSED SESSION UNDER:

- 1. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION (8 CASES)**
Significant exposure to litigation pursuant to Govt. Code Section 54956.9(b)(3)(A)
- 2. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION (8 CASES)**
Initiation of litigation pursuant to Govt. Code Section 54956.9(c)

RECONVENE AND ANNOUNCE ACTION (IF APPROPRIATE)

MOTION CARRIED UNANIMOUSLY.

MAYOR JANNEY adjourned the meeting to Closed Session at 5:17 p.m. and he reconvened the meeting to Open Session at 6:05 p.m.

Reporting out of Closed Session, CITY ATTORNEY LYON announced City Council discussed Item Nos. 1 and 2, City Council gave direction and no reportable action was taken.

REGULAR MEETING CALL TO ORDER

MAYOR JANNEY called the Regular Meeting to order at 6:06 p.m.

ROLL CALL BY CITY CLERK

Councilmembers present: Bragg, King, Bilbray
Councilmembers absent: None
Mayor present: Janney
Mayor Pro Tem present: Spriggs
Staff present: City Manager Brown; City Attorney Lyon; City Clerk Hald

October 17, 2012

PLEDGE OF ALLEGIANCE

MAYOR JANNEY led everyone in the Pledge of Allegiance.

AGENDA CHANGES

None.

**MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/
REPORTS ON ASSIGNMENTS AND COMMITTEES**

COUNCILMEMBER BILBRAY reported on his attendance at the Chamber of Commerce Board Meeting and announced the Chamber of Commerce 2012 Street Map and Merchant Guide is now available.

COUNCILMEMBER KING reported on his attendance at the Tijuana Innovadora 2012 Conference and at the Habitat for Humanity project on Florida Street where volunteers are building four new homes.

MAYOR JANNEY also reported on his attendance at the Tijuana Innovadora Conference.

COMMUNICATIONS FROM CITY STAFF

None.

PUBLIC COMMENT

THEODORE MACK, owner of Thunderbird Hang Gliding, expressed disappointment that due to the activities of another business, the City banned paragliding, hang gliding and ultra-lighting in Imperial Beach. He suggested that the U.S. Hang Gliding Association address the City Council about a permit process allowing the activities in a safe manner and without violating laws.

MICHAEL GANEY was opposed to the argument against Proposition S. He was offended by the reference "carpetbagger" and spoke in support for Proposition S (additional time donated by ERIKA LOWERY).

EUGENE DAVIDOVICH, with the Yes on S Campaign, spoke in support for Proposition S.

LORENZO HIGLEY spoke in opposition to Proposition S.

CAROL GREEN spoke in opposition to Proposition S.

ATHENA MALCOLM spoke in opposition to Proposition S.

PATRICIA MCCOY spoke in opposition to Proposition S.

TOM HETHERINGTON spoke in opposition to Proposition S.

MARY ANNE SCHOULTZ indicated opposition to Proposition S (did not wish to speak).

TED WINTER indicated opposition to Proposition S (did not wish to speak).

DIANE ROSE spoke in opposition to Proposition S (additional speaking time donated by Mayda Winter and Dee McLean).

KATHY LIPPITT spoke in opposition to Proposition S.

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MAYOR JANNEY stated that he is opposed to Proposition S. He stressed that there isn't a ban. After the City conducted a study and held several meetings, the City decided to allow collectives of three persons or less which is appropriate for the size of Imperial Beach.

PRESENTATIONS (1)

None.

CONSENT CALENDAR (2.1-2.6)

MOTION BY SPRIGGS, SECOND BY BILBRAY, TO APPROVE CONSENT CALENDAR ITEM NOS. 2.1 THRU 2.6. MOTION CARRIED UNANIMOUSLY.

2.1 MINUTES.

Approved the minutes of the Special and Regular City Council Meetings of October 3, 2012.

2.2 RATIFICATION OF WARRANT REGISTER. (0300-25)

Ratified the following registers: Accounts Payable Numbers 81268 through 81339 with a subtotal amount of \$226,777.86 and Payroll Checks/Direct Deposit 44887 through 44905 for a subtotal amount of \$143,338.82 for a total amount of \$370,116.68.

2.3 RESOLUTION NO. 2012-7259 SUPPORTING THE PROPOSED EXPANSION OF THE SOUTHERN CALIFORNIA BORDER REGION RECYCLING MARKET DEVELOPMENT ZONE. (0270-30)

Adopted resolution.

2.4 RESOLUTION NO. 2012-7258 SUPPORTING PARTICIPATION IN THE SOUTH BAY ENERGY ACTION COLLABORATIVE. (0230-20)

Adopted resolution.

2.5 RESOLUTION NO. 2012-7260 RECOGNIZING THE IMPORTANCE OF SAN DIEGO COUNTY'S MILITARY SECTOR TO THE WELL-BEING OF SAN DIEGO'S REGIONAL ECONOMY AND ENDORSING LOCAL EFFORTS TO RAISE AWARENESS ABOUT THE NEGATIVE IMPACT OF AUTOMATIC REDUCTIONS IN THE DEPARTMENT OF DEFENSE'S BUDGET. (0620-80)

Adopted resolution.

2.6 RESOLUTION NO. 2012-7261 AUTHORIZING THE CITY MANAGER TO SIGN THE AMENDMENT TO THE JOINT EXERCISE OF POWERS AGREEMENT CREATING THE SOUTHERN CALIFORNIA INTERGOVERNMENTAL TRAINING AND DEVELOPMENT CENTER (0560-20)

Adopted resolution.

ORDINANCES – INTRODUCTION/FIRST READING (3)

None.

ORDINANCES – SECOND READING & ADOPTION (4)

None.

October 17, 2012

PUBLIC HEARINGS (5.1)

5.1 RESOLUTION NO. 2012-7256 REQUESTING ALLOCATION OF THE FISCAL YEAR 2013-14 AND AN ADVANCE OF FISCAL YEARS 2014-15 AND 2015-16 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE AGREEMENT WITH THE COUNTY OF SAN DIEGO. (0650-33)

MAYOR JANNEY declared the public hearing open.

CITY MANAGER BROWN introduced the item.

COMMUNITY DEVELOPMENT DIRECTOR WADE reported on the item. Staff's recommendation is to allocate FY 2013-14 CDBG allocations and an advance of FY 2014-15 and FY 2015-16 CDBG funding to contribute to the purchase of a new fire engine. He noted that in the event that the CDGB Program is terminated, the City would reimburse the County CDBG Housing Development Fund for any affected funds.

JACK FISHER suggested that the City hold off on purchasing a new fire engine if there is no risk to the public.

FIRE CHIEF CLARK stated that the reserve apparatus is 20 years old, the current apparatus is 10 years old and the life expectancy is typically 15 years. He reported that both apparatuses have needed costly repairs and requested support for the purchase of a new apparatus.

CITY MANAGER BROWN explained that it can take up to a year to order and receive a new fire truck which will add another year of wear and tear to the existing stock.

COUNCILMEMBER KING expressed concern about public safety and supported the purchase of a fire engine.

COUNCILMEMBER BILBRAY also expressed concern about public safety and supported the purchase of a fire engine with CDBG funds before the funds are cut.

MAYOR JANNEY expressed concern about the federal government cutting the CDBG Program.

MAYOR PRO TEM SPRIGGS spoke in support for purchasing a new fire engine. He stressed that public safety is our number one concern, that the new fire engine is an asset that will last for many years, that we are fortunate to have CDBG funds but if the vehicle reserve funds are utilized, it would be a prudent way to spend the funds.

MAYOR JANNEY closed the public hearing.

MOTION BY JANNEY, SECOND BY BILBRAY, TO ADOPT RESOLUTION NO. 2012-7256 APPROVING THE SUBMITTAL OF A CDBG APPLICATION FOR THE PURCHASE OF A NEW FIRE ENGINE, RECEIVING AN ADVANCE OF TWO FISCAL YEAR'S CDBG ALLOCATIONS AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE AGREEMENT WITH THE COUNTY OF SAN DIEGO FOR THE USE OF CDBG FUNDS FOR THIS PURPOSE. MOTION CARRIED UNANIMOUSLY.

October 17, 2012

REPORTS (6.1-6.3)

6.1 REPORT ON DRAINAGE AT THE 9TH AND PALM PROPERTY; SOUTHWEST CORNER. (0640-20)

CITY MANAGER BROWN introduced the item.

PUBLIC WORKS DIRECTOR LEVIEN explained why there was flooding during a rain storm last spring. He reported that with the site soil serving to absorb storm water and with proper maintenance of the site's BMPs, flooding in the alley is less likely to happen. He gave a PowerPoint presentation showing the site's BMPs.

ASSISTANT CITY MANAGER WADE spoke about the significant upgrades to the storm drain system that is proposed by Sudberry Properties.

COUNCILMEMBER KING suggested a trap and pump be installed at the outlet so water can go out and seawater can't come in.

COUNCILMEMBER BILBRAY suggested that staff look into the matter.

MAYOR JANNEY stated that when there is a large rain event with a high tide there will be flooding in the City of Imperial Beach.

6.2 RESOLUTION NO. 2012-7257 REJECTING ALL BIDS RE: CONTRACT FOR CERTAIN PUBLIC WORKS PROJECT – FY 10/11 ANNUAL MAIN LINE REPAIRS – (W11-201). (0830-10)

CITY MANAGER BROWN reported on the item.

MOTION BY JANNEY, SECOND BY BILBRAY, TO ADOPT RESOLUTION NO. 2012-7257 REJECTING ALL BIDS RE: CONTRACT FOR CERTAIN PUBLIC WORKS PROJECT – FY 10/11 ANNUAL MAIN LINE REPAIRS – (W11-201). MOTION CARRIED UNANIMOUSLY.

6.3 DISCUSSION OF THE SAN DIEGO UNIFIED PORT DISTRICT'S APPROVED FISCAL YEAR (FY) 2014-2018 CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS AND CONSIDERATION OF A PROPOSED REVISED PROJECT APPLICATION FOR THE DATE AVENUE STREET END STREETScape IMPROVEMENTS. (0150-70)

CITY MANAGER BROWN introduced the item.

COMMUNITY DEVELOPMENT DIRECTOR WADE reported on the item. He recommended that City Council support the submittal of a revised FY 2014-2018 CIP application requesting the reallocation of \$100,000 approved for the Tot Lot to be used instead for the Date Avenue Street End Improvements and up to \$50,000 from the remaining street end improvements to the Date Avenue Streetscape Improvements.

ALLISON ROLFE asked City Council to reallocate the amount of \$225,000 rather than staff's recommendation of \$150,000. She noted that currently there are cost overruns of \$111,000 beyond what the Redevelopment Agency put up and cost overruns are expected to increase due to other construction challenges.

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CHARLENE DENNIS, Engineering Manager at the Port of San Diego, reported on the Port's CIP process.

MAYOR JANNEY questioned if the City Council approved the reallocation of \$150,000 tonight, could the City come back later with the reallocation of the remaining \$250,000 and if so, when is the deadline.

CHARLENE DENNIS stated that the Port Board directed staff to work with the Port Cities on reprioritizations. Since the Port Board approved \$375,000 for funding, the City could propose reallocations up to that amount. It is uncertain at this time when the reprioritizations will be presented to the Port Board, possibly the fall. She noted that Port staff is still reviewing the Date Ave. proposal and will continue to work with City staff.

CITY MANAGER BROWN added that staff is questioning if the Port can reimburse the City after the expenditures are made. He also stated that the intent of the contract between the City and Pacifica is to hold them responsible for cost overruns.

CHARLENE DENNIS stated that staff is evaluating if the Port can fund a project retroactively. The Port Board will consider updates to the funding in the next couple of months then prepare for the Fall 2013 workshop.

MOTION BY BRAGG. SECOND BY BILBRAY, TO SUBMIT A REVISED APPLICATION FOR FY 2014-2018 PORT CIP FUNDS TO REALLOCATE \$100,000 FROM THE IMPERIAL BEACH PIER PLAZA TOT LOT PROJECT AND UP TO \$50,000 FROM THE IMPERIAL BEACH REMAINING STREET END IMPROVEMENTS TO THE DATE AVENUE STREETScape IMPROVEMENTS. MOTION CARRIED UNANIMOUSLY.

I.B. REDEVELOPMENT AGENCY SUCCESSOR AGENCY REPORTS (7)

None.

ITEMS PULLED FROM THE CONSENT CALENDAR (IF ANY)

None.

ADJOURNMENT

Mayor Janney adjourned the meeting at 8:06 p.m.

James C. Janney, Mayor

Jacqueline M. Hald, MMC
City Clerk



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER
MEETING DATE: November 7, 2012 *KV*
ORIGINATING DEPT.: Kathleen VonAchen
 FINANCE DIRECTOR/CITY TREASURER
SUBJECT: RATIFICATION OF WARRANT REGISTER

BACKGROUND:

None

DISCUSSION:

As of April 7, 2004, all large warrants above \$100,000 will be separately highlighted and explained on the staff report.

Vendor	Check	Amount	Description
SD County Sheriff	81361	\$450,220.71	July 2012 Law Enforcement Services
Southland Paving	81412	\$386,571.33	Street Improvement Phase 4 & 5
Koch-Armstrong General Engineering	81439	\$373,926.50	Street Improvement 3 rd & Hemlock

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

The following registers are submitted for Council ratification.

<u>WARRANT #</u>	<u>DATE</u>	<u>AMOUNT</u>
<u>Accounts Payable</u>		
81340-81360	10/12/12	\$ 32,868.16
81361	10/15/12	450,220.71
81362-81424	10/18/12	506,239.23
81425-81458	10/26/12	463,720.60
	Sub-Total	\$ <u>1,453,048.70</u>

PAYROLL CHECKS/DIRECT DEPOSIT:

44907-44928	P.P.E. 10/04/12	\$ 144,616.77
44929-44951	P.P.E. 10/18/12	161,588.26
	Sub-total	<u>\$ 306,205.03</u>
	TOTAL	<u>\$ 1,759,253.73</u>

Note:

Though the amount for check number 44906 was included in last month's report, the check wasn't specifically listed.

FISCAL IMPACT:

Warrants are issued from budgeted funds.

DEPARTMENT RECOMMENDATION:

It is respectfully requested that the City Council ratify the warrant register.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.


Gary Brown, City Manager

Attachments:

1. Warrant Registers

FROM 10/12/2012 TO 10/26/2012

BANK CODE

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CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #				CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT	
10/12/2012	81340	ARROWHEAD MOUNTAIN SPRING WATE	1340				116.61
101-5020-432.30-02	09/22/2012	SEP 2012	02I0026726646	130202	03/2013		116.61
10/12/2012	81341	ATKINS NORTH AMERICA, INC.	2455				1,528.80
601-5060-436.28-01	09/17/2012	SEWER SVC CHG/CAPACITY FE	1149937	130353	03/2013		1,528.80
10/12/2012	81342	BDS ENGINEERING INC	372				460.00
202-5016-531.20-06	09/26/2012	SEP 2012 RTIP FY 10/11 ST	11-19I	111151	03/2013		460.00
10/12/2012	81343	COX COMMUNICATIONS	1073				600.00
503-1923-419.21-04	09/26/2012	09/25-10/24 3110039780701	10-15-2012	130126	03/2013		600.00
10/12/2012	81344	DENISE MORENO DUCHENY	2462				2,500.00
101-1110-412.20-06	10/01/2012	08/20-09/20/12 CONSULTING	10-01-2012	130366	04/2013		2,500.00
10/12/2012	81345	HANSON AGGREGATES INC.	48				1,082.89
101-5010-431.30-02	09/12/2012	PUMP 3" LINE	519706	130040	03/2013		1,082.89
10/12/2012	81346	HUDSON SAFE-T LITE RENTALS	2382				4,502.57
101-5010-431.50-02	09/14/2012	ARROWBOARD	00012033	130297	03/2013		2,208.88
601-5060-436.50-04	09/14/2012	ARROWBOARD	00012033	130297	03/2013		2,208.87
101-6020-452.30-02	09/25/2012	CAR STOP CONCRETE/SPIKE	00012242	130071	03/2013		84.82
10/12/2012	81347	I B FIREFIGHTERS ASSOCIATION	214				300.00
101-0000-209.01-08	10/11/2012	PR AP PE 10/04/2012	20121011		04/2013		300.00
10/12/2012	81348	ICMA RETIREMENT TRUST 457	242				6,982.10
101-0000-209.01-10	10/11/2012	PR AP PE 10/04/2012	20121011		04/2013		6,982.10
10/12/2012	81349	INTERSTATE BATTERY OF SAN DIEG	388				89.54
501-1921-419.28-16	09/28/2012	#698 KUBOTA	649010685	130012	03/2013		89.54
10/12/2012	81350	KANE, BALLMER & BERKMAN	1828				1,394.29
405-1260-413.20-06	09/12/2012	AUG 2012 RDA ISSUES	18432	130356	03/2013		1,394.29
10/12/2012	81351	KIM A MIKHAEL	1680				150.00
101-3010-421.20-06	09/17/2012	08/22/12 PRKG ADMIN HEARI	09-17-2012	130359	03/2013		150.00
10/12/2012	81352	KOA CORPORATION	611				4,549.70
101-5010-431.20-06	09/17/2012	JUN 2012-AS NEEDED TRAFFI	JB14106X5	130364	03/2013		1,655.00
101-5020-432.20-06	09/17/2012	JUN 2012-AS NEEDED TRAFFI	JB14106X5	130364	03/2013		195.00
402-5000-532.20-06	09/17/2012	JUN 2012-AS NEEDED TRAFFI	JB14106X5	130364	03/2013		350.00
101-5010-431.21-23	08/31/2012	AUG 2012 -AS NEEDED TRAFF	JB14106X7	130364	02/2013		492.20
101-5020-432.28-04	08/22/2012	JUL 2012 -AS NEEDED TRAFF	JB14106X6	130364	01/2013		1,137.50
402-5000-532.20-06	08/22/2012	JUL 2012 -AS NEEDED TRAFF	JB14106X6	130364	01/2013		720.00
10/12/2012	81353	LEAGUE OF CALIF CITIES	761				100.00
101-1020-411.28-04	09/25/2012	VEA,E -CC WORKSHOP @ ANNU	99088	F13016	03/2013		100.00
10/12/2012	81354	PROTECTION ONE ALARM MONITORIN	69				286.97
601-5060-436.20-23	09/20/2012	OCT 2012	89829245	130087	03/2013		286.97

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #				CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT	
10/12/2012	81355	RECLAIMED AGGREGATES, INC.	2137			250.00	
101-5010-431.29-04	09/16/2012	CONCRETE & ASPHALT RECYCL	74-ACC-00508	130039	03/2013	250.00	
10/12/2012	81356	SEIU LOCAL 221	1821			1,318.05	
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10/12/2012	81357	SKS INC.	412			4,467.19	
501-1921-419.28-15	09/27/2012	1152.8 GAL REG FUEL	1250981-IN	130049	03/2013	4,467.19	
10/12/2012	81358	SPRINT	2040			149.97	
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10/12/2012	81359	TERRA BELLA NURSERY, INC.	1946			64.52	
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10/12/2012	81360	US BANK	2458			1,974.96	
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10/15/2012	81361	SAN DIEGO COUNTY SHERIFF	882			450,220.71	
101-3010-421.20-06	08/28/2012	JUL 2012 LAW ENF SVCS	08-28-2012		02/2013	450,642.39	
101-0000-338.60-03	08/28/2012	JUL 2012 TWO FEE CREDIT	08-28-2012		02/2013	421.68-	
10/18/2012	81362	ACOM SOLUTIONS, INC	799			595.00	
503-1923-419.20-06	09/28/2012	SOFTWARE MAINT RENEWAL	0173793-IN	130367	03/2013	595.00	
10/18/2012	81363	ADVANCED ELECTRONIC SOLUTIONS2	1892			703.75	
101-1910-419.21-04	09/13/2012	LABOR/SERVICE	9204215	130368	03/2013	703.75	
10/18/2012	81364	ALERT-ALL CORP	2463			851.23	
101-3060-426.30-02	09/11/2012	FIRE HATS	212080965		03/2013	851.23	
10/18/2012	81365	AMERICAN MESSAGING	1759			133.06	
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10/18/2012	81366	ARROWHEAD MOUNTAIN SPRING WATE	1340			37.70	
101-1010-411.30-02	09/22/2012	SEP 2012	02I0031149578	130073	03/2013	37.70	
10/18/2012	81367	AT&T	2430			2,941.81	
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503-1923-419.27-04	09/20/2012	3393431504727	3715419		03/2013	178.43	
503-1923-419.27-04	09/20/2012	3393439371447	3718116		03/2013	178.43	
503-1923-419.27-04	09/20/2012	3393442323406	3718425		03/2013	178.43	
101-1210-413.27-04	09/17/2012	6194235034	3707798		03/2013	16.38	
101-3020-422.27-04	09/17/2012	6194237246664	3707017		03/2013	.79	
101-5020-432.27-04	09/15/2012	6194238311966	3703744		03/2013	7.57	
101-3030-423.27-04	09/15/2012	6194238322966	3703745		03/2013	5.28	
503-1923-419.27-04	09/11/2012	6194243481712	3683634		03/2013	16.44	
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101-1210-413.27-04	09/15/2012	C602224835777	3704812		03/2013	202.69	
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101-3030-423.27-04	09/15/2012	C602224839777	3704816		03/2013	216.17	
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10/18/2012	81368	AT&T TELECONFERENCE SERVICES	1827			127.04	
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10/18/2012	81369	AUNT ELLENS WATER	307			102.50	
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10/18/2012	81370	AZTEC LANDSCAPING INC	310			1,540.00	
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10/18/2012	81371	CALIFORNIA AMERICAN WATER	612			2,397.42	
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10/18/2012	81372	CA BUILDING STANDARDS COMMISSI	2127				33.30
101-0000-221.01-07	09/30/2012	STATE GREEN FEES		09-30-2012		03/2013	33.30
10/18/2012	81373	CDW GOVERNMENT INC	725				2,055.00
503-1923-419.20-06	09/26/2012	APC POWER BACK UP		R176156	130120	03/2013	159.77
503-1923-419.20-06	10/02/2012	CC LAPTOP MEMORY UPGRADE		R455065	130120	04/2013	192.44
503-1923-419.20-06	10/02/2012	VIDEO MONITOR CABLE-FIN D		R466263	130120	04/2013	163.55
503-1923-419.20-06	10/03/2012	LAPTOP VIDEO CABLE-FIN DI		R485173	130120	04/2013	27.52
503-1923-419.20-06	10/03/2012	FIN DIR USB PORT		R512656	130120	04/2013	170.74
503-1923-419.20-06	09/28/2012	FINANCE DIR LAPTOP COMP		R341074	130120	03/2013	1,245.11
503-1923-419.20-06	10/08/2012	COMP MONITOR FILTER SCREE		R687477	130120	04/2013	95.87
10/18/2012	81374	CVA SECURITY	797				143.39
101-1910-419.20-23	10/10/2012	KEYPAD REPLACEMENT EOC		23471	130100	04/2013	143.39
10/18/2012	81375	CLEAN HARBORS	913				1,008.00
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10/18/2012	81377	COX COMMUNICATIONS	1073				189.93
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601-5050-436.21-04	10/05/2012	10/04-11/03 3110091187001		10-25-2012	130126	04/2013	179.00
10/18/2012	81378	D.A.R. CONTRACTORS	1122				347.00
101-3050-425.20-06	10/01/2012	SEP 2012		0901229	130211	04/2013	347.00
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101-0000-209.01-12	09/27/2012	PR AP PE 09/20/2012		20120927		03/2013	354.57
101-0000-209.01-12	10/11/2012	PR AP PE 10/04/2012		20121011		04/2013	354.57
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10/18/2012	81380	DEPARTMENT OF JUSTICE	1154				49.00
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10/18/2012	81381	DEPT. OF CONSERVATION	1158				19.00
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10/18/2012	81382	EAGLE NEWSPAPER	1204				535.00
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101-1020-411.28-07	09/12/2012	LEGAL NOTICES-JURMP		23128	130208	03/2013	45.00
101-1020-411.28-07	09/26/2012	LEGAL NOTICES-CDBG		73338	130208	03/2013	85.00
101-0000-221.01-02	09/05/2012	SEP 2012 PUBLIC NOTICE		73027		03/2013	70.00
601-5060-536.20-06	09/05/2012	SEWER LINE REPAIR ADVERTI		73027	130022	03/2013	85.00
601-5060-536.20-06	09/12/2012	SEWER LINE REPAIR ADS		73128	130022	03/2013	85.00
601-5060-536.20-06	09/19/2012	SEWER LINE REPAIR ADS		73234	130022	03/2013	85.00
10/18/2012	81383	ESGIL CORPORATION	1225				4,577.65
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10/18/2012	81385	GRAINGER	1051	
101-6020-452.30-02	09/24/2012	LIKE KEY PADLOCKS	9934344186	130011 03/2013 88.19
101-6020-452.30-02	09/24/2012	LOCKOUT PADLOCK	9934748477	130011 03/2013 30.09
101-1910-419.30-02	09/24/2012	SPRING SNAP	9934748485	130011 03/2013 1.95
101-1910-419.30-02	09/28/2012	BALLASTS/LAMPS	9939398500	130011 03/2013 161.31
101-1910-419.30-02	10/04/2012	HAND SOAP/SANITIZER	9943723487	130011 04/2013 90.93
101-1910-419.30-02	10/09/2012	DRILLS	9947253218	130011 04/2013 128.01
101-6040-454.30-02	10/11/2012	DRILLS	9949717855	130011 04/2013 249.99
10/18/2012	81386	JOHN DEERE LANDSCAPES	1986	
101-6020-452.30-02	09/20/2012	EMBARK	62734476	130031 03/2013 1,121.40
601-5060-436.30-02	10/11/2012	SCHEDULE 40 PVC PIPE-PW	62967242	130031 04/2013 435.89
101-6020-452.30-02	10/08/2012	PRES COMP BUBBLER	62927297	130031 04/2013 96.16
101-6040-454.30-02	10/08/2012	2 CYCLE OIL/POP UP ROTOR	62930529	130031 04/2013 229.86
601-5060-436.30-02	10/16/2012	PVC PIPE -WASH RACK	63016736	130031 04/2013 294.57
601-5060-436.30-02	10/17/2012	PVC FITTING	63025191	130031 04/2013 48.08
10/18/2012	81387	KANE, BALLMER & BERKMAN	1828	
101-5000-532.20-06	08/07/2012	JUL 2012-9TH/PALM	18266	130371 02/2013 19,889.05
216-5000-532.20-06	08/07/2012	JUL 2012-AMERICAN LEGION	18267	130371 02/2013 775.00
101-1920-419.20-06	08/07/2012	JUL 2012- GENERAL	18268	130371 02/2013 500.00
216-1240-413.20-06	08/07/2012	JUL 2012 GEN HOUSING	18269	130371 02/2013 1,300.00
217-5000-532.20-06	08/07/2012	JUL 2012-HABITAT AHA	18270	130371 02/2013 1,175.00
405-1260-413.20-01	08/07/2012	JUL 2012 SUCCESSOR AGENCY	18271	130371 02/2013 900.00
10/18/2012	81388	LA PRENSA SAN DIEGO	1714	
101-1020-411.21-06	09/24/2012	NOTICE OF ELECTION-SPANIS	23902	F13018 03/2013 150.00
10/18/2012	81389	MASON'S SAW & LAWNMOWER	923	
601-5050-436.30-02	10/04/2012	#152X STARTER	295910	130030 04/2013 203.93
10/18/2012	81390	MCDUGAL LOVE ECKIS &	962	
101-1220-413.20-02	09/30/2012	SEP 2012 RETAINER	82472	130218 03/2013 8,227.00
10/18/2012	81391	MANAGED HEALTH NETWORK	2432	
101-1130-412.20-06	09/16/2012	OCT 2012	3200041466	130072 03/2013 403.20
10/18/2012	81392	MICHAEL FRANCIS	1515	
101-3030-423.28-04	09/18/2012	REIMBURSE EMT RECERT	010236	04/2013 54.00
10/18/2012	81393	NGUOI VIET TODAY	1715	
101-1020-411.21-06	10/02/2012	ELECTION NOTICE-VIETNAMES	6029	F13020 04/2013 60.00
10/18/2012	81394	OFFICE DEPOT, INC	1262	
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101-1110-412.30-02	09/28/2012	WATER/PENS	626909814001	130002 03/2013 25.55
101-1210-413.30-01	10/03/2012	LABELER/FOLDERS/PENS/MISC	627507975001	130002 04/2013 81.12
101-1210-413.30-01	10/04/2012	BOAM BOARD/LABELS/BATTERI	627645151001	130002 04/2013 52.44
101-5020-432.30-01	09/25/2012	CR RTND PENS	626488740001	130002 03/2013 8.59-
101-3020-422.30-01	10/02/2012	BATTERIES	627307751001	130002 04/2013 26.68
101-3020-422.30-01	10/03/2012	BATTERIES	627458604001	130002 04/2013 29.24
10/18/2012	81395	OFFICETEAM	1266	1,747.44
101-1020-411.21-01	10/02/2012	ARMENDARIZ,E W/E 09/28/12	36450651	130127 04/2013 97.08
101-1130-412.21-01	10/02/2012	ARMENDARIZ,E W/E 09/28/12	36450651	130127 04/2013 873.72
101-1020-411.21-01	10/09/2012	ARMENDARIZ,E W/E 10/05/12	36495804	130127 04/2013 776.64
10/18/2012	81396	PACIFIC SAFETY COUNCIL	1275	9.16
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10/18/2012	81397	PARTNERSHIP WITH INDUSTRY	1302	2,184.47
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101-6040-454.21-04	10/02/2012	P/E 09/30/2012	GS04395	130108 04/2013 1,148.45
10/18/2012	81398	PMI	23	602.83
101-6040-454.30-02	09/25/2012	PROTECTIVE GLOVES	0374956	130015 03/2013 602.83
10/18/2012	81399	PRAXAIR DISTRIBUTION INC	1652	108.40
501-1921-419.30-02	09/26/2012	OXYGEN/PETROLEUM GAS	44168885	130005 03/2013 108.40
10/18/2012	81400	PREFERRED BENEFIT INS ADMIN IN	37	1,835.68
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101-0000-209.01-12	10/11/2012	PR AP PE 10/04/2012	20121011	04/2013 917.84
10/18/2012	81401	PRO LINE PAINT COMPANY	52	413.54
101-6040-454.30-02	09/20/2012	PAINT	3987-7	130021 03/2013 413.54
10/18/2012	81402	QWIK PRINTS	1622	20.00
101-1130-412.21-04	10/01/2012	SEP 2012	122751342	130077 04/2013 20.00
10/18/2012	81403	REPUBLIC ITS	2443	6,675.00
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10/18/2012	81404	RICOH USA, INC.	2392	1,930.89
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101-1230-413.28-01	10/04/2012	OCT 2012	87793485	130133 04/2013 275.84
101-3020-422.28-01	10/04/2012	OCT 2012	87793485	130133 04/2013 275.84
101-3030-423.28-01	10/04/2012	OCT 2012	87793485	130133 04/2013 275.84
101-5020-432.28-01	10/04/2012	OCT 2012	87793485	130133 04/2013 275.84
101-6010-451.28-01	10/04/2012	OCT 2012	87793485	130133 04/2013 275.84
10/18/2012	81405	ROBERT HALF TECHNOLOGY	1826	112.50
503-1923-419.10-02	10/04/2012	MORENO,D-W/E 09/28/12	36459616	130375 04/2013 112.50

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10/18/2012	81407	SAFETY-KLEEN SYSTEMS	246		261.37
501-1921-419.29-04	09/28/2012	BRAKE CLEANER	58854792	130047 03/2013	261.37
10/18/2012	81408	SAN DIEGO GAS & ELECTRIC	1399		17,136.18
101-3020-422.27-01	10/05/2012	1008 786 9371 08/28-09/27	10-23-2012	03/2013	29.76
101-1910-419.27-01	10/05/2012	1008 786 9371 08/28-09/27	10-23-2012	03/2013	138.64
101-5010-431.27-01	10/05/2012	1008 860 4389 08/24-09/25	10-23-2012	03/2013	34.57
101-3020-422.27-01	10/05/2012	1980 769 7764 08/28-09/27	10-23-2012	03/2013	3,623.62
601-5060-436.27-01	10/05/2012	5263 521 9238 08/24-09/25	10-23-2012	03/2013	10.00
101-6020-452.27-01	10/05/2012	5649 771 4749 08/29-09/28	10-23-2012	03/2013	10.15
101-5010-431.27-01	10/05/2012	5649 771 4749 08/31-09/30	10-23-2012	03/2013	6,524.55
101-5010-431.27-01	10/05/2012	8507 517 8464 08/23-09/28	10-23-2012	03/2013	123.21
601-5060-436.27-01	10/05/2012	8507 517 8464 08/29-09/28	10-23-2012	03/2013	90.53
101-6020-452.27-01	10/05/2012	8507 517 8464 08/24-09/27	10-23-2012	03/2013	1,035.56
601-5060-436.27-01	10/05/2012	8541 770 1270 08/30-09/30	10-23-2012	03/2013	4,345.61
101-5020-432.27-01	10/05/2012	9169 299 2261 08/24-09/25	10-23-2012	03/2013	1,169.98
10/18/2012	81409	SDGE	289		6,619.68
101-5010-431.27-01	10/01/2012	0646 753 1938 08/28-09/27	10-16-2012	03/2013	10.15
101-5010-431.27-01	10/01/2012	1694 230 1484 08/28-09/27	10-16-2012	03/2013	24.85
101-5010-431.27-01	09/27/2012	1912 409 2723 08/24-09/25	10-12-2012	03/2013	10.34
101-6010-451.27-01	10/02/2012	2081 689 7619 08/29-09/28	10-17-2012	03/2013	300.45
101-5010-431.27-01	10/02/2012	2741 969 9359 08/31-09/30	10-17-2012	03/2013	137.67
215-6026-452.27-01	10/02/2012	2819 871 6315 08/31-09/30	10-17-2012	03/2013	1,843.43
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101-5010-431.27-01	09/27/2012	5280 340 6641 08/24-09/25	10-12-2012	03/2013	77.66
101-5010-431.27-01	09/27/2012	5576 188 0541 08/24-09/25	10-12-2012	03/2013	10.14
601-5060-436.27-01	09/28/2012	8773 823 6424 08/28-09/27	10-13-2012	03/2013	1,111.53
101-5010-431.27-01	10/05/2012	9476 001 6989 08/29-09/28	10-20-2012	03/2013	717.97
101-6020-452.27-01	10/02/2012	0175 275 3776 08/29-09/28	10-17-2012	03/2013	346.63
101-5010-431.27-01	10/02/2012	0824 329 2041 08/29-09/28	10-17-2012	03/2013	217.11
101-6020-452.27-01	10/02/2012	2081 689 1273 08/29-09/28	10-17-2012	03/2013	450.00
101-6010-451.27-01	10/02/2012	2081 692 3399 08/29-09/28	10-17-2012	03/2013	13.28
101-6020-452.27-01	10/02/2012	2083 847 9032 08/29-09/28	10-17-2012	03/2013	46.10
101-6010-451.27-01	10/02/2012	3206 700 9265 08/29-09/28	10-17-2012	03/2013	138.10
101-5010-431.27-01	10/01/2012	3448 930 9646 08/28-09/27	10-16-2012	03/2013	10.15
101-5010-431.27-01	10/01/2012	5153 272 6717 08/28-09/27	10-16-2012	03/2013	13.63
101-6020-452.27-01	10/02/2012	5456 692 8951 08/29-09/28	10-17-2012	03/2013	40.43
101-6020-452.27-01	10/02/2012	6921 003 2109 08/29-09/28	10-17-2012	03/2013	382.21
101-5010-431.27-01	10/02/2012	7706 795 7872 08/29-09/28	10-17-2012	03/2013	12.30
101-6020-452.27-01	10/02/2012	9327 898 1346 08/29-09/28	10-17-2012	03/2013	500.91
101-6010-451.27-01	10/02/2012	9956 693 6272 08/29-09/28	10-17-2012	03/2013	191.95
10/18/2012	81410	SKS INC.	412		5,433.56
501-1921-419.28-15	10/04/2012	937 G REG/174.5 G DIESEL	1251116-IN	130049 04/2013	5,433.56
10/18/2012	81411	SOUTH WEST SIGNAL	488		320.07
101-5010-431.21-04	09/30/2012	SEP 2012	50898	130038 03/2013	160.00

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ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO # PER/YEAR TRN AMOUNT
101-5010-431.21-23	09/30/2012	REPLACE TRAFFIC LIGHT	50912	130038 03/2013 160.07
10/18/2012 81412	08/31/2012	SOUTHLAND PAVING, INC. 2417		
402-5000-532.20-06	08/31/2012	AUG 2012 RDA ST IMPRVMENTS	7	120732 02/2013 386,571.33
10/18/2012 81413	09/18/2012	THE FILIPINO PRESS 1720		
101-1020-411.21-06	09/18/2012	NOTICE OF ELECTION TAGALO	1699-12	F13019 03/2013 150.00
10/18/2012 81414	09/20/2012	THE INTERNATIONAL INSTITUTE OF 378		
101-1020-411.28-12	09/20/2012	HALD, J-2013 MEMBERSHIP	09-20-2012	130369 03/2013 185.00
10/18/2012 81415	08/24/2012	THE SURF HUT 1415		
101-3030-423.25-03	08/24/2012	LG SUNGLASSES 2012/2013	284116	130361 02/2013 3,782.03
10/18/2012 81416	09/24/2012	TRAN CONSULTING ENGINEERS 2033		
601-5060-536.20-06	09/24/2012	MAIN LINE/MANHOLE REPAIRS	7319	120566 03/2013 16,330.00
10/18/2012 81417	09/30/2012	TRANSWORLD SYSTEMS INC. 2160		
101-0000-321.72-10	09/30/2012	SEP 2012	578470	03/2013 35.62
101-0000-323.71-02	09/30/2012	SEP 2012	578470	03/2013 188.00-
101-0000-203.22-00	09/30/2012	SEP 2012	578470	03/2013 50.00-
101-0000-344.76-03	09/30/2012	SEP 2012	578470	03/2013 85.00-
101-1910-419.21-04	09/30/2012	SEP 2012	578470	03/2013 80.75-
10/18/2012 81418	10/01/2012	UNDERGROUND SERVICE ALERT OF 731		
601-5060-436.21-04	10/01/2012	SEP 2012	920120326	130003 04/2013 37.50
10/18/2012 81419	09/27/2012	VISION PLAN OF AMERICA 785		
101-0000-209.01-18	09/27/2012	PR AP PE 09/20/2012	20120927	03/2013 190.19
101-0000-209.01-18	10/11/2012	PR AP PE 10/04/2012	20121011	04/2013 90.17
101-1920-419.29-04	10/01/2012	NOV 2012 - VISION	10-01-2012	04/2013 90.17
10/18/2012 81420	09/25/2012	VISTA PAINT CORPORATION 2388		
101-5010-431.21-23	09/25/2012	TRAFFIC PAINT/SWIVEL GUN	2012-358948-00	130069 03/2013 475.58
10/18/2012 81421	10/03/2012	WAXIE SANITARY SUPPLY 802		
101-6040-454.30-02	10/03/2012	JANITORIAL SUPPLIES	73537457	130016 04/2013 860.75
10/18/2012 81422	10/01/2012	WEST GROUP CTR 826		
101-1020-411.28-14	10/01/2012	SEP 2012	825750530	130226 04/2013 126.48
10/18/2012 81423	09/20/2012	WHITE CAP CONSTRUCTION SUPPLY 1434		
101-5010-431.30-02	09/20/2012	CONCRETE BLADE	15069858-00	130018 03/2013 569.04
601-5050-436.30-02	09/28/2012	RICE STRAW WATTLE FIBER	15070152-00	130018 03/2013 44.16
10/18/2012 81424	09/25/2012	ZOLL MEDICAL CORPORATION 1976		
101-3020-422.30-02	09/25/2012	LEAD CABLE	1941904	03/2013 524.88
10/26/2012 81425	09/25/2012	AGRICULTURAL PEST CONTROL 123		
101-6020-452.21-04	09/25/2012	SEP 2012	285094	130101 03/2013 149.50
				95.00
				95.00

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10/26/2012	81426	BAY CITY ELECTRIC WORKS	369		456.25
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10/26/2012	81427	CALIFORNIA AMERICAN WATER	612		5,112.34
101-5010-431.27-02	10/15/2012	05-0110529-0 09/11-10/10	11-05-2012	04/2013	9.38
101-6020-452.27-02	10/15/2012	05-0111454-0 09/11-10/10	11-05-2012	04/2013	9.38
101-1910-419.27-02	10/15/2012	05-0111478-9 09/11-10/10	11-05-2012	04/2013	53.07
101-6020-452.27-02	10/15/2012	05-0111479-7 09/11-10/10	11-05-2012	04/2013	2,101.96
101-5010-431.27-02	10/15/2012	05-0111480-5 09/11-10/10	11-05-2012	04/2013	285.05
101-5020-432.27-02	10/16/2012	05-0424056-5 09/12-10/11	11-05-2012	04/2013	40.46
101-6020-452.27-02	10/16/2012	05-0477133-8 09/12-10/11	11-05-2012	04/2013	260.55
101-6020-452.27-02	10/18/2012	05-0114612-0 09/13-10/15	11-06-2012	04/2013	31.87
101-5010-431.27-02	10/16/2012	05-0114717-7 09/12-10/11	11-05-2012	04/2013	5.70
101-5010-431.27-02	10/16/2012	05-0115202-9 09/12-10/11	11-05-2012	04/2013	5.70
101-6020-452.27-02	10/16/2012	05-0115205-2 09/12-10/11	11-05-2012	04/2013	1,652.73
101-1910-419.27-02	10/16/2012	05-0115206-0 09/12-10/11	11-05-2012	04/2013	380.80
101-1910-419.27-02	10/16/2012	05-0115208-6 09/12-10/11	11-05-2012	04/2013	93.57
101-1910-419.27-02	10/16/2012	05-0115210-2 09/12-10/11	11-05-2012	04/2013	17.97
101-3020-422.27-02	10/16/2012	05-0115211-0 09/12-10/11	11-05-2012	04/2013	82.52
101-5010-431.27-02	10/16/2012	05-0115214-4 09/12-10/11	11-05-2012	04/2013	9.38
601-5060-436.27-02	10/16/2012	05-0115249-0 09/12-10/11	11-05-2012	04/2013	5.70
101-5010-431.27-02	10/18/2012	05-0115949-5 09/13-10/15	11-06-2012	04/2013	5.70
101-5010-431.27-02	10/18/2012	05-0115950-3 09/13-10/15	11-06-2012	04/2013	13.07
101-5010-431.27-02	10/18/2012	05-0116368-7 09/13-10/15	11-06-2012	04/2013	27.80
101-6020-452.27-02	10/18/2012	05-0117419-7 09/13-10/15	11-06-2012	04/2013	5.70
405-1260-413.27-02	10/19/2012	05-0546597-1 09/17-10/16	11-07-2012	04/2013	14.28
10/26/2012	81428	CASE POWER & EQUIPMENT	2379		161.39
501-1921-419.28-16	08/22/2012	#145 AUTO PART	A16494	130041 02/2013	161.39
10/26/2012	81429	CITY OF CHULA VISTA	823		1,113.46
101-3050-425.20-06	10/10/2012	SEP 2012 AC AFTER HRS SVC	SEP 2012	130130 04/2013	1,113.46
10/26/2012	81430	COLONIAL LIFE & ACCIDENT	941		266.88
101-0000-209.01-13	10/11/2012	PR AP PE 10/04/2012	20121011	04/2013	133.44
101-0000-209.01-13	10/25/2012	PR AP PE 10/18/2012	20121025	04/2013	133.44
10/26/2012	81431	COUNTY OF SAN DIEGO RCS	1065		3,667.28
101-3010-421.21-25	10/01/2012	SEP 2012	13CTOFIBN03	130117 04/2013	2,325.50
101-3020-422.21-25	10/01/2012	SEP 2012	13CTOFIBN03	130117 04/2013	53.00
101-3030-423.20-06	10/01/2012	SEP 2012	13CTOFIBN03	130117 04/2013	1,288.78
10/26/2012	81432	COX COMMUNICATIONS	1073		140.74
101-6010-451.29-04	10/14/2012	10/13-11/12 3110015531401	11-02-2012	130126 04/2013	140.74
10/26/2012	81433	DATAQUICK	1134		75.00
101-1210-413.21-04	10/01/2012	SEP 2012	B1-2081789	130207 04/2013	30.00
101-3020-422.21-04	10/01/2012	SEP 2012	B1-2081789	130207 04/2013	16.50
101-3070-427.21-04	10/01/2012	SEP 2012	B1-2081789	130207 04/2013	28.50

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10/26/2012	81434	DOCUFLOW SOLUTIONS	367		507.00	
	503-1923-419.30-22	10/05/2012	COMDEV PRINTER REPAIR	7186	130360 04/2013	76.00
	503-1923-419.30-22	10/11/2012	CD PRINTER	7194	130374 04/2013	431.00
10/26/2012	81435	FASTENAL	909		77.03	
	101-1910-419.30-02	09/25/2012	ASST NUT/BOLTS	CACHU28892	130010 03/2013	46.64
	101-6040-454.30-02	09/25/2012	ASST NUT/BOLTS	CACHU28892	130010 03/2013	35.35
	101-1910-419.30-02	09/27/2012	CR -RETURNED BOLTS	CACHU28917	130010 03/2013	14.57-
	101-6040-454.30-02	10/10/2012	SHEET METAL SCREWS	CACHU29079	130010 04/2013	9.61
10/26/2012	81436	I B FIREFIGHTERS ASSOCIATION	214		300.00	
	101-0000-209.01-08	10/25/2012	PR AP PE 10/18/2012	20121025	04/2013	300.00
10/26/2012	81437	ICMA RETIREMENT TRUST 457	242		28,862.60	
	101-0000-209.01-10	10/25/2012	PR AP PE 10/18/2012	20121025	04/2013	28,862.60
10/26/2012	81438	JANI-KING OF CALIFORNIA, INC.	2042		4,013.02	
	101-1910-419.21-04	10/01/2012	OCT 2012	SDO10120664	130119 04/2013	4,013.02
10/26/2012	81439	KOCH-ARMSTRONG GENERAL ENGINEE	1767		373,926.50	
	202-5016-531.20-06	09/29/2012	ST IMPRVMTS 3RD/HEMLOCK	90421	130210 03/2013	373,926.50
10/26/2012	81440	LIGHTHOUSE, INC	787		148.94	
	501-1921-419.28-16	10/04/2012	DOME LAMPS/BULBS	0798500	130043 04/2013	46.58
	501-1921-419.28-16	10/18/2012	STROBE TUBE	0802983	130043 04/2013	102.36
10/26/2012	81441	LLOYD PEST CONTROL	814		325.00	
	101-1910-419.21-04	09/13/2012	SEP 2012 CITY HALL	3542055	130097 03/2013	36.00
	101-1910-419.21-04	09/13/2012	SEP 2012 FIRE DEPT\	3542056	130097 03/2013	36.00
	101-1910-419.21-04	09/13/2012	SEP 2012 SHERIFF DEPT	3542244	130097 03/2013	36.00
	101-1910-419.21-04	09/14/2012	SEP 2012 PW	3529752	130097 03/2013	53.00
	101-1910-419.21-04	09/14/2012	SEP 2012 MARINA VISTA CTR	3542321	130097 03/2013	53.00
	101-1910-419.21-04	09/17/2012	SEP 2012 SPORTS PARK	3527891	130097 03/2013	51.00
	101-1910-419.21-04	09/17/2012	SEP 2012 DEMPSEY CTR	3530049	130097 03/2013	60.00
10/26/2012	81442	MCDUGAL LOVE ECKIS &	962		12,926.48	
	101-1220-413.20-01	09/30/2012	SEP 2012	82471	03/2013	1,171.02
	101-1220-413.21-04	09/30/2012	SEP 2012	82473	03/2013	9,110.85
	101-1220-413.20-01	09/30/2012	SEP 2012	82474	03/2013	1,184.93
	405-1260-413.20-01	09/30/2012	SEP 2012	82475	03/2013	982.62
	405-1260-413.20-01	09/30/2012	SEP 2012 - SUDBERRY	82475	03/2013	325.13
	101-1220-413.20-01	09/30/2012	SEP 2012	82552	03/2013	125.30
	101-1220-413.20-01	09/30/2012	SEP 2012	82553	03/2013	26.63
10/26/2012	81443	RECLAIMED AGGREGATES, INC.	2137		350.00	
	101-5010-431.29-04	09/30/2012	CONCRETE RECYCLING	74-ACC-00554	130039 03/2013	350.00
10/26/2012	81444	REGIONAL TRAINING CENTER	130		750.00	
	101-1110-412.28-12	10/04/2012	BROWN,G-2012/2013 CCMA	11297	130370 04/2013	750.00

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10/26/2012	81445	SAN DIEGO ASSOCIATION OF GOVER	254			5,279.39
101-1230-413.20-06	08/09/2012	SIMULATION SVCS-SEACOAST	AR166968	130435	02/2013	5,279.39
10/26/2012	81446	SAN DIEGO COUNTY ASSESSOR	2120			125.00
101-1920-419.29-04	10/01/2012	JUL-SEP 2012 MPR EXTRACT	2012277	130379	04/2013	125.00
10/26/2012	81447	SEIU LOCAL 221	1821			1,290.97
101-0000-209.01-08	10/25/2012	PR AP PE 10/18/2012	20121025		04/2013	1,290.97
10/26/2012	81448	SKS INC.	412			6,395.60
501-1921-419.28-15	10/11/2012	1399 GAL REG FUEL	1251283-IN	130049	04/2013	6,219.25
501-1921-419.28-15	10/12/2012	MOTOR OIL	N724713-IN	130049	04/2013	176.35
10/26/2012	81449	TERRA BELLA NURSERY, INC.	1946			107.71
101-6020-452.30-02	10/01/2012	LOPHOSTEMON CONFERTUS	80561	130034	04/2013	43.08
101-6020-452.30-02	10/08/2012	METROSIDEROS EXCELSA	80981	130034	04/2013	64.63
10/26/2012	81453	U.S. BANK	1873			9,519.63
501-1921-419.28-01	08/21/2012	#A3 SOMG	46098	130349	03/2013	41.75
501-1921-419.28-01	08/22/2012	#141 SMOG TEST	46109	130349	03/2013	41.75
101-1910-419.30-02	09/05/2012	GARPHITE, ADHESIVE REMOVR	013482/1593458	130333	03/2013	11.34
101-6020-452.30-02	09/06/2012	WEED SPRAYER BACKPACK	065025/0190970	130333	03/2013	101.22
101-1910-419.30-02	09/06/2012	SCREENS FOR CITY HALL	09-06-2012	130333	03/2013	120.47
101-1910-419.28-01	09/06/2012	CITY HALL LOCK REPAIR	9888	130333	03/2013	48.08
101-6020-452.30-02	09/11/2012	WATER COOLER	057799/5584055	130333	03/2013	23.67
101-1910-419.30-02	09/20/2012	ALARM BATTERY	13102709	130333	03/2013	38.24
101-1910-419.30-02	09/20/2012	CITY HALL LOCK REPAIR	9916	130333	03/2013	67.93
601-5060-436.28-01	09/13/2012	#117 CACUUM CORE	C90366	130349	03/2013	405.65
501-1921-419.28-01	09/13/2012	#110 SMOG TEST	46234	130349	03/2013	41.75
501-1921-419.28-16	09/20/2012	#A1 SUN VISOR/SHADE	2558	130349	03/2013	26.94
101-5020-432.30-02	09/19/2012	LAU,P-SAFETY BOOTS	3/1166/72675	130350	03/2013	150.00
101-5020-432.30-02	09/20/2012	LAU,P RE-SOLE WORK BOOTS	092839	130350	03/2013	86.86
501-1921-419.28-16	08/23/2012	#A3 VISOR CLIP	714640	130349	02/2013	22.91
101-6040-454.30-02	08/22/2012	GLOVES/PAINTBRUSHES	012247/5561904	130339	03/2013	20.30
101-6040-454.30-02	08/23/2012	SCREWS	024561/4591797	130339	03/2013	5.29
101-6040-454.30-02	08/23/2012	PULL BOX COVER	070143676	130339	03/2013	16.16
101-6040-454.30-02	08/23/2012	UTILITY KNIVES	082755/4581746	130339	03/2013	4.27
101-6040-454.30-02	08/27/2012	STEEL FILES/SPRAY BOTTLE	036908/0572356	130339	03/2013	28.56
101-6040-454.30-02	08/29/2012	22 GAUGE WIRE	09222542	130339	03/2013	8.93
101-6040-454.30-02	08/30/2012	SHRINK TUBE/CONNECTORS	1-178214	130339	03/2013	10.94
101-6040-454.30-02	08/30/2012	PLIERS	264681	130339	03/2013	4.30
101-6040-454.30-02	08/30/2012	HIGH TEMP RTV	3980-131584	130339	03/2013	7.53
101-1910-419.30-02	08/31/2012	CARPET CLEANER	052613/6592749	130339	03/2013	5.15
601-5060-436.30-02	08/29/2012	EXPANDING FOAM	053775/8592539	130344	03/2013	47.58
101-6040-454.30-02	09/05/2012	VELCRO STRAPS	041921/1563892	130339	03/2013	6.42
101-6040-454.30-02	09/06/2012	OSCILLATING SAWBALDES	046822/0593584	130339	03/2013	61.34
101-6040-454.30-02	09/12/2012	S/S RIVETS	00301620	130339	03/2013	13.81
601-5060-436.30-02	09/13/2012	VACTOR PAINT	074155/3574607	130344	03/2013	27.37
101-1230-413.30-01	08/23/2012	APN BOOK/MULTPRPS PAPER	622322128	130305	03/2013	106.12

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT		
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT
101-3040-424.30-01	08/29/2012	MICROFICHE BOX	623091018	130305	03/2013	40.60
101-1130-412.28-07	08/01/2012	EMPL ADVERTISING	72438	130309	03/2013	30.80
101-1130-412.28-07	08/08/2012	EMPL ADVERTISING	72539	130309	03/2013	30.80
101-1130-412.28-07	08/15/2012	EMPL ADVERTISING	72649	130309	03/2013	30.80
101-1010-411.30-02	08/29/2012	AUG 2012 ENEWSPAPER	08-29-2012	130309	03/2013	7.92
101-1010-411.28-04	08/24/2012	JANNEY,J-PRKNG FEE@ SUMIT	009912	130312	03/2013	10.00
101-6040-454.30-02	08/24/2012	CAPS/TARP/BURLAP	021895/3581936	130341	03/2013	24.05
101-6040-454.30-02	08/31/2012	LINE FOR DUNES PARK	189414	130341	03/2013	39.01
101-3040-424.30-01	09/10/2012	PENS/TAPE	624434707	130305	03/2013	58.04
101-1230-413.30-01	09/14/2012	FOLDERS/WHITE OUT	625122444	130305	03/2013	54.55
101-1920-419.30-02	09/01/2012	SEP/OCT 2012 AUTO ATTENDA	29554	130309	03/2013	300.00
101-1010-411.28-04	09/05/2012	JANNEY,J-PRKNG FEE@ CONF	0122121833	130312	03/2013	11.00
101-1010-411.28-04	09/12/2012	JANNEY,J-TRANSPORTATION	2A99B8	130312	03/2013	112.00
101-1010-411.28-04	09/12/2012	JANNEY,J-LODGING-REIMBURS	3U67IZ	130312	03/2013	958.38
101-1010-411.28-04	09/21/2012	JANNEY,J-PRKNG FEE@SUMMIT	09-21-2012	130312	03/2013	11.00
101-6040-454.30-02	09/22/2012	CLEANING UTENSILS	076930/4560476	130341	03/2013	39.65
101-6040-454.30-02	08/28/2012	QUICK COUPLETS	31725	130340	03/2013	85.29
101-6040-454.30-02	08/30/2012	LOADER CHAIN HOOKS	096170/7572762	130340	03/2013	12.40
101-1020-411.28-04	09/07/2012	HALD,J-PRKNG FEE@CONF	000519	130300	03/2013	11.00
101-1020-411.21-06	09/08/2012	ELECTION NOTICE TRANSLATI	67110	130300	03/2013	565.00
101-1020-411.21-06	09/10/2012	ELECTION NOTICE PUBLICATI	SD051201209	130300	03/2013	117.00
101-1020-411.21-06	09/19/2012	ELECTION NOTICE PUBLICATI	SD0511209_2	130300	03/2013	117.00
101-1010-411.28-04	09/06/2012	SPRIGGS,E-PRKNG FEE@ CONF	0122224213	130307	03/2013	11.00
101-1010-411.28-04	09/06/2012	SPRIGGS,E-PRKNG FEE@CCIG	092549	130307	03/2013	16.00
101-1130-412.28-04	09/04/2012	8/30/12-INTRVW PANEL LNCH	7831	130308	03/2013	43.46
101-1130-412.28-04	09/14/2012	HEALTH FAIR COFFEE	721754	130308	03/2013	25.88
501-1921-419.29-04	09/12/2012	CITY CAR WASH	0717060100	130338	03/2013	8.99
101-6040-454.30-02	09/12/2012	LAG BOLTS	092604/4123474	130340	03/2013	2.50
402-5000-532.20-06	09/14/2012	ST LIGHT BOLLARDS	336033	130346	03/2013	189.65
101-3030-423.28-01	08/30/2012	BLINDS REPAIRS	179062	130340	02/2013	361.62
101-3030-423.30-02	07/18/2012	MEDICAL GLOVES	0363759	130325	03/2013	115.22
101-3030-423.30-02	08/22/2012	MEDICAL SUPPLY/SOAP	159417	130325	03/2013	45.45
101-3030-423.30-02	08/22/2012	CELL PHONE VEHICLE CHRG	779842	130325	03/2013	24.23
101-3030-423.30-02	08/24/2012	HOT/COLD PACKS/BANDAGES	609055	130325	03/2013	187.77
101-3030-423.28-01	08/28/2012	REPLACEMENT HARDWARE	051051/9195086	130325	03/2013	94.36
101-3030-423.30-02	08/28/2012	FILE BOX-CPR	622883002-001	130325	03/2013	31.23
101-3030-423.30-02	08/28/2012	FILE BOXES	622884011-001	130325	03/2013	30.69
101-3030-423.30-02	09/11/2012	GYM EQUIPMENT	023466	130325	03/2013	237.02
101-3030-423.30-02	09/11/2012	LAUNDRY SOAP	094096/5192058	130325	03/2013	43.06
101-3030-423.30-02	09/11/2012	OFFICE SUPPLIES	8085	130325	03/2013	72.47
101-6020-452.30-02	09/05/2012	PLAYGROUND CHAIN	053910/1593436	130352	03/2013	38.79
101-6020-452.30-02	09/05/2012	PLAYGROUND CHAIN	053910/1593436	130352	03/2013	38.79
101-6020-452.30-02	09/05/2012	PLAYGROUND CHAIN	053910/1593436	130352	03/2013	38.79
101-6020-452.30-02	09/05/2012	PLAYGROUND CHAIN	053910/1593436	130352	03/2013	38.79
101-1910-419.30-02	08/27/2012	WATER COOLER	052952/0582196	130336	03/2013	105.60
101-5010-431.30-02	08/30/2012	DOUG FIRS/SPORTS PRK ENT	087065/7016592	130347	03/2013	170.08
101-5010-431.30-02	09/05/2012	WAVE SCULPTURE WUPPLIES	006098/1593434	130336	03/2013	54.58
101-1910-419.30-02	09/06/2012	CARPET CLEANER	027718/0563969	130336	03/2013	6.96
101-1910-419.30-02	09/11/2012	CLOSET ROLLER-FD	082663/5584039	130336	03/2013	10.78
101-1910-419.30-02	09/12/2012	COPPER PIPE SUPPLIES	026552/4594145	130336	03/2013	19.85

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO # PER/YEAR TRN AMOUNT
101-1910-419.30-02	09/13/2012	DRILL BIT/TARPS/COPPER SP	067131/3574653	130336 03/2013 8.09
501-1921-419.30-02	09/13/2012	DRILL BIT/TARPS/COPPER SP	067131/3574653	130336 03/2013 29.85
101-1910-419.30-02	09/14/2012	FIRE ALARM SYSTEM BATTERY	12644125	130336 03/2013 77.56
101-1910-419.30-02	09/17/2012	COPPER PIPE INSULATING	092440/9575143	130336 03/2013 5.57
101-1910-419.30-02	09/18/2012	DRILL BIT/PHOTOCELL& BOLT	041181/8584849	130336 03/2013 14.81
101-1910-419.30-02	09/18/2012	DRILL BIT/PHOTOCELL& BOLT	041181/8584849	130336 03/2013 6.43
501-1921-419.30-02	09/18/2012	DRILL BIT/PHOTOCELL& BOLT	041181/8584849	130336 03/2013 7.04
101-1910-419.30-02	09/18/2012	EOC KIT REMODEL	084659/8584913	130336 03/2013 18.26
101-1910-419.30-02	09/19/2012	EOC KIT REMODEL	007531/7594985	130336 03/2013 37.69
101-1910-419.30-02	09/20/2012	FIRE SYSTEM BATTERIES	13091113	130336 03/2013 38.24
101-6010-451.30-02	08/27/2012	SPORTS PARK CAFE ITEMS	253642381	130313 03/2013 310.08
101-6010-451.30-02	08/29/2012	SPORTS PARK CAFE WATER	004204	130313 03/2013 23.00
503-1923-419.28-04	08/29/2012	LOPEZ,H-FOOD WORK LATE	090855	130328 03/2013 9.77
503-1923-419.30-22	08/29/2012	DOMAIN RENEWAL	9MR63988DN71392	130328 03/2013 25.00
101-6040-454.30-02	08/29/2012	BROOMS/SQUEEGEE	022062/8592563	130342 03/2013 109.79
101-6010-451.30-02	09/18/2012	SPORTS PARK CAFE FOOD	254708637	130313 03/2013 387.98
503-1923-419.30-22	09/06/2012	CAT 6 CABLING	089507/0573757	130328 03/2013 27.91
503-1923-419.30-22	09/06/2012	CAT6 CABLE CROSSOVER	10690425	130328 03/2013 21.32
503-1923-419.28-04	09/11/2012	LOPEZ,H- I.T. LUNCH MTG	051391	130328 03/2013 18.79
503-1923-419.20-06	09/13/2012	MICROSOFT SUPPORT	8000856181	130328 03/2013 259.00
503-1923-419.30-22	09/14/2012	DRILL BIT SET	085869/2584483	130328 03/2013 14.01
503-1923-419.30-22	09/14/2012	POWER ADAPTER DRILL	12077293	130328 03/2013 43.63
503-1923-419.28-04	09/20/2012	LOPEZ,H-FOOD WORK LATE	034206	130328 03/2013 10.63
101-6040-454.30-02	09/21/2012	SHOWERS PUSH BUTTON UNIT	189942	130342 03/2013 412.62
101-3020-422.30-02	08/28/2012	CHARGING CORD MDC-E239	274042	130321 03/2013 23.95
502-1922-419.28-04	08/23/2012	PW CPR CARDS	2795	130322 03/2013 120.00
101-3030-423.28-04	08/23/2012	FUEL-LG VEHICLES	162653	130323 03/2013 60.00
101-3030-423.28-04	08/31/2012	SYLVIA,H-CNCLLD CLASS CR	010357677	130323 03/2013 42.00-
101-5020-432.28-04	08/27/2012	HELMER,C-CONF REGISTRN	47057872	130334 03/2013 380.00
101-1230-413.28-09	09/05/2012	POSTAGE-DPW PROJCT NOTICE	1000203607998	130303 03/2013 45.00
101-1230-413.28-04	09/13/2012	NAKAGAWA,J-PRKNG FEE@ SAN	75088	130303 03/2013 4.00
101-1110-412.28-04	09/10/2012	BROWN,G-ULI MONTHLY BFAST	09-18-2012	130311 03/2013 30.00
101-1110-412.28-04	09/20/2012	BROWN,G-PRKNG FEE @ MTG	01580846	130311 03/2013 8.00
101-1010-411.28-04	09/21/2012	KING,J-PRKNG FEE@ SUMMIT	0123505529	130314 03/2013 11.00
101-5020-432.28-04	09/20/2012	INTERVIEW PANEL LUNCH	051285	130316 03/2013 60.36
101-3060-426.30-01	09/10/2012	ROUND STICKERS-FD	1523	130321 03/2013 420.22
101-3020-422.30-02	09/21/2012	HOSE-VEHICLE WASH AREA	099297/5570275	130321 03/2013 48.46
101-3030-423.30-02	09/20/2012	CITATTON BOOKS	137365	130326 03/2013 143.04
101-3030-423.28-04	08/31/2012	JIAMPA,N-CNCLLD CLASS CR	08-30-2012	130323 02/2013 42.00-
10/26/2012	81454	US BANK	2458	
101-0000-209.01-20	10/25/2012	PR AP PE 10/18/2012	20121025	04/2013 1,661.92
10/26/2012	81455	VERIZON WIRELESS	2317	
101-5020-432.27-05	10/08/2012	09/09/2012-10/08/2012	1126495330	04/2013 582.52
101-3040-424.27-05	10/08/2012	09/09/2012-10/08/2012	1126495330	04/2013 414.38
101-3020-422.27-05	10/08/2012	09/09/2012-10/08/2012	1126495330	04/2013 279.57
101-3030-423.27-05	10/08/2012	09/09/2012-10/08/2012	1126495330	04/2013 269.38
101-3070-427.27-05	10/08/2012	09/09/2012-10/08/2012	1126495330	04/2013 71.07
101-1230-413.27-05	10/08/2012	09/09/2012-10/08/2012	1126495330	04/2013 95.00

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #				CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT	
503-1923-419.27-05	10/08/2012	09/09/2012-10/08/2012	1126495330		04/2013	131.59	
503-1923-419.27-05	10/08/2012	09/09/2012-10/08/2012	1126495330		04/2013	9.69	
101-1210-413.27-05	10/08/2012	09/09/2012-10/08/2012	1126495330		04/2013	326.28	
10/26/2012	81456	WAGE WORKS INC.	2210			113.00	
101-1920-419.21-04	10/15/2012	OCT 2012	125AI0199518	130115	04/2013	113.00	
10/26/2012	81457	WALKSANDIEGO	1551			3,707.60	
101-5020-432.20-06	09/30/2012	SEP 2012	131-19	110859	03/2013	3,707.60	
10/26/2012	81458	ZUMAR INDUSTRIES INC.	875			65.39	
101-1910-419.30-02	09/28/2012	SAFETY SIGNS	0140906	130017	03/2013	65.39	
DATE RANGE TOTAL *						1,453,048.70 *	



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY BROWN, CITY MANAGER

MEETING DATE: NOVEMBER 7, 2012

ORIGINATING DEPT.: PUBLIC WORKS *HB*

SUBJECT: ADOPTION OF RESOLUTION NO. 2012-7264 AUTHORIZING THE CITY OF IMPERIAL BEACH TO PARTICIPATE IN A REGIONAL WASTE TIRE ENFORCEMENT PROGRAM IN PARTNERSHIP WITH THE CITY OF SAN DIEGO – SOLID WASTE LOCAL ENFORCEMENT AGENCY – AND AUTHORIZING THE CITY OF SAN DIEGO TO ACT ON BEHALF OF THE CITY OF IMPERIAL BEACH TO EXECUTE ALL NECESSARY GRANT DOCUMENTS FOR THE PURPOSE OF SECURING GRANT FUNDS AND TO IMPLEMENT AND CARRY OUT THE WORK SPECIFIED IN THE GRANT THROUGH JUNE 30, 2017

BACKGROUND:

The City of Imperial Beach, along with the participating cities of Chula Vista, El Cajon, and La Mesa were invited by the City of San Diego to partner on a regional Waste Tire Enforcement Grant application. This Waste Tire Enforcement Grant is an annual grant offered by the Department of Resources Recycling and Recovery (CalRecycle) and is currently in its 20th grant cycle for FY 2012/13. The City of San Diego will serve as the Primary Collaborative Jurisdiction submitting the grant application and implementing the Waste Tire Enforcement Program. Imperial Beach is invited to be a member of the Participating Collaborative Jurisdictions. The City of Imperial Beach has participated on this Waste Tire Enforcement grant application with the City of San Diego on numerous grant cycles in the past.

DISCUSSION:

As in previous years, the inspection activities allowed by this grant will be conducted by City of San Diego Local Enforcement Agency (LEA) staff and reimbursed by State grant funds. The Waste Tire inspection activities have been beneficial to the region and to the partnering cities. The City of San Diego LEA will be implementing the Waste Tire Enforcement Program in accordance with the grant application. The City of San Diego LEA staff performs initial inspections and follow-up inspections for all waste tire facilities and sites including the facilities and sites located with the partnering jurisdictions. Violations as the result of the inspections will be reported to CalRecycle and to the local jurisdiction. There is no financial obligation of resources from Imperial Beach to participate in this program.

In the past the City Council has provided a supporting resolution to the City of San Diego each year for participation in this Waste Tire Enforcement Grant. Staff anticipates that the used tire enforcement program lead by the City of San Diego will remain the same in the coming years

and therefore recommends adopting a 5 year resolution authorizing the City to participate in this annual program through FY 2016/17. The City Council will retain the option to withdraw from participation in this annual grant program over the next five year period by issuing a resolution prior to the commencement of the fiscal year it desires to withdraw from participation.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

None

DEPARTMENT RECOMMENDATION:

Adopt Resolution No. 2012-7264 authorizing the City of Imperial Beach to participate in a Regional Waste Tire Enforcement Program.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, City Manager

Attachments:

1. Resolution No. 2012-7264

RESOLUTION NO. 2012-7264

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING THE CITY OF IMPERIAL BEACH TO PARTICIPATE IN A REGIONAL WASTE TIRE ENFORCEMENT PROGRAM IN PARTNERSHIP WITH THE CITY OF SAN DIEGO – SOLID WASTE LOCAL ENFORCEMENT AGENCY – AND AUTHORIZING THE CITY OF SAN DIEGO TO ACT ON BEHALF OF THE CITY OF IMPERIAL BEACH TO EXECUTE ALL NECESSARY GRANT DOCUMENTS FOR THE PURPOSE OF SECURING GRANT FUNDS AND TO IMPLEMENT AND CARRY OUT THE WORK SPECIFIED IN THE GRANT THROUGH JUNE 30, 2017

WHEREAS, Public Resource Code sections 40000 et seq. authorized the Department of Resources Recycling and Recovery (CalRecycle), formerly known as the California Integrated Waste Management Board, to administer various grant programs in furtherance of efforts of the State of California (State) to reduce, recycle, and reuse solid waste generated in the State thereby preserving landfill capacity and protecting public health, safety and the environment; and

WHEREAS, funds are allocated and available from CalRecycle for Grants to local governments to perform enforcement, compliance, and surveillance activities of entities involved with the waste tire industry; and

WHEREAS, the City of San Diego Local Enforcement Agency (LEA) has agreed to act as lead jurisdiction on behalf of the cities of Imperial Beach, El Cajon, La Mesa, and Chula Vista and would be conducting the inspection and enforcement at businesses that sell tires, generate tire waste, or transport waste tires; and

WHEREAS, partnering in a regional waste tire enforcement program would provide an assurance that tire selling and disposal facilities within the City of Imperial Beach are properly manifested and reported without any direct costs to the City of Imperial Beach; and

WHEREAS, the application process for this grant established by the State and CalRecycle requires the governing body for each applicant to certify by resolution its approval of the submittal of Grant Application to CalRecycle.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct.
2. This legislative body authorizes a five year resolution that allows the City of San Diego to submit collaborative grant applications to CalRecycle for the annual Waste Tire Enforcement Grant through June 2017 on its behalf.
3. The City Manager is authorized and directed to send a letter of support to the City of San Diego to partner in the Waste Tire Enforcement grant program.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of November 2012, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, CMC
CITY CLERK



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY BROWN, CITY MANAGER *GB*

MEETING DATE: NOVEMBER 7, 2012

ORIGINATING DEPT.: PUBLIC SAFETY *R*

SUBJECT: ADOPTION OF RESOLUTION NUMBER 2012-7263,
APPROVING A THREE-YEAR EXTENSION TO THE REGIONAL
COMMUNICATION SYSTEM PARTICIPATING AGENCY
AGREEMENT FOR RADIO COMMUNICATIONS IN SAN DIEGO
AND IMPERIAL COUNTIES

BACKGROUND:

The Regional Communication System (RCS) is a cooperative agreement between agencies in San Diego and Imperial Counties. The County of San Diego is the lead agency for participating agencies in the County of San Diego, including the Cities of Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach and La Mesa. The original agreement was created to establish governance, method of funding, and costs of a radio system for public safety and public services operating in the two counties. It was implemented in 1995, for a term of fifteen years. It was extended for three years in 2010, and expires on March 31, 2013.

DISCUSSION:

In order to comply with new regulations and to address related technology issues, County staff and the RCS Board will need to complete planning efforts designed to replace the existing system. A new participating agency agreement will also need to be developed. This work is estimated to take up to three years to complete. Based on the RCS Board of Directors recommendation, the County Board of Supervisors approved an additional three-year extension of the Participating Agencies Agreement, expiring on March 31, 2016. This agreement has now been submitted to the participating agencies for approval.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

The City of Imperial Beach has completed the installment payments for the existing infrastructure, and continues payments for radio subscriptions utilized by the Fire Department, Sheriff's and Lifeguards. This extension maintains the radio system county-wide and holds the subscription charges at the current levels. The RCS subscription payments of \$43,806 annually are currently included in the budget for Imperial Beach, and will continue to be included in future budgets.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council adopt Resolution Number 2012-7263 approving the extension of the Participating Agency Agreement as a member of the Regional Communication System for a period of three years, to expire on March 31, 2016.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. 2012-7263
2. Minute Order No, 1, County Board of Supervisors, Action: Approval of the RCS Extension
3. Amendment extending the Memorandum of Agreement originally dated as of March 7, 1995 for a second three year period, expiring on March 30, 2016

RESOLUTION NO. 2012-7263**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVING A THREE-YEAR ESTENSION OF THE REGIONAL COMMUNICATION SYSTEM PARTICIPATING AGENCY AGREEMENT FOR RADIO COMMUNICATIONS IN SAN DIEGO AND IMPERIAL COUNTIES**

The City Council of the City of Imperial Beach does hereby resolve as follows:

WHEREAS, pursuant to a Memorandum of Agreement (RCS Agreement) dated as of March 7, 1995, the parties established the Regional Communication System (RCS) and provided for its governance and funding; and

WHEREAS, the term of the RCS Agreement was extended in 2010 for three years and expires on March 31, 2013, and

WHEREAS, the County Board of Supervisors have approved an additional three year extension to allow County Staff and the RCS Board to complete required planning to replace the communication system and develop an updated Participating Agency Agreement, and

WHEREAS, it is essential to the City of Imperial Beach to remain connected to the RCS to ensure regional radio communications remain intact.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach that the City Council of the City of Imperial Beach approves entering into the Amendment to the Memorandum of Agreement for an additional three years, expiring March 30, 2016..

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of November, 2012, by the following vote:

AYES:	COUNCILMEMBERS:	BILBRAY, KING, BRAGG, SPRIGGS, JANNEY
NOES:	COUNCILMEMBERS:	NONE
ABSENT:	COUNCILMEMBERS:	NONE

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, MMC
CITY CLERK

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, AUGUST 7, 2012**

MINUTE ORDER NO. 1

**SUBJECT: SHERIFF - AMENDMENT TO THE REGIONAL COMMUNICATIONS
SYSTEM PARTICIPATING AGENCY AGREEMENT
(DISTRICTS: ALL)**

OVERVIEW:

On May 5, 2009 (2), your board approved to extend the Regional Communications System (RCS) Participating Agency Agreement between the County of San Diego and participating cities and jurisdictions from March 7, 2010 to March 31, 2013. This is a request to approve the recommendation of the RCS Board of Directors to extend the term of the RCS Agreement for another three years to March 31, 2016, in order to allow sufficient time to continue planning for a replacement system and to develop a new participating agency agreement.

FISCAL IMPACT:

Funds for this request are included in the CAO Proposed Operational Plan Fiscal Year 2012-13 for the Sheriff's Department. If approved, this request will extend the term of the Regional Communications System Participating Agency Agreement to March 31, 2016. The estimated annual cost to operate and maintain the Regional Communications System (RCS) is \$5,841,714, of which the County pays approximately \$1,879,062 and non-County RCS agencies pay \$3,962,652. The funding source is the projected network operating charge from the RCS agencies. This extension will not result in a change in overall costs for the RCS program or change the County's or the participating agencies' share in the costs. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT:

N/A

RECOMMENDATION:

SHERIFF

Approve and authorize the Clerk of the Board to execute an amendment extending the term of the Regional Communications System Participating Agency Agreement to March 31, 2016.

ACTION:

ON MOTION of Supervisor Horn, seconded by Supervisor Slater-Price, the Board took action as recommended, on Consent.

AYES: Cox, Jacob, Slater-Price, Roberts, Horn

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the original entered in the Minutes of the Board of Supervisors.

THOMAS J. PASTUSZKA
Clerk of the Board of Supervisors



By *Andrew Potter*
Andrew Potter, Chief Deputy

AMENDMENT TO THE MEMORANDUM OF AGREEMENT DATED AS OF
MARCH 7, 1995, BETWEEN THE COUNTY OF SAN DIEGO AND
PARTICIPATING CITIES AND JURISDICTIONS REGARDING THE
IMPLEMENTATION, GOVERNANCE, METHOD OF FUNDING AND COSTS OF A
REGIONAL RADIO SYSTEM PROVIDING COMMUNICATION SERVICES TO
PUBLIC SAFETY AND PUBLIC SERVICE AGENCIES OPERATING IN SAN
DIEGO COUNTY AND IMPERIAL COUNTY

THIS AMENDMENT to that Memorandum of Agreement dated as of March 7, 1995, providing for the establishment, governance and funding of a regional radio system providing communication services to public safety and public service agencies operating in San Diego County and Imperial County is entered into as of August 7, 2012, between the County of San Diego and the parties listed in Exhibit A as follows:

RECITALS

Whereas, pursuant to a Memorandum of Agreement ("RCS Agreement") dated as of March 7, 1995, the parties established the Regional Communications System ("RCS") and provided for its governance and funding; and

Whereas, other jurisdictions have become parties to the RCS Agreement; and

Whereas, the term of the RCS Agreement is 15 years from March 7, 1995, and will therefore expire March 6, 2010; and

Whereas, the term of the RCS Agreement was extended for three years from March 6, 2010 to March 31, 2013; and

Whereas, the present parties to the RCS Agreement desire to extend the term of the RCS Agreement for another three more years to terminate March 31, 2016;

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Section 20 of the RCS Agreement is amended by substituting the following language:

This Agreement shall terminate March 31, 2016.

2. In all other respects, the RCS Agreement shall remain the same.

IN WITNESS THEREOF, the parties hereto have affixed their signature on the attached Exhibit A.

Exhibit "A"
Amendment to the RCS Participating Agency Agreement

IN WITNESS WHEREOF, the party hereto does affix his/her signature.

COUNTY OF SAN DIEGO
Board of Supervisors Approval

Date: 8.8.12

By Thomas J. Pastuszka
Thomas J. Pastuszka
Clerk of the Board of Supervisors

CITY OF CARLSBAD
Council Approval

Date: _____

By _____
Mayor

CITY OF CHULA VISTA
Council Approval

Date: _____

By _____
Mayor

CITY OF CORONADO
Council Approval

Date: _____

By _____
Mayor

CITY OF DEL MAR
Council Approval

Date: _____

By _____
Mayor

Approved and/or authorized by the
Board of Supervisors of the County of San Diego.
Meeting Date: 8/7/12 Minute Order No. 1
By: Angela Viorang Date: 8/8/12
Deputy Clerk of the Board Supervisors

Exhibit "A"
Amendment to the RCS Participating Agency Agreement

CITY OF EL CAJON
Council Approval

Date: _____

By _____
Mayor

CITY OF ENCINITAS
Council Approval

Date: _____

By _____
Mayor

CITY OF ESCONDIDO
Council Approval

Date: _____

By _____
Mayor

CITY OF IMPERIAL BEACH
Council Approval

Date: _____

By _____
Mayor

CITY OF LA MESA
Council Approval

Date: _____

By _____
Mayor



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY BROWN, CITY MANAGER *GB*

MEETING DATE: NOVEMBER 7, 2012

ORIGINATING DEPT.: COMMUNITY DEVELOPMENT DEPARTMENT
GREG WADE, COMMUNITY DEVELOPMENT DIRECTOR *GW*
JENNIFER M. LYON, CITY ATTORNEY

SUBJECT: FIRST READING/INTRODUCTION OF ORDINANCE NO. 2012-1132 REPEALING CHAPTER 8.08 AND ADDING A NEW CHAPTER 8.08 TO TITLE 8 OF THE IMPERIAL BEACH MUNICIPAL CODE CONCERNING PERMANENT AND MOBILE FOOD FACILITIES.

BACKGROUND:

The County of San Diego through its Department of Environmental Health (DEH) currently implements the restaurant "ABC" letter grading system for fixed location restaurants throughout the County, including in the City of Imperial Beach. The system has been used for restaurants throughout the County since the 1950's.

On July 25, 2012, the San Diego County Board of Supervisors approved Ordinance No. 10218 that extends its "ABC" letter grading system to mobile food facilities that prepare food, including food trucks and coffee carts. However, unlike its regulatory system for permanent restaurants, which has been adopted by the local jurisdictions within the County (including the City of Imperial Beach by Chapter 8.08 "Public Health Food Permits" of the Imperial Beach Municipal Code), its regulation of mobile food facilities may currently only be enforced in the unincorporated areas of the County. To make the County's regulations for mobile food facilities effective county-wide, the County has asked the City of Imperial Beach, as well as all other cities in the County, to adopt its changes into our Municipal Code.

CURRENT CONSIDERATION:

The current item in front of the City Council contemplates repealing Chapter 8.08 "Public Health Food Permits" of the Municipal Code and adding a new Chapter 8.08 that adopts by reference Title 6, Division 1 of the San Diego County Code of Regulatory Ordinances concerning both permanent and mobile food facilities. By adopting the proposed ordinance the City would be (1) adopting the County's recently enacted regulations for mobile food vendors and (2) cleaning up the City's currently enacted regulations applicable to fixed location restaurants currently set forth in Chapter 8.08. With regard to the City's currently adopted regulations of fixed location restaurants, staff has determined the City's code provisions are out-of-date or inconsistent with the County's Code. These proposed changes are discussed in more detail below:

A. Mobile Food Vendors:

The County's recently enacted regulations regarding mobile food facilities consist of four key components:

1. A scored inspection report and grading process similar to fixed location restaurants:

A new scored food safety inspection report was designed by the County to evaluate safe food handling practices, as well as the unique operations, and equipment of mobile food facilities. The new report will facilitate the scoring and posting of a letter grade on each mobile food facility notifying the public of its relative degree of compliance during the last inspection.

2. A mapping mechanism to help better locate mobile food facility route stops:

Several tracking options were evaluated by the County to find a practical way of finding these transient facilities in the field. The best option was a combination of route stop reporting and online route mapping using the ArcGIS Online Mapping System.

3. Educational materials and outreach workshops:

Materials are being developed by the County to educate operators of mobile food facilities on the new grade card system. The information will also be made available on the DEH website at www.sdcdeh.org. Outreach workshops on how to earn an "A" will be conducted in English and Spanish for mobile food facility operators before the grading process is rolled out. In addition, a public outreach campaign will be developed to educate consumers on the new grading system to ensure they make good, safe dining choices.

4. Reporting mobile food facility inspection results online:

A summary of mobile food facility inspection results will be posted at www.EatSafeSanDiego.org where restaurant inspection results are currently posted. DEH will implement a new data management system, "Accela," later this year. Accela will support the use of mobile inspection units in the field and will allow DEH to capture inspection results electronically and post them online.

Fees to cover the cost of this program regarding mobile food facilities will be collected by the County DEH in the amount established in the County Code from persons and businesses required to obtain a health-related permit or related service. The County and the City already have an agreement under which the County provides services of this kind within the City, on a fee supported basis. To support that arrangement, the City has ordinance provisions in place that provide for the County to collect appropriate fees from businesses within the City that are subject to County administered regulatory programs.

Adoption of the County's provisions regarding mobile food facilities will grant DEH the authority to enforce the posting of a letter grade on mobile food facilities operating with the City. The County enforcement of the mobile food facilities program is proposed to begin in December 2012, when the annual health permits are issued to retail food establishments during the inspection certification process.

Staff believes that adopting the County’s regulations pertaining to mobile food facilities (including the extension of the widely recognized letter grading system to mobile food facilities in the City) would benefit the citizens of the City because it will provide consumers with more information about the overall operating conditions of these facilities and help them to better distinguish unpermitted food vendors.

B. Existing Restaurants:

The adoption of the proposed ordinance would bring the City’s regulations pertaining to fixed location food facilities (currently set forth in IBMC Chapter 8.08) into consistency with state and county law. Staff discovered the need to update Chapter 8.08 after reading it in conjunction with state law, specifically the California Retail Food Code, California Health and Safety Code section 113700 et seq. (the “CRFC”) and the County Code’s provisions contained in Chapter 1 of Division 1 of Title 6 pertaining to retail food facilities. Specifically, staff discovered that provisions in the currently enacted Chapter 8.08 of the IBMC were out of date and duplicative or contradictory to the County Code. For these reasons, staff recommends the repeal of this Chapter and adoption of the County Code as it pertains to permanent food facilities by reference. Staff believes this “clean up” will also make these rules more user friendly for both persons responsible for their enforcement as well as upon existing restaurants who should be familiar with both the CRFC and the County’s provisions regarding the “ABC” grading system. These changes will not cause any significant changes in substantive regulations applicable to fixed location restaurants in the City. A summary of the currently enacted provisions of Chapter 8.08 and the proposed revisions set forth by the proposed ordinance are summarized below:

	Currently enacted provisions of IBMC Chapter 8.08	Provisions of Chapter 1 of Division 1 of Title 6 of the County Code proposed to be adopted
<u>Definitions</u>	This chapter does not set forth definitions, and employs terms that are out of date and inconsistent with the CRFC.	The proposed ordinance sets forth definitions applicable to retail food facilities under the CRFC and the local “ABC” grading program.
<u>Enforcement</u>	Provides that the director of public health of the county is authorized to enforce this chapter.	Provides that the DEH is the local enforcement agency for the CRFC and the regulations adopted by the County, including the “ABC” Grading System.
<u>Permit Requirement</u>	Provides that all persons selling food are required to obtain a public health permit from the director of public health.	Provides that persons required to obtain a food facility permit pursuant to the CRFC must submit an application for a food facility permit from the DEH.
<u>Permit Fees</u>	Requires persons applying for a permit to pay the annual inspection fee established by the Board of Supervisors of the County.	Provides that persons required to obtain a food facility permit pursuant to the CRFC shall pay the fee required by the County.
<u>Issuance of Permit</u>	(1) Requires the health officer to investigate whether establishments conform to the requirements of the chapter and the California Restaurant Act (this Act has been repealed), (2) requires a permit to be granted if the establishment is in conformance with chapter, (3) sets forth an appeal process for persons aggrieved by the denial of permit, and (4) sets forth provision regarding permit revocability.	(1) Recognizes that the California Restaurant Act has been repealed by the state legislature and acknowledges that permits will be issued in conformance with the CRFC (not local law, which is preempted), (2) acknowledges that appeal rights and any conditions upon permits are covered by the CRFC, and (3) sets forth provisions regarding the revocability of permits.

<u>Permit Requirement for Separate Location</u>	Specifically requires a separate permit for each place of business used by the permittee.	Recognizes that the requirement for a separate permit at each location is established by the CRFC, not local law, which is preempted.
<u>Penalties for Operating Without a Permit</u>	Allows the recovery of \$150 or one hundred fifty percent of the fee, whichever is less as a penalty.	Allows the recovery of enforcement costs from the violator, up to a maximum of three times the cost of the permit as a penalty.
<u>Grading System</u>	Employs the "ABC" grading system for fixed location food facilities, wherein the board of health (1) issues an alphabetical grade card to each food facility during an inspection, (2) requires any facilities receiving a grade below a "B" to correct all deficiencies within 30 days and provide for re-inspection, (3) provides for the closure of a facility if, after re-inspection, it does not obtain a "B" score or better, and (4) sets forth hearing provisions regarding the suspension or revocation of a permit.	Employs the "ABC" grading system for fixed location food facilities, wherein the DEH (1) issues an alphabetical grade card to each food facility during an inspection, (2) may require facilities receiving a grade of "B" or "C" to submit to subsequent re-grade inspection within 30 days, until the facility receives an "A" grade, (3) may temporarily suspend a food facility permit, and (4) sets forth hearing provisions regarding the suspension or revocation of a permit.
<u>Posting of Grade Requirements</u>	Requires posting of alphabetical grade card at all times in certain locations at food facility.	Requires posting of alphabetical grade card at all times in certain locations at food facility.
<u>Appeals Process</u>	If it appears to that there has been a violation of the chapter, the director of public health shall order that a hearing be held and act as the hearing officer. The decisions of the hearing officer may be appealed to the City Council.	If permit holder requests a hearing on any decision to modify, suspend or revoke a permit for violations of the CRFC, a hearing shall be scheduled with a DEH employee. The decision of this employee can be appealed to the County Appellate Hearing Board.
<u>Provisions Regarding Farm Produce</u>	Provides that all farmers or ranchers shall not be charged a fee for a health related permit for the sale of fruits, vegetables and farm produce if all of the following are true: (1) each and every provision of the code regulating the type of produce to be sold or distributed is complied with, (2) the sale is not made within the right-of-way of any public street or highway, and (3) the produce is sold from the property on which it was grown.	Does not make a similar provision.

After staff's review of the currently enacted IBMC chapter pertaining to fixed location restaurants and the proposed ordinance, it believes adoption of the proposed ordinance would have the effect of solving the problems created by the current version of Chapter 8.08 (namely that it is out of date), while continuing to impose essentially the same requirements upon fixed location food facilities throughout the City.

If introduced by the City Council, staff will present the ordinance for adoption at the December 5, 2012 City Council meeting.

ENVIRONMENTAL DETERMINATION: This project may be categorically exempted from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15321 (Enforcement Actions by Regulatory Agencies).

FISCAL ANALYSIS:

No fiscal impact to the City.

DEPARTMENT RECOMMENDATION:

1. Receive report;
2. Mayor calls for the first reading of the title of Ordinance No. 2012-1132 "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, REPEALING CHAPTER 8.08 AND ADDING A NEW CHAPTER 8.08 TO TITLE 8 OF THE IMPERIAL BEACH MUNICIPAL CODE BY ADOPTING BY REFERENCE TITLE 6, DIVISION 1 OF THE SAN DIEGO COUNTY CODE OF REGULATORY ORDINANCES CONCERNING PERMANENT AND MOBILE FOOD FACILITIES";
3. City Clerk to read Ordinance 2012-1132; and
4. Motion to dispense first reading and introduction of Ordinance No. 2012-1132 by title only, schedule a public hearing for December 5, 2012 to consider the Second Reading and adoption of Ordinance No. 2012-1132 and direct staff to publish notice of the public hearing as presented to the Council.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Proposed ordinance
2. Current IBMC Chapter 8.08
3. County correspondence
4. Proposed Notice of Public Hearing for 12/5/12
5. Current County Code Sections

ORDINANCE NO. 2012-1132**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, REPEALING CHAPTER 8.08 AND ADDING A NEW CHAPTER 8.08 TO TITLE 8 OF THE IMPERIAL BEACH MUNICIPAL CODE BY ADOPTING BY REFERENCE TITLE 6, DIVISION 1 OF THE SAN DIEGO COUNTY CODE OF REGULATORY ORDINANCES CONCERNING PERMANENT AND MOBILE FOOD FACILITIES**

WHEREAS, the current version of Municipal Code Chapter 8.08, among other things, requires fixed location food facilities in the City of Imperial Beach (the "City") to obtain a County of San Diego (the "County") issued health-related permit, requires such establishments to comply with the County administered letter grading system, and sets forth appeal and hearing procedures for persons who have been denied a food permit or had their food permit revoked or suspended; and

WHEREAS, state, not local law, specifically the California Retail Food Code, California Health and Safety Code §§ 113700 et seq. (the "CRFC") sets forth health and sanitation standards for retail food facilities, a requirement that all food facilities operating in the state obtain a health-related permit, and also allows local governing bodies to adopt an evaluation or grading system for food facilities; and

WHEREAS, the County, through Title 6, Division 1 of the San Diego County Code of Regulatory Ordinances and the City, through Chapter 8.08 of the Imperial Beach Municipal Code, have set forth a grading system for fixed location food facilities in their respective jurisdictions, both of which are currently being enforced by the County through its Department of Environmental Health (DEH); and

WHEREAS, mobile food facilities (food carts and food trucks that prepare and serve food) are currently not inspected or graded in the County or the City program; and

WHEREAS, to better inform the public, the San Diego County Board of Supervisors adopted an ordinance that modified the County Code of Regulatory Ordinances, sections 61.101 to 61.115 of Chapter 1, Division 1, Title 6, which extended the letter grade system currently used for restaurants to mobile food facilities; and

WHEREAS, these changes by the County with regard to mobile food facilities will improve public notification, help customers to easily identify vendors in good compliance, and provide more information about the overall conditions of these facilities to improve safe dining choices; and

WHEREAS, it necessary to update the current Chapter 8.08 in the Imperial Beach Municipal Code to make it consistent with state law and to make its enforcement and implementation more efficient by the County within the City; and

WHEREAS, a new ordinance, which adopts by reference the provisions of the San Diego County Code of Regulatory Ordinances concerning permanent and mobile food facilities, at Title 6, Division 1 of the County Code can solve the problems created by the current version of Chapter 8.08, while continuing to impose the same requirements upon fixed location food facilities throughout the City and creating similar requirements upon mobile food vendors in order to protect the health and safety of the City's residents.

NOW, THEREFORE, the City Council of Imperial Beach hereby ordains as follows:

SECTION 1. The current Chapter 8.08 of the Imperial Beach Municipal Code is hereby repealed.

SECTION 2. This new version of Chapter 8.08 is hereby added to the Imperial Beach Municipal Code, to read as follows:

“CHAPTER 8.08. REGULATION OF RETAIL FOOD FACILITIES

8.08.010. Provisions adopted by reference.

The provisions of the San Diego County Code of Regulatory Ordinances concerning permanent and mobile food facilities, at Title 6, Division 1 of the County Code, are incorporated into this Code by reference.

8.08.020. Fees.

All persons and businesses required to obtain a health-related permit or related service from the County of San Diego, Department of Environmental Health (DEH) pursuant to this code shall pay the County the fee established in the County Code for that permit or service, including delinquent payment fees.”

SECTION 3. The City Clerk is directed to prepare and have published a summary of this ordinance no less than five days prior to the consideration of its adoption and again within 15 days following adoption indicating votes cast.

EFFECTIVE DATE: This Ordinance shall be effective thirty (30) days after its adoption.

INTRODUCED AND FIRST READ at a regular meeting of the City Council of the City of Imperial Beach, California, on the 7th day of November, 2012; and

THEREAFTER ADOPTED at a regular meeting of the City Council of the City of Imperial Beach, California, on the 5th day of December, 2012, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, CMC
CITY CLERK

APPROVED AS TO FORM:

JENNIFER M. LYON
CITY ATTORNEY

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be an exact copy of Ordinance No. 2012-1132.

CITY CLERK

DATE

Imperial Beach Municipal Code

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[Title 8. HEALTH AND SAFETY](#)**Chapter 8.08. PUBLIC HEALTH FOOD PERMITS**

8.08.010. Required.

No person shall sell, offer for sale, barter, trade or give away any food or beverage and no person shall permit the same to be done from any establishment unless such establishment has a valid public health permit, which permit has not been revoked or suspended. (Ord. 205 § 33.110, 1962; prior code § 3311)

8.08.020. Application.

Every person applying for a permit shall file with the health department a written application which shall set forth the name and address of the applicant, a description of the premises wherein or whereon it is proposed to conduct the establishment, the type and nature of the establishment proposed, and such other information as the board of health by rule may require. Every applicant for a permit shall pay to the health officer the annual inspection fee established by this chapter at the time of making such an application. (Ord. 205 § 33.111, 1962; prior code §§ 3321, 3321.1)

8.08.030. Investigation—Issuance or denial.

A. Upon the filing of the application and the payment of the required fee, it shall be the duty of the health officer to investigate the information contained in the application and the sanitary conditions of, in and about the establishment, and to determine whether or not such establishment conforms to the requirements of this chapter, the California Restaurant Act, the rules of the Board of Health, and the rules and regulations of the State Board of Health.

B. The health officer shall grant the permit if such establishment is sanitary and does conform with such laws and such rules and regulations; otherwise, he/she shall deny such application. The health officer shall send, deliver or give written notice of such grant or denial to the applicant within five days following such grant or denial. A permit for which application is made pursuant to this chapter may be granted at any time during the year. (Ord. 205 § 33.112, 1962; prior code §§ 3322—3322.3)

8.08.040. Denial—Appeal.

A person aggrieved by the denial to him of a permit may appeal from such denial to the city council in the manner set forth in Section 8.08.180. (Ord. 205 § 33.113, 1962; prior code § 3324)

8.08.050. Condition of revocability or suspension.

A permit shall be granted only on the express condition that it is subject to revocation or suspension upon a showing satisfactory to the health officer of the violation by the permittee, his employee, servant or agent, or any other person acting with his consent or under his authority, of any provision of this chapter, the California Restaurant Act, rule of the board of health, or rule or regulation of the State Board of Health. (Ord. 205 § 33.114, 1962; prior code § 3323)

8.08.060. Separate permits required for each location.

A separate permit shall be required for each place of business, concession or vehicle used by the permittee. (Ord. 205 § 33.115, 1962: prior code § 3311.1)

8.08.070. Annual inspection fees—Designated.

Every person applying for a permit under the provisions of this chapter shall at the time of making application for the permit pay the annual inspection fee established from time to time by the board of supervisors of the county of San Diego. (Ord. 685 § 1, 1986)

8.08.080. Delinquent payments.

A. Any fee which is not paid by the first day of the month following the month in which it is due is thirty days delinquent, and on the first day of the next following month, if still unpaid, is sixty days delinquent.

B. In any case where a fee is sixty days delinquent, an additional penalty of fifty dollars or an amount equal to fifty percent of the fee, whichever is less, shall be added to and collected with the required fee.

C. In any case where a fee is sixty days delinquent, an additional penalty of one hundred dollars or an amount equal to the fee for a total penalty of one hundred fifty dollars or one hundred fifty percent of the fee, whichever is less, will be added to and collected with the required fee.

D. The imposition of or payment of the penalty imposed by this section shall not prevent the imposition of any other penalty prescribed by this code or any ordinance nor prosecution for violation of this code or any ordinance.

E. The delinquent penalty fee may be waived by the deputy director of environmental health services in case of error made by environmental health services staff or when the applicant has not held a health permit during the past five years, and was unaware that a health permit was required. (Ord. 794 § 1, 1989)

8.08.100. Nontransferability.

A permit is not transferable from one person or one place to another, and shall be deemed voided if removed from the place or location specified in the written application and in the permit. (Ord. 205 § 33.118, 1962: prior code § 3311.2)

8.08.110. Scorecards—Minimum score for permit and operation.

The board of health, by regulation, may adopt a scorecard for the grading of establishments undergoing inspection. No permit shall be issued to any establishment scoring less than eighty percent on the scorecard. Each establishment shall maintain standards of sanitation and health sufficient to score eighty percent on the scorecard at all times. If upon inspection any establishment fails to attain a score of eighty percent, due written notice shall be served on the applicant for the permit. The notice shall list the deficiencies and state that such deficiencies must be corrected within thirty days, at which time a reinspection will be made. An establishment failing to comply with the written notice or failing to attain a score of eighty percent on the reinspection shall immediately close and remain closed until a score of at least eighty percent is achieved on a reinspection by the department. (Ord. 205 § 33.119 (part), 1962: prior code §§ 3331—3331.5)

8.08.120. Scorecards—Alphabetical grades.

The health officer shall issue an alphabetical gradecard to each restaurant inspected, which gradecard shall be displayed at all times while the restaurant is open to the public. Restaurants scoring ninety percent or more on the scorecard shall receive an A gradecard; those scoring eighty to eighty-nine and one-half percent shall receive a B scorecard; those scoring below eighty percent shall receive a C scorecard. (Ord. 205 § 33.119 (part), 1962: prior

code §§ 3331.6—3331.63)

8.08.130. Permit and grade card to be posted.

Every health permit and/or alphabetical grade card issued shall be kept posted in a conspicuous place in the establishment for which the permit is issued. The health officer shall prescribe the location in or on the establishment where such permit shall be kept posted. Alphabetical grade cards shall be posted in the front window of the establishment so as to be clearly visible to patrons entering the establishment or in a display case mounted on the outside front wall of the establishment within five feet of the front door, or in some other location clearly visible to patrons entering the establishment which has been approved by the health officer. The alphabetical grade card shall be protected from damage by weather conditions and shall not be defaced, marred or camouflaged or hidden so as to prevent the general public from observing it. (Ord. 523 § 1, 1981: Ord. 205 § 33.120, 1962: prior code §§ 3332—3332.2)

8.08.140. Farm produce—Terms of free permit.

All farmers or ranchers may dispose of fruits, vegetables and farm produce actually produced on their ranches, farms or property, and a permit will be issued therefor without charge provided that each and every provision of this code regulating the type of produce to be sold or distributed is complied with, that the sale or distribution of such produce or food is not made or done within the right-of-way of any public street or highway in the city, and that the produce is sold from the property on which it is grown. (Ord. 205 § 33.121, 1962: prior code §§ 3333, 3333.1)

8.08.150. Revocation or suspension—Hearing.

A. The director of public health shall order that a hearing be held, with himself as hearing officer, to determine whether or not the health permit of an establishment should be suspended or revoked whenever it appears to him, by reason of either citizen complaint or health department investigation, that the holder of such permit or his employee, servant or agent, or any person acting with his consent or under his authority, has or may have violated any provision of this chapter or any relevant requirement established or provided by law.

B. Any hearing pursuant to this section and any order of suspension or revocation resulting therefrom is supplemental to and shall not bar or foreclose subsequent proceedings against such person by the filing of a criminal misdemeanor complaint punishable as provided in Section 8.04.040. Each such person shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of this chapter is committed, continued or permitted by such person and shall be punishable accordingly. (Ord. 205 § 33.123, 1962: prior code §§ 3334—3334.2)

8.08.160. Hearing—Notice.

Upon the determination that a hearing be held pursuant to Section 8.08.150, the health officer shall immediately send to the permittee a notice of hearing, which shall provide substantially as follows:

NOTICE OF HEARING

To: (name and address of permittee)

Notice is hereby given that on _____ the Director of Public Health of the City of Imperial Beach ordered that a hearing be held on (date and hour) at (place of hearing) to determine whether or not Health Permit No. _____, issued to you for the establishment known as _____, should be suspended or

revoked.

The actions or inactions complained of are as follows: (set forth actions or inactions and the dates of such, and the code sections, statutes or regulations violated).

Be prepared to present evidence and witnesses on your behalf at this hearing if you so desire. You may be represented by legal counsel. Your failure to appear will not prevent the issuance of an order of suspension or revocation should such order appear justified by the evidence presented.

(Ord. 205 § 33.124, 1962: prior code § 3335)

8.08.170. Hearing—Rules and procedure.

The following rules and procedures shall govern hearings held pursuant to this chapter:

- A. **Hearing Officer.** The Director of Public Health shall be the hearing officer. Upon the disqualification of the Director of Public Health to act as hearing officer, either on his/her own motion or that of the permittee acceded in by the director, any member of the board of health may act as hearing officer. The sole grounds for disqualification are financial interest, bias or prejudice; prior knowledge of the facts alone does not constitute bias or prejudice.
- B. **Time.** The hearing date shall be no less than ten and no more than thirty days following the date on which notice thereof was sent to the permittee.
- C. **Continuance.** The hearing officer may order such continuance or continuances as he/she deems necessary and proper.
- D. **Transcript of Hearing.** The city is not required to furnish a shorthand reporter or any other method of reporting the hearing; the permittee may furnish such at his/her sole and nonreimbursable cost and expense if he/she so desires.
- E. **Waiver of Irregularities.** Any procedural or evidentiary irregularities in the hearing are deemed to be waived unless objection is taken thereto and a specific ruling requested thereon.
- F. **Findings.** Specific findings, including a finding that the public health, safety and welfare are subject to a clear and present danger, may be made but are not required. If specific findings are not made the hearing officer shall make a general finding that the actions or inactions complained of, as set forth in the notice of hearing, are true or untrue, and that such actions or inactions do or do not constitute a violation of the condition set forth in Section 8.08.050.
- G. **Decision and Order.** If the hearing officer finds that the actions or inactions complained of are untrue, he shall order that the proceedings are dismissed. If the hearing officer finds that the actions or inactions complained of are true, and that a violation as aforesaid has occurred, he shall order either that the permit be suspended for a period not to exceed six months or that the permit be revoked. The decision and order of the hearing officer shall be final unless an appeal is taken pursuant to Section 8.08.180.
- H. **Modification or Rescission of Order of Suspension.** If the hearing officer orders that the permit be suspended for a certain period, the permittee may subsequently petition for the modification or rescission of the order of suspension and the reinstatement of the permit. The hearing officer, in his discretion, may grant or deny the petition; or he may grant the petition subject to the condition of the imposition of a probationary period, during which period any violation by the permittee of the condition set forth in Section 8.08.050 is grounds for summary suspension of the permit for the remainder of the period established by the original order of suspension, and is also grounds for the institution of new proceedings for suspension or revocation of the permit. The order of the hearing officer with respect to such petition is final, and no administrative appeal shall lie therefrom.
- I. **Probation.** If the hearing officer orders that the permit be suspended or revoked, he may, in the interests of justice and equity, further order that the order of suspension or revocation be stayed and the permittee be laced

on probation for a period not to exceed three years. The hearing officer may grant probation on such conditions as he/she deems to be fair and reasonable. If the permittee is dissatisfied with the order of probation, or with the conditions thereof, he/she may reject the offer of probation, in which event the order of suspension or revocation shall become final; if the permittee is satisfied with the order of probation he/she shall indicate such assent, and his/her agreement to be bound by the terms thereof, by affixing his/her signature thereto.

Upon the charge by the health officer of the violation by the permittee of a condition of probation, a hearing shall be held pursuant to this section, limited to the issue of whether or not such condition was in fact breached. If it is found that the condition was breached, the original order of suspension or revocation shall be forthwith enforced, and probation in the same matter shall not be granted again.

Upon the petition of the permittee for termination of probation and release from the conditions thereof, the rules and procedures established by subsection H of this section shall apply except that the hearing officer shall either grant or deny such petition, and shall not impose any condition on such grant or denial. (Ord. 205 § 33.125, 1962: prior code §§ 3336—3336.96)

8.08.180. Appeals—Application.

Any permittee aggrieved by the decision or the order of the hearing officer or by the denial of an application for a health permit may, within fifteen days of the date of the written announcement of the decision and order, or of the denial, appeal to the city council. Such appeal shall be effected by depositing in the office of the clerk to the city council, within fifteen days, a notice of appeal which sets forth the notice of hearing and the decision and order of the hearing officer. The clerk shall present the notice of appeal to the city council at their next regular meeting, at which time the council shall set the matter for hearing de novo at the earliest date possible in light of its regular business. (Ord. 205 § 33.126, 1962: prior code § 3337—3337.2)

8.08.190. Appeals—Rules and procedures.

The following rules and procedures shall govern appeals pursuant to this chapter:

A. Effect of Appeal. Upon the filing of the notice of appeal, the order of the hearing officer shall be stayed unless the hearing officer has found that the public health, safety and welfare are threatened, in which case the director of public health shall make such order or orders as are necessary to safeguard the public health, safety and welfare. If the permittee agrees in writing to comply with such order or orders pending the outcome of the appeal, the order of the hearing officer shall in that case also be stayed; otherwise it shall not be stayed.

B. Hearing De Novo. The city council shall hold a hearing de novo at which time the health officer and the permittee may offer any and all relevant evidence, whether or not such evidence was before the hearing officer, and may make oral arguments. The city council is not bound or limited in any way by the evidence before the hearing officer, although it may consider such evidence, or by the rulings, findings, decision or order of the hearing officer.

C. Procedures. The provisions of subsections C through I of Section 8.08.170 apply to hearings conducted pursuant to this section; provided, that in the hearings conducted pursuant to this section the city council shall exercise the powers given to the hearing officer by said subsections of Section 8.08.170; and further provided, that the decision and order of the city council shall be final for all purposes. (Ord. 205 § 33.127, 1962: prior code § 3338)



County of San Diego

JACK MILLER
Director

DEPARTMENT OF ENVIRONMENTAL HEALTH
P.O. BOX 129261, SAN DIEGO, CA 92112-9261
Phone: (858) 505-6700 FAX: (858) 505-8890
1 (800) 253-9933
www.sdcdeh.org

ELIZABETH POZZEBON
Assistant Director

July 25, 2012

Mr. Gary Brown, City Manager
CITY OF IMPERIAL BEACH
825 Imperial Beach Boulevard
Imperial Beach, CA 91932

2012 JUL 26 PM 4:21
CITY MANAGER &
CITY CLERK OFFICES

Extending the Letter Grade to Mobile Food Facilities

Dear Mr. Brown:

The County, through its Department of Environmental Health (DEH), currently implements the restaurant "ABC" letter grading system throughout the County, including in your City. On July 11, 2012, the San Diego County Board of Supervisors approved an ordinance that requires mobile food facilities that prepare food, such as food trucks and coffee carts, to conform to a letter grading system. The system is similar to the ABC grading program that has been used for restaurants throughout the County since the 1950's. However, this County ordinance only applies to mobile food facilities operating in the unincorporated areas of the County. In order for this food safety program enhancement to be successful, we need your help in adopting these changes into your municipal code so that we can implement this program improvement county-wide.

Extending the widely recognized letter grading system to mobile food facilities that prepare food will provide consumers with more information about the overall operating condition of the mobile food facility and help to better distinguish them from unpermitted food vendors. To assist with the region-wide adoption process, the County has prepared the attached model ordinance entitled "An Ordinance Allowing Grading of Mobile Food Facilities that Prepare Food" for your use. Adoption of a City ordinance based on this model will incorporate the changes to the County program by reference, and grants DEH the authority to enforce the posting of a letter grade on mobile food facilities operating within your City.

The County and the City already have an agreement under which the County provides services of this kind within the City, on a fee supported basis. To support that arrangement, your City has ordinance provisions in place that provide for the County to collect appropriate permit fees from businesses within the City that are subject to County administered regulatory programs. Section 3 of the attached model ordinance will update fee provisions for your City by reference to fees in the County Code. When an ordinance is presented to your City Council for adoption, notice and hearing requirements for an increased fee may be applicable. My staff and County Counsel are available to assist you in preparing final ordinance language that conforms to any advice your City Attorney may provide on required procedures.

Extending the Letter Grade to Mobile Food Facilities

Page 2

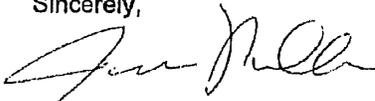
July 25, 2012

In the near future, we will also contact you or staff you designate on additional municipal code updates for programs DEH administers in your City. Some programs need updates and some will be proposed for elimination. We will also ask for an ordinance to enable us to implement the new State Safe Body Art Act (which took effect as of July 1, 2012) on a consistent basis county-wide. But action on mobile food facility grading is more urgent because we hope to roll that program out on a consistent basis County-wide on December 1, 2012.

We are available to discuss the proposed ordinance changes, and we would be glad to present information about the ABC grading program to your City Council. A fact sheet on the new letter grading system for mobile food facilities is attached to this letter. My contact person is Gloria Estolano, Chief of the Food and Housing Division and she can be reached at (858) 505-6898.

Thanks in advance for your help in extending the ABC grading to mobile food operations throughout San Diego County.

Sincerely,



JACK MILLER, Director

- Attachments:
- 1) FACT SHEET - Letter Grading for Mobile Food Facilities that Prepare Food
 - 2) An Ordinance Allowing Grading of Mobile Food Facilities that Prepare Food
 - 3) An Ordinance Amending Portions of the County Code of Regulatory Ordinances Relating to Mobile Food Facilities

NOTICE OF PUBLIC HEARING
City of Imperial Beach
MOBILE FOOD FACILITIES LETTER GRADE ORDINANCE

NOTICE IS HEREBY GIVEN THAT THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CA, will conduct a Public Hearing on December 5, 2012 at 6:00 p.m. in the City Council Chambers located at 825 Imperial Beach Boulevard, Imperial Beach, California, to consider an Ordinance repealing Chapter 8.08 "Public Health Food Permits" of the City of Imperial Beach Municipal Code and adding a new Chapter 8.08 adopting by reference Title 6, Division 1 of the San Diego County Code of Regulatory Ordinances concerning permanent and mobile food facilities. The proposed ordinance would bring Chapter 8.08 in conformance with state and county law, require both mobile and permanent food facilities to comply with the County letter grade system for evaluating safe food handling practices, and require all persons and businesses in the City required to obtain a health-related permit or related service from the County of San Diego, Department of Environmental Health pursuant to local or state law to pay the County the fee established in the County Code for that permit or service, including the delinquent payment fees. A copy of the primary code being considered for adoption by reference is on file with the City Clerk, and is open to public inspection at the City Clerk's Office.

Persons interested may appear before the Council at the above date, place and time. If you challenge the matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk at, or prior to, the public hearing.

The City of Imperial Beach is endeavoring to be in total compliance with the Americans with Disabilities Act. If you require assistance or auxiliary aids in order to participate at City Council meetings, please contact the City Clerk's Office as far in advance of the meeting as possible.

Jacqueline M. Hald, MMC
City Clerk
(619) 423-8301 / 711(Calif. Relay Service)

Dated:

[To be published on November 15, 2012 and November 22, 2012]

ORDINANCE NO. 10218 (N.S.)AN ORDINANCE AMENDING PORTIONS OF THE COUNTY CODE OF REGULATORY
ORDINANCES RELATING TO
MOBILE FOOD FACILITIES

The Board of Supervisors of the County of San Diego ordains as follows:

Section 1: The Board of Supervisors finds and determines that provision should be made for improved public notification signage for mobile food facilities that prepare and serve ready-to-eat food by establishing a letter grading system similar to that used by the Department of Environmental Health (DEH) to rate restaurants. This ordinance amends appropriate sections of the San Diego County Code of Regulatory Ordinances to implement regulations which will extend the restaurant letter grading program to approximately 550 mobile food facilities that prepare and serve ready to eat food allowing consumers to make safe dining choices.

Section 2: Title 6, Division 1, Chapter 1 of the San Diego County Code of Regulatory Ordinances is hereby amended to read as follows:

SEC. 61.101. PURPOSE.

Health and Safety Code (H & S Code) sections 113700 et seq., also referred to as the California Retail Food Code (CRFC), provide Statewide health and sanitation standards for retail food facilities. These sections allow a county to establish some local requirements for retail food facilities and their employees. These sections also provide that a local enforcement agency shall have primary enforcement responsibility for the State regulations in its jurisdiction. The purpose of this chapter is to adopt additional regulations for retail food facilities and their employees to protect the public health and safety in San Diego County and to appoint the Department of Environmental Health to enforce State and County regulations for retail food facilities and their employees.

SEC. 61.102. DEFINITIONS.

The following definitions shall apply to this chapter:

- (a) "DEH" means the Department of Environmental Health.
- (b) "Director" means the Director of DEH and any person appointed or hired by the Director to enforce or administer this chapter.
- (c) "Equipment" has the same meaning as the term "equipment" in H & S code section 113777.
- (d) "Food" has the same meaning as the term "food" in H & S code section 113781.
- (e) "Food facility" has the same meaning as the term "food facility" in H & S code section 113789.
- (f) "Food handler" means a person who prepares, handles, packages, serves or stores food or handles utensils, or assists another person in any of those tasks at a food facility that requires a permit pursuant to this chapter.

(g) "Imminent health hazard" has the same meaning as the term "imminent health hazard" in H & S code section 113810.

(h) "Limited food preparation facility" means for purposes of section 65.107(a), a retail food facility that only serves frozen ice cream, hot dogs, beverages that are not potentially hazardous, coffee or cocoa based beverages that may contain cream, milk or similar dairy products requiring no preparation other than heating, blending, assembly, scooping or dispensing. A limited food preparation facility also includes an Alcoholic Beverage Control license type 42 or 48 facility, as long as that facility does not engage in slicing, chopping or grinding of raw potentially hazardous foods, reheating for hot holding, washing of foods, or cooking, baking, barbecuing, broiling, frying or grilling any food.

(i) "Prepare" means to package, process, assemble, portion or engage in any operation that changes the form, flavor or consistency of food, but does not include trimming produce.

(j) "Ready-to-eat food" has the same meaning as the term "ready-to-eat food" in H & S code section 113881.

(k) "Tableware" has the same meaning as the term "tableware" in H & S code section 113926.

(l) "Utensil" has the same meaning as the term "utensil" in H & S code section 113934.

SEC. 61.103. DEPARTMENT OF ENVIRONMENTAL HEALTH TO ENFORCE RETAIL FOOD REGULATIONS.

DEH shall be the local enforcement agency for the CRFC and the regulations adopted in this chapter.

SEC. 61.104. PERMIT REQUIRED FROM DEPARTMENT OF ENVIRONMENTAL HEALTH.

A person who is required to obtain a food facility permit pursuant to the CRFC shall submit an application for the permit to DEH on a form provided by the department. The application shall be accompanied by the fee required in Title 6, Division 5, Chapter 1.

SEC. 61.105. PENALTY FOR ACTIVITIES WITHOUT A PERMIT.

When DEH initiates an enforcement action against a person operating a food facility without a permit required by the CRFC the department may recover its enforcement costs from the violator, up to a maximum of three times the cost of the permit. After the enforcement activity has been completed, DEH may send the violator a penalty assessment for its enforcement costs. The violator shall pay the assessment within 15 days from the date of the assessment or at the time the violator applies for the permit, whichever occurs first.

SEC. 61.106. PLAN REVIEW FEE.

A person required to submit written plans and specifications to DEH pursuant to H & S code section 114380 shall pay the plan review fee required in Title 6, Division 5 at the time the person submits plans and specifications.

SEC. 61.107. GRADING SYSTEM FOR CERTAIN FOOD FACILITIES.

(a) The Director may adopt regulations to grade permanent or mobile food facilities that prepare ready-to-eat food, using a letter grade system. The grading system may be used during any inspection DEH conducts. An "A" grade shall represent a score of 90 percent or higher. A "B" grade shall represent a score of 80 to 89 percent. A "C" grade shall represent a score less than 80 percent. DEH shall issue an alphabetical grade card to each food facility graded during an inspection pursuant to this section and shall provide the permit holder with a list of deficiencies found during the grading inspection. If DEH determines from the inspection, however, that the facility presents an imminent health hazard that warrants immediate closure DEH shall not issue the facility a grade card.

(b) DEH may order a food facility permit holder receiving a grade of "B" or "C" to submit to subsequent re-grade inspections within 30 days, until the facility receives an "A" grade. DEH may also order a permit holder to correct a deficiency found during an inspection in less than 30 days. The permit holder shall pay DEH a re-grade fee at the time of each re-grade inspection, as specified in Title 6, Division 5, Section 65.107 (d).

(c) DEH may use information obtained during an inspection pursuant to this section to temporarily suspend a food facility permit and order a food facility to immediately close due to an imminent health hazard that cannot be immediately corrected. DEH may also use the information obtained during an inspection to modify, suspend or revoke the food facility's permit.

(d) If DEH determines that a food facility should be ordered to show cause at a hearing why its permit should not be suspended or revoked, DEH may require the facility to post a specified alternative notice instead of a grade card, until that hearing process is concluded and a decision concerning the permit is rendered.

(e) If DEH determines that the public should be informed of temporary conditions affecting a food facility, such as a boil water order or a closure order for only a portion of the facility, DEH may require the facility to post a specified notice, and may direct that such posting be maintained either instead of or in addition to posting a grade card.

(f) Violations of the requirements of this code related to food facility grading shall be subject to the penalties and procedures set out in Division 8 of Title 1 of this code.

SEC. 61.108. ALPHABETICAL GRADE CARD TO BE POSTED.

(a) The permit holder of a permanent or mobile food facility that prepares ready-to-eat food shall post the alphabetical grade card DEH issues, or any alternative notice specified by DEH pursuant to Section 61.107, whenever the facility is open for business. The grade card or alternative notice shall be posted so that it is clearly visible to patrons of the facility so that statements on the card may be read.

(b) If the food facility is enclosed, the permit holder shall post the grade card or alternative notice: (1) in the front window of the facility, (2) in an accessible display case mounted on the outside of the front door, (3) in an accessible display case mounted on the outside front wall of the facility within five feet of the front door or (4) in some other location DEH approves. If the food facility has a drive-through feature, the permit holder shall also post the grade card or alternative notice at the drive-in pickup window of the facility.

(c) If the food facility is not enclosed, the permit holder shall display the grade card or alternative notice in a location clearly visible to any patron of the facility. DEH may require the permit holder of an unenclosed facility to display the grade card or alternative notice in a specific location.

(d) The permit holder shall protect the alphabetical grade card or alternative notice from damage by weather conditions and shall not allow the card or alternative notice to be defaced, marred, camouflaged or hidden so as to prevent the general public from observing it. The permit holder shall request a new card or alternative notice from DEH within one business day of the grade card or alternative notice being damaged, marred, altered or lost.

SEC. 61.109. HEARING REQUESTED BY PERMIT HOLDER OR DEPARTMENT OF ENVIRONMENTAL HEALTH; APPEALS.

(a) If a permit holder requests a hearing within 15 days after receiving notice that DEH proposes to suspend or revoke a food facility permit pursuant to the CRFC, or if DEH temporarily closes a food facility for an imminent health hazard, the Director shall schedule a hearing. The Director shall also schedule a hearing when DEH proposes to modify, suspend or revoke a permit for serious or repeated violations of the CRFC. A hearing pursuant to this section shall be with a DEH employee, at the supervisor level or higher, who was not involved in the decision to propose to modify, suspend or revoke the permit or to temporarily close the facility.

(b) The permit holder may appeal the decision made at the hearing to the Appellate Hearing Board as provided in Chapter 1 of Division 6 of Title 1 of this Code. Filing an appeal shall stay the decision of the DEH hearing officer, unless the DEH hearing officer determined that an imminent health hazard required closure of the facility.

(c) The Clerk shall endeavor to schedule the appeal hearing on an expedited basis if the food facility must remain closed until that appeal is heard.

SEC. 61.110. ADMINISTRATIVE PROBATION.

(a) A permit holder and DEH may enter into a written administrative probation agreement to modify a decision by a departmental hearing officer to suspend a permit.

(b) If a permit holder fails to comply with the terms of an administrative probation agreement DEH may reinstate the original permit suspension and enforce any additional violation of the CRFC. The Director shall be the sole judge of whether the permit holder failed to comply with the agreement.

SEC. 61.111. NOTICE OF CLOSURE OF FOOD FACILITY.

(a) If the Director determines that a food facility is operating without a permit required by the CRFC the Director may order the person who owns or operates the facility to close immediately. In addition to taking any legal action authorized by law to compel a facility owner or operator to cease operating without a permit, the Director may post a notice of closure at or on a food facility operating without a permit, advising the public that the facility does not have a permit to sell food.

(b) The Director may also post a notice of closure on a food facility:

(1) When the Director orders the facility to close due to an imminent health hazard that the food facility does not immediately correct.

(2) When the Director suspends or revokes the facility's permit.

(c) No person other than the Director shall remove a notice posted by the Director pursuant to this section.

SEC. 61.112. INSPECTIONS AND TRACKING MOBILE FOOD FACILITIES.

(a) A mobile food facility permit holder shall pass an annual certification inspection at the same time the permit holder renews the annual permit or at a later date that DEH designates. A mobile food facility permit holder that passes inspection shall be issued a certification sticker, which the permit holder shall display on the mobile food facility at all times. If the mobile food facility permit holder fails to timely complete the annual inspection process the permit holder shall pay a late fee of 50% of the cost of the permit. No person shall operate or allow another person to operate a mobile food facility unless the facility passes the annual inspection. The mobile food facility may also be inspected in the field as authorized by the Director.

(b) The Director may establish a program to ensure that Mobile Food Facilities can be efficiently located in the field for inspections and grading, and may implement that program through permitting conditions.

A current list of locations at which a mobile food permit holder will operate shall be submitted to DEH along with a current cell phone number. DEH shall be notified in a timely manner whenever a change is made.

SEC. 61.113. RENTING OR LEASING EQUIPMENT AND UTENSILS.

(a) No person shall rent or lease equipment, tableware or utensils to a food facility without a permit issued by DEH.

(b) No person shall rent or lease equipment, tableware or utensils to a food facility unless it complies with the following requirements:

(1) The equipment is stored in a building that complies with the requirements the CRFC requires a food facility to comply with for storing equipment in a building.

(2) The tableware and utensils have been cleaned and sanitized by the same methods the CRFC requires a food facility to follow.

SEC. 61.114. FOOD HANDLER REQUIREMENTS.

(a) Except as provided in subsection (e) below no person shall employ a person as a food handler in a food facility unless the food handler: (1) has been issued a current food handler training certificate as provided in subsection (b), or (2) is supervised by a food safety certified owner or employee pursuant to the CRFC and has passed a food handler test, as described in subsection (d) below. A person may employ a food handler, however, who for the first ten days of employment has not passed the food handler test.

(b) The Director, or a person the Director authorizes, may issue a food handler training certificate to a person who successfully completes a three hour food sanitation training course and scores a grade of 80% or higher on a proficiency test, provided the Director approves the instructor, the course and the test. To be approved, the course of instruction shall include all of the following subjects:

(1) Major causes of foodborne illness.

- (2) Time and temperature control of potentially hazardous foods.
- (3) Proper employee health and hygiene practices.
- (4) Methods to protect food from contamination.
- (5) Required consumer advisories.
- (6) Approved food sources.
- (7) Washing and sanitizing of utensils and equipment.
- (8) Pest control.

(c) A food handler training certificate shall be valid for three years from the date it is issued. A person issued a food handler training certificate continuing employment at the facility shall obtain a new certificate every three years. The Director or a person the Director authorizes may renew a food handler training certificate for additional three year periods if the food handler is able to obtain a score of 80% or higher on the proficiency test at renewal time. If the food handler is unable to achieve a score of 80% on the test, the food handler shall repeat the food handler training certificate course and pass the proficiency test in order to obtain a renewal certificate. The Director may also require a person with a food handler training certificate to retake the training certificate course or retake and pass the proficiency test after less than three years from the date the certificate is issued.

(d) A food safety certified owner or employee may administer a food handler test that the Director prepares covering fundamental principles of food safety practices. A grade of 80% or higher is a passing grade. The food handler's passing test score shall be valid for three years from the test date or until the food handler ceases working as a food handler at the facility. A food handler continuing employment at the facility shall obtain a passing grade on the food handler test every three years. The Director may require a food handler to retake the test after less than three years.

(e) Notwithstanding the requirements of this section, the Director may allow the owner or operator of a temporary food facility to employ a food handler who does not have a current food handler certificate or who has not passed the food handler test within the last three years if: (1) the temporary food facility complies with H & S Code section 113947.1(c) and (2) the food handler is able to demonstrate adequate knowledge of food safety principles related to the operation of the temporary food facility. If a temporary food facility operator has passed the approved and accredited food safety certification examination specified in H & S code sections 113947.2 and 113947.3 the temporary food facility may apply for an annual temporary food facility permit rather than having to obtain a temporary event permit for each temporary event the facility participates in.

SEC. 61.115. FOOD HANDLER RECORDS.

The permit holder of a food facility shall maintain at the food facility a complete list of all food handlers and food safety certificate holders the facility employs. The permit holder shall also maintain a copy of any employed food handler's current: (a) food handler training certificates, (b) food handler test and (c) food safety certificate required by the CRFC. The Director may inspect any of these records the permit holder is required to maintain at the facility whenever the facility is open for business.

Section 3: This ordinance shall take effect and be in force thirty days after its passage and before the expiration of fifteen days after its passage, a summary hereof shall be published once with the names of the members of this Board voting for and against it in the San Diego Commerce a newspaper of general circulation published in the County of San Diego.

PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of San Diego this 25th day of July, 2012.

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL
BY

Rodney F. Lorang, Senior Deputy



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*
MEETING DATE: NOVEMBER 7, 2012
ORIGINATING DEPT.: PUBLIC WORKS *HWL*
SUBJECT: ADDING OF ORDINANCE NO. 2012-1131, CHAPTER 13.14 OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO THE REGULATION OF FATS, OILS AND GREASE DISPOSAL IN THE SEWER COLLECTION SYSTEM AND AMENDING SECTION 13.04.040 OF THE IMPERIAL BEACH MUNICIPAL CODE

BACKGROUND:

On May 2, 2006, the State Water Resources Control Board (SWRCB) adopted and implemented Order No. 2006-0003 Statewide General Waste Discharge Requirements (WDR) for Sanitary Sewer Systems. The WDR required preparation of a Sewer System Management Plan (SSMP), which documents the program to properly manage, operate, and maintain all parts of the sanitary sewer system to reduce and prevent sewer system overflows (SSOs).

One of the provisions in the WDR requires the City to control the impacts of fats, oils, and grease (FOG) on the collection system and to implement the legal authority to implement and enforce a FOG control program. In 2008 the City updated sections 13.04.030.B and 13.04.04.E that prohibit the discharge of grease into the collection system and also adopted the FOG control element in the SSMP that established a preventative FOG inspection program at food service establishments.

Starting in 2009 the Environmental Division initiated the SSMP FOG inspection program at food service businesses. The results of the inspections revealed a large number of deficiencies in the management of FOG at food service establishments in the community. The results from the 2009 FOG inspection program were presented to Council on May 4, 2010 as part of the Biennial Audit requirement for the SSMP. At that time Staff was directed to return at a later date with options on how to better manage the buildup of FOG in the sewer system that is being discharged from food service establishments.

Staff returned to Council on February 16, 2011 and presented a list of strategy options to enhance the City's FOG Control Program through an update of the Imperial Beach Municipal Code. Staff was then directed to reach out to the local business community on the different options for a FOG Control Program. On April 13, 2011 Staff gave a presentation to the local Chamber of Commerce and then on May 31, 2011 held a special workshop for local restaurant owners to discuss the range of FOG control options.

Staff then provided a second update to Council on August 15, 2012 on the results of the outreach efforts in the community and presented a draft ordinance for discussion. Comments were received and incorporated into the attached ordinance.

DISCUSSION:

The attached ordinance adds the Regulation of Grease Disposal in Commercial Kitchens in the Imperial Beach municipal code to Chapter 13.14 and provides clear direction on the grease control requirements for food service establishments. The Ordinance also corrects language Section 13.04.040 so that it refers to the most recently adopted version of the California Public Code, which is set forth in section 15.32.010. These requirements apply to all food service establishments that generate grease and utilize the City's sewer collection system for disposal of waste water.

This update to the Imperial Beach Municipal Code through Chapter 13.14 is necessary because the City has many locations within the sewer collection system that require frequent cleaning due to excessive FOG accumulation. Food service establishments have the potential to generate excessive FOG and therefore require the implementation of best management practices and pretreatment of waste water before disposal into the City's sewer collection system. This municipal code update establishes minimum FOG control best management practice requirements for commercial kitchens, requires the installation of grease capture devices for new businesses or remodeled facilities, and provides the authority to the City to enforce the requirements of its FOG Control Program.

The operations goal for Public Works is to get to a condition where the sewer lines will only need to be cleaned once per year. Implementing an effective FOG Control Program, which is required under the WDR, is one of the tools that will reduce the required cleaning frequency necessary to prevent sewer system overflows and allow for Public Works to better maintain the sewer collection system.

ENVIRONMENTAL DETERMINATION:

This project is exempt from the California Environmental Quality Act (CEQA) because it is a certified environmental regulatory program as defined in CEQA guidelines section 15308.

FISCAL IMPACT:

This ordinance will not result in any increased costs for the City beyond the existing costs already in place for the implementation of a FOG Control Program and plan checks for the sizing and installation of grease capture devices in commercial kitchens. Attempts are made to minimize costs by combining FOG inspections with the existing annual storm water inspections at commercial businesses.

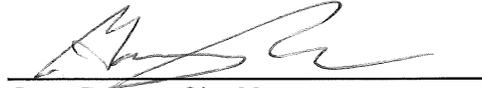
DEPARTMENT RECOMMENDATION:

Staff Recommends the Mayor and City Council:

1. Receive this report;
2. Mayor calls for the first reading of the title of Ordinance No. 2012-1131 "ADDING CHAPTER 13.14 OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO THE REGULATION OF FATS, OILS AND GREASE DISPOSAL IN THE SEWER COLLECTION SYSTEM AND AMENDING SECTION 13.04.040 OF THE IMPERIAL BEACH MUNICIPAL CODE".
3. City Clerk to read Ordinance 2012-1131
4. Motion to dispense first reading and introduction of Ordinance No. 2012-1131 by title only and set the matter for adoption at the next regularly scheduled City Council meeting of November 21, 2012.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

A handwritten signature in black ink, appearing to read "Gary Brown", is written over a solid horizontal line.

Gary Brown, City Manager

Attachments:

1. Ordinance No. 2012-1131, including Exhibit "A"
2. FOG Information Sheet

ORDINANCE NO. 2012-1131

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA ADDING CHAPTER 13.14 OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO THE REGULATION OF FATS, OILS AND GREASE DISPOSAL IN THE SEWER COLLECTION SYSTEM AND AMENDING SECTION 13.04.040 OF THE IMPERIAL BEACH MUNICIPAL CODE

WHEREAS, on May 2, 2006, the State Water Resources Control Board (SWRCB) adopted and implemented Order No. 2006-0003 Statewide General Waste Discharge Requirements (WDR) for Sanitary Sewer Systems; and

WHEREAS, the WDR requires the City to control the impacts of fats, oils, and grease (FOG) on the collection system and to establish the legal authority to implement and enforce a FOG control program; and

WHEREAS, the City Council finds that an ordinance for regulating the disposal of FOG from commercial kitchens is necessary to protect public health, safety, and environment; to reduce the required maintenance effort by City staff to prevent sewer system overflows; to establish best management practices for commercial kitchens operating in the City; and to provide for the legal authority for the City to enforce its FOG control program; and

WHEREAS, Chapter 13.14 of the Imperial Beach Municipal Code will provide the necessary direction and authority to manage the discharge of grease from commercial kitchens and help prevent sanitary sewer overflows from the accumulation of grease in the municipal sewer system; and

WHEREAS, an update to Section 13.04.040 E. of the Imperial Beach Municipal Code is also necessary to reference the most recently adopted edition of the California Plumbing Code.

NOW, THEREFORE, IT IS ORDAINED BY THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH AS FOLLOWS:

Section 1: Section 13.04.040 of Chapter 13.04 of the Imperial Beach Municipal Code is hereby amended to read as follows:

13.04.040. Connection to public sewer required—Design specifications.

A. No person whose premises are so located that a public sewer is within two hundred feet of the place of origin of sewage on the premises shall install any septic tank or use any means of disposing of such sewage other than through a connection with the City sewer facility. Each such person shall be required to connect such premises with the sewer system and to pay all costs and charges provided for under this chapter.

B. All persons whose premises are connected to the public sewer shall be responsible for the installation, maintenance and upkeep of the building sewer and the sewer lateral to the point where the lateral attaches to the saddle connection on the public sewer or sewer main.

C. New sewers and connections to the sewer system will meet all requirements of the Uniform Plumbing Code, copies of which are on file with the Department of Public Works and the Building Department; the standard plans and specifications of the City for construction in the public right-of-way; and shall also meet the design requirements as established from time to time by the City Engineer.

D. Except as expressly provided in this code, all work performed and all plans and specifications required under the provisions of this chapter shall conform to the requirements prescribed by the the editions of "The San Diego Area—Regional Standard Drawings" and "The Standard Specifications for Public Works Construction" and associated supplements, and "Standard Plans for Public Works Construction" in effect as of November 2, 2008, unless exempted or modified by the City Council of the City of Imperial Beach. To the extent possible, all designs and plans shall provide for vehicular access to all manholes and cleanouts in the sewer main system.

E. All building permit plans or designs ~~submitted after November 2, 2008~~ shall comply with the currently adopted edition of the ~~Section 1014.0 of the 2007~~ California Plumbing Code as set forth in chapter 15.32 of the Municipal Code. This compliance includes the duty to eliminate or minimize the sewer system impacts due to fats, oils, and grease discharge.

Section 2: A new Chapter 13.14 – Regulation of Fats, Oils and Grease Disposal in the Sewer Collection System - is hereby added to the Imperial Beach Municipal Code to read as shown in Exhibit "A" that is attached hereto and incorporated herein by reference.

Section 3: Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

Section 4: The City Clerk is directed to prepare and have published a summary of this ordinance no less than five days prior to the consideration of its adoption and again within fifteen (15) days following adoption indicating votes cast.

EFFECTIVE DATE: This Ordinance shall be effective thirty (30) days after its adoption.

INTRODUCED AND FIRST READ at a regular meeting of the City Council of the City of Imperial Beach, California, on the _____ day of _____ 2012;

THEREAFTER ADOPTED at a regular meeting of the City Council of the City of Imperial Beach, California, on the _____ day of _____ 2012 , by the following vote:

AYES:
NAYS:
ABSENT:

Jim Janney, Mayor

ATTEST:

Jacqueline Hald, City Clerk

APPROVED AS TO FORM:

Jennifer M. Lyon, City Attorney

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be an exact copy of Ordinance No. 2012-_____, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA ADDING CHAPTER 13.14 OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO THE REGULATION OF FATS, OILS, AND GREASE IN THE SEWER COLLECTION SYSTEM AND AMENDING SECTION 13.04.040 OF THE IMPERIAL BEACH MUNICIPAL CODE.

JACQUELINE HALD, CITY CLERK

DATE _____

EXHIBIT "A"

CHAPTER 13.14- REGULATION OF FATS, OILS AND GREASE DISPOSAL IN THE SEWER COLLECTION SYSTEM

13.14.010 – Purpose and Intent

It is the intent of this article to establish regulations for the disposal of grease and other insoluble waste discharges from commercial kitchens within the City. The City council, in enacting the ordinance codified in this article, intends to provide for the protection and maximum beneficial public use of the City's sewer system, to prevent sewer system overflows from the buildup of grease in sewer lines, to ensure the cost of maintaining the public sewer system is equitably distributed amongst users, to clarify grease disposal requirements for existing commercial kitchens, and to promote public health and safety.

13.14.020 – Definitions

“Best management practices (BMPs)” means schedules of activities, prohibitions of practices, maintenance procedures and other management practices to prevent or reduce the introduction of FOG to the sewer facilities.

“Change in operations” means any change in the ownership, food types, or operational procedures that have the potential to increase the amount of FOG generated and/or discharged by FSEs in an amount that alone or collectively causes or creates a potential for SSOs to occur.

“City Manager” means the City Manager of the City of Imperial Beach or his or her designee.

“Discharger” means any person who discharges or causes a discharge of wastewater directly or indirectly to a public sewer. Discharger shall mean the same as user.

“Effluent” means any liquid outflow from the FSE that is discharged to the sewer.

“Existing Food Service Establishment” means a FSE which legally exists and operates at the time of the effective date of this Chapter.

“Fats, oils and grease (FOG)” means any substance such as a vegetable or animal product that is used in, or is a byproduct of, the cooking or food preparation process, and that turns or may turn viscous or solidifies with a change in temperature or other conditions.

“FOG control program” means the FOG control program required by and developed pursuant to State Water Resources Control Board (SWRCB) ORDER NO. 2006-0003-DWQ.

“Food Grinder” means any device installed in the plumbing or sewage system for the purpose of grinding food waste or food preparation by products for the purpose of disposing it in the sewer system.

“Food Service Establishment (FSE)” means any food preparation establishment, restaurant, cafeteria, or any other establishment preparing food for consumption. Domestic homes are not considered food service establishments under this definition.

“Grease control device” means any grease interceptor, grease trap or other mechanism, device or process, which attaches to, or is applied to, wastewater plumbing fixtures and lines, the purpose of which is to trap or collect or treat FOG prior to it being discharged into the sewer system. “Grease control device” may also include any other proven method to reduce FOG subject to the approval of the City.

“Grease interceptor” means a multi-compartment device that is constructed in different sizes and is generally required to be located, according to the California Plumbing Code, underground between a FSE and the connection to the sewer system. These devices primarily use gravity to separate FOG from the wastewater as it moves from one compartment to the next. These devices must be cleaned, maintained, and have the FOG removed and disposed of in a proper manner on regular intervals to be effective.

“Grease trap” means a grease control device that is used to serve individual fixtures and have limited effect and should only be used in those cases where the use of a grease interceptor or other grease control device is determined to be impossible or impracticable.

“Hot spots” means areas in sewer lines that have experienced sanitary sewer overflows or that must be cleaned or maintained frequently to avoid blockages of sewer system.

“Interceptor” means a grease interceptor.

“Program Manager” means the individual designated by the City Manager to administer the FOG control program. A consultant retained under contract by the City may be designated as the FOG control program manager. The FOG control program manager is responsible for all determinations of compliance with the program, including approval of discretionary waivers, inspections and development and implementation of the best management practices and the rules and regulations for the City’s FOG control program.

13.14.030 – FOG Discharge Prohibited

No FSE shall discharge or cause to be discharged FOG into the sewer system.

13.14.040 – Conditions for grease disposal at Food Service Establishments

FSEs shall comply with the following conditions:

- A. If requested, the FSE shall submit pertinent information on business operations to the City in order to assess the overall impact on the sewer collection system. The FSE may be required to submit, in units and terms appropriate for evaluation, the following information:

1. Name, address and Standard Industrial Classification number of FSE;
 2. Volume of wastewater to be discharged;
 3. Proposed wastewater constituents;
 4. Time of daily food preparation operations;
 5. Average and 30-minute peak wastewater flow rates, including daily, monthly and seasonal variation if any;
 6. Description of activities, facilities and plant processes on the premises including all materials which are or could be discharged;
 7. Plans or diagrams depicting location of on-site sewer lines pumping stations and any reclamation or pretreatment facilities;
 8. Description of food preparation, type, number of meals served, cleanup procedures, dining room capacity, number of employees and size of kitchen;
 9. Any other information required by the Program Manager to evaluate the FOG disposal of the FSE. The Program Manager will evaluate the data submitted and may require additional information.
- B. The Program Manager will evaluate the data furnished by the applicant and may require additional information. Prior to or after evaluation and acceptance of the data furnished, an on -site inspection of the waste discharge system, treatment systems or other systems relating to the waste discharge may be required. The Program Manager may then permit FOG discharge subject to terms and conditions provided herein.
- C. FSE grease disposal shall be allowed only for specific use for a specific operation. Re-evaluation may be required for any sale, lease, transfer or assignment of the premises or business or any change in operations.

13.14.050 – Prohibitions. The following prohibitions shall apply to all Food Service Establishments

- A. Installation of food grinders in new constructions of Food Service Establishments shall be prohibited. Furthermore, all food grinders shall be removed from existing Food Service Establishments within 180 days of the effective date of these regulations.

- B. Introduction of any additives into a Food Service Establishment's wastewater system for the purpose of emulsifying FOG is prohibited, unless a specific written authorization from the Program Manager is obtained based upon evidence showing that such additives will not cause or contribute to interference and/or a sewer system overflow.
- C. Discharge of wastewater with temperatures in excess of 140°F to any grease control device, including interceptors is prohibited.
- D. The use of biological additives to treat or reduce FOG or as a supplement to interceptor maintenance, without prior authorization from the Program Manager, is prohibited. Such authorization shall be based upon evidence showing that such biological additives will not cause or contribute to interference and/or a sewer system overflow.
- E. No waste removed from a grease control device may be discharged to the sewer system.

13.14.060 – Grease control for new and existing food service establishments

All building permit plans or designs shall comply with applicable sections of the Plumbing Code of the City of Imperial Beach to eliminate or minimize the sewer system impacts due to fats, oils, and grease discharge.

- A. Food Service Establishments are required to install, operate and maintain an approved type and adequately sized grease control device necessary to maintain compliance with the objectives of this Chapter.
 - 1. New Food Service Establishments.
 - a. Food Service Establishments which are newly constructed shall install, operate, and maintain a grease control device prior to and following commencement of wastewater discharges to the sewer system.
 - b. Newly constructed Food Service Establishments shall size grease control devices according to the Plumbing Code of the City of Imperial Beach.
 - c. New Food Service Establishments opening a new business in the location of a previous FSE without remodeling the facility shall be required to install a grease control device.
 - 2. Existing Food Service Establishments.
 - a. Existing Food Service Establishments shall be required to install and commence proper operation of a grease control device upon notification by the City if in the determination of the Program Manager any of the following apply:

- (1) The Existing Food Service Establishment has caused or contributed to a grease-related blockage in the sewer system including private laterals, or which have sewer laterals connected to hot spots deemed to have significant potential to adversely impact the sewer system.
 - (2) The Existing Food Service Establishment has contributed to the buildup of FOG in the sewer collection system, which may be determined through observation of kitchen equipment or operations, observation of grease in the sewer lateral, or testing of effluent shall be deemed to have a reasonable potential to adversely impact the sewer system.
 - (3) The Existing Food Service Establishment has (a) made any change in food preparation or business operations that is different than the original business application and (b) those changes will lead to an increase in grease disposal which have been deemed to have reasonable potential to adversely impact the sewer system.
- b. Existing Food Service Establishments without a current California Plumbing Code compliant grease control device that remodels the facility or expands kitchen area shall be required to install a grease control device.
 - c. Existing Food Service Establishments which have already installed a grease control device at the time of adoption of this Chapter will be allowed to continue using said device provided it is in proper working order and meets the standards of the Plumbing Code of the City of Imperial Beach.
- B. The grease control device shall be connected to all grease bearing fixtures and adequate to separate and remove FOG contained in wastewater discharges from any establishment prior to discharge to the sewer system.
- C. Property owners of commercial developments or their official designee shall be responsible for the installation and maintenance of the grease control device serving multiple establishments that are located on a single parcel.
- D. Conditional Waiver
1. Any FSE may obtain a conditional waiver from the Program Manager, in order to avoid compliance with the grease removal device installation requirement. The FSE bears the burden of demonstrating, to the Program Manager's reasonable satisfaction, that the installation of a grease removal device is not necessary and that acceptable alternatives such as, but not limited to, installation of alternative technologies or implementation of BMPs will be sufficient to prevent significant FOG discharges from the applicant. Upon determination by the Program Manager that a conditional waiver may be granted, the FSE will be given notice in writing that a waiver has been approved and that the FSE is relieved of the requirement to install a grease removal device. So long as the waiver remains effective the Program Manager may impose terms and conditions on the issuance of a waiver and may impose conditions on the FSE's business license in accordance with any approved waiver.

2. A conditional waiver may be suspended or revoked at any time when any of the terms and conditions for its issuance is not satisfied or if the conditions upon which the conditional waiver was based change so that the justification for the exception no longer exists. Appeal of any suspension or revocation may be made, as provided in this Chapter.
3. Period of Validity. The conditional *waiver* shall be valid only so long as the FSE remains in compliance with all requirements of this Chapter, including, but not limited to, the requirements to apply for a new or renewed business license and to implement BMPs. The conditional *waiver* may be suspended or revoked if any of the terms and conditions for its issuance are not satisfied. Appeal of any suspension or revocation may be made as provided in this Chapter.
4. Appeals. The applicant or any interested person may appeal the decision of the Program Manager in accordance with the provisions of this Chapter.

13.14.070 – Grease control device maintenance requirements

- A. Each commercial kitchen with a grease control device shall be required to employ an appropriate service or procedures for periodic collection of accumulated grease from any grease control device. The collection schedule shall be determined by the following criteria:
 1. Twenty Five Percent Rule. Grease control devices shall be fully pumped out and cleaned at a frequency such that the combined FOG and solids accumulation does not exceed 25% of the total designed hydraulic depth of the grease control device. This is to ensure that the minimum hydraulic retention time and required available hydraulic volume is maintained to effectively intercept and retain FOG discharged to the sewer system.
 2. Each Food Service Establishment with a grease control device shall fully pump out and clean its grease control device not less than every 6 months, unless required sooner by the 25% Rule in section 13.14.070(A)(1).
- B. Maintenance Records. Each commercial kitchen with a grease control device shall be required to keep records of cleaning, maintenance and grease removal. All such records must be retained on site by the permitted facility for a minimum of three (3) years. A separate maintenance log shall be maintained for each grease control device and posted in the immediate vicinity of each device. Maintenance logs shall include the following information: Grease control device location and volume; maintenance dates; volume removed (gallons); disposal methods; and name of person performing maintenance and, if the person is not employed by the commercial kitchen, the name, address and phone number of the person or company performing the maintenance activities.
- C. Inspection. Each commercial kitchen with a grease control device shall allow City representatives access to the premises during normal business hours and at reasonable times, for purposes of sampling, inspections and review of records relating to commercial kitchen grease disposal.

13.14.080 – Best management practices

All Food Service Establishments must install, implement and maintain the following minimum best management practices:

- A. Drain screens. Drain screens shall be installed on all drainage pipes in food preparation areas.
- B. Waste cooking oil.
 - 1. All waste cooking oil shall be collected and stored properly in recycling barrels or drums.
 - 2. Such recycling barrels or drums shall be maintained appropriately to ensure they do not leak.
 - 3. Licensed haulers or an approved recycling facility must be used to dispose of waste cooking oil.
- C. Food waste. All food waste shall be properly disposed of as organic waste or placed in enclosed plastic bags and disposed directly into the trash or garbage, and not in sinks.
- D. Employee training.
 - 1. Employees of the food service establishment shall be trained at the beginning of their term of employment, and once each calendar year thereafter, on the following subjects:
 - a. How to "dry wipe" pots, pans, dishware and work areas before washing, to remove grease.
 - b. How to properly dispose of food waste and solids.
 - c. The location and use of absorption products to clean under fryer baskets and other locations where grease may be spilled or dripped.
 - d. How to properly dispose of grease or oils from cooking equipment into a grease barrel or drum without spilling.
 - 2. Kitchen exhaust filters and hoods shall be cleaned at least annually to be maintained in good operating condition

13.14.090 – Enforcement

Any violation of this Chapter is hereby deemed a public nuisance and may be abated under Chapter 1.16 of this Imperial Beach Municipal Code or as otherwise provided therein. Authorized enforcement officials and authorized enforcement staff may also enforce violations of this Chapter as follows:

- A. **Administrative Penalties.** Administrative penalties may include, but not be limited to, the recovery of fines assessed against the City of Imperial Beach by the RWQCB.
- B. **Cease and Desist Orders.** Written and/or verbal orders may be issued to stop illegal discharges and/or remove illegal connections.
- C. **Notice and Order to Clean, Test, or Abate.** Written and/or verbal orders may be issued to perform any act required by this Chapter where conditions warrant.
- D. **Public Nuisance Abatement.** Violations of this Chapter are deemed a threat to public health, safety, and welfare, and are identified as a public nuisance. If actions ordered pursuant to this Chapter are not performed, the authorized enforcement official may abate any public nuisance. City costs for pollution detection and abatement, if not paid in full by the discharger in addition to any other penalties, may be made a lien against the property in accordance with this procedure.
- E. **Stop Work Orders.** Whenever any work is being done contrary to the provisions of this Chapter, an authorized enforcement official may order the work stopped by notice in writing served on any person engaged in the doing or causing such work to be done, and any such person shall immediately stop such work until authorized by the authorized enforcement official to proceed with the work.
- F. **Permit Suspension or Revocation.** Violations of this Chapter may be grounds for permit and/or other City license suspension or revocation in accordance with applicable sections of the Imperial Beach Municipal Code.
- G. **Legal action.** The City may pursue any other legal remedies available, including but not limited, filing civil, criminal and/or injunctive relief actions in Superior Court. Any violation of this Chapter shall constitute a misdemeanor, unless otherwise charged as an infraction, at the discretion of the City Attorney.
- H. **Penalties and Remedies Not Exclusive.** Penalties and remedies under this article may be cumulative and in addition to other administrative, civil or criminal remedies.
- I. **Appeals of fines, penalties or requirements to install grease control devices.**

1. Appeals of fines, penalties, or requirements to install grease control devices shall be submitted to the city manager within thirty days after the FSE has been notified of the penalty and/or corrective actions. The decision of the city manager shall be in writing.
2. The decision of the city manager can be appealed to the city council by submitting a written request to the city clerk within fifteen days of the issuance of the city manager's decision, and payment of the appropriate fee, if any, as set by resolution of the city council.
3. Upon appeal, the appellant shall, upon written request to the city manager, be provided within fifteen days of said request, at reasonable cost to the appellant, copies of all reports, data or other documentary evidence upon which the citation is based.



WHY A FATS, OILS AND GREASE PROGRAM

INTRODUCTION

Fats, oils and grease (FOG) cause serious problems in the sewer system. FOG sticks to the walls of the pipes when put down the drain. Over time, FOG can restrict the flow in a pipe until a sewer stoppage or overflow occurs. Stoppages and overflows can create smelly, dirty messes — possibly damaging your business, property, profits, as well as the environment. These issues have led the State of California to require local sewer agencies to implement FOG programs. As a result, new legal requirements have been implemented in Imperial Beach to help eliminate the problems caused by FOG. **Imperial Beach Municipal Code Section 13.14 describes requirements for new and existing food service establishments (FSE).** This guide is intended to provide a better understanding of the new requirements.



Clean Pipe



Grease Coated Pipe



Grease Clogged Pipe



Sewer Spill

DON'T GET STUCK PAYING FINES AND CLEANUP COSTS

FOG blockages can cause sewer overflows into businesses, nearby homes or local waterways, potentially causing a loss of business. Overflows impacting public health, water ways and storm drains may result in expensive fines and cleanup costs. Preventing FOG from entering sewers can avoid these problems.

BENEFITS OF KEEPING FOG FROM GOING DOWN THE DRAIN

Preventing grease-related sewer blockages and overflows benefits your business, your pocketbook and the environment by:

- Avoiding expensive clean-up costs and penalties
- Avoiding the loss of business due to sewer back-ups
- Eliminating unnecessary sewer rate increases due to frequent sewer maintenance by the local sewer agency
- Keeping the environment clean

PROPER DISPOSAL OF FATS, OILS AND GREASE BEST MANAGEMENT PRACTICES (BMPS)

TRAINING

Explain that fats, oils and grease (FOG) are a problem when washed down drains, because they can clog the sewers and create overflows, which can impact public health, water ways, and the environment, and can also result in expensive fines and cleanup costs.

SIGNAGE

Post Proper Disposal of Fats, Oils and Grease Best Management Practices (BMPs) signs above sinks and, if possible, on the front of dishwashers.

PROPER WATER TEMPERATURE

Use mild water temperatures (120° F to 140° F) in all sinks. This is especially important in pre-rinse sinks that are used prior to mechanical dishwashers.

DRAIN SCREENS

Install/use removable drain screens in all sink drains (floor sink drains, kitchen sinks, mop sinks and hand sinks) to capture solid materials. The screen openings should be 1/8" to 3/16" and removable to make the screen easy to clean. Adding a second screen can help prevent solid materials from entering the sewer when cleaning the first screen.

CLEAN HOOD FILTERS

Clean exhaust hood filters in sinks, not outside. This prevents pollutants from entering the storm drains.

RECYCLING

Recycle used cooking oil and grease by collecting and storing in a recycling barrel or bin.

SPILLS

Block off sinks and floor drains near any FOG related spill and clean using absorbent materials, such as absorbent sweep or paper towels. Place used absorbent materials in plastic bags before placing in the trash. Outdoor spills should be cleaned with absorbent sweep, then bagged and placed in the dumpster. Prevent grease overflows from entering the storm drain by using dirt or another substance until all grease is cleaned up.

GREASE REMOVAL DEVICES MAINTENANCE

Regularly service grease interceptors and grease traps. Use only licensed waste haulers (see Selecting a Grease Hauler Hauler information sheet). Witness all cleaning and maintenance of outdoor grease interceptors to ensure the device is properly serviced. See Grease Interceptor Maintenance instruction sheet for more information. Manual indoor grease traps should be cleaned weekly at minimum, or daily depending on the use of BMPs, number of customers and type of food served. Clean indoor automatic grease traps daily. Overflows of outdoor interceptors may result in fines and costs associated with clean up. Refer to Grease Trap Maintenance instruction sheet for more information.

RECORD KEEPING

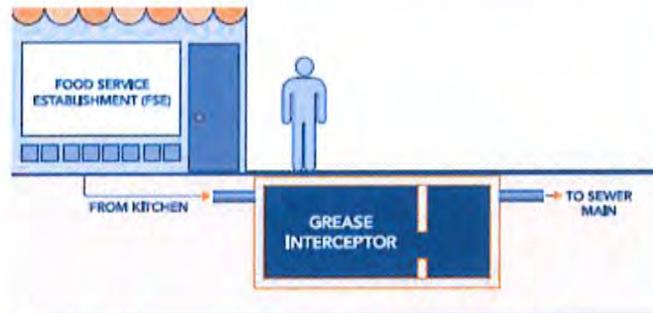
Keep receipts from a California Department of Food and Agriculture licensed grease waste hauler for two years.

GREASE REMOVAL DEVICES

WHAT ARE GREASE REMOVAL DEVICES

Grease removal devices separate fats, oils and grease (FOG) from wastewater before the water enters the sewer. There are large outdoor grease interceptors and smaller indoor grease traps.

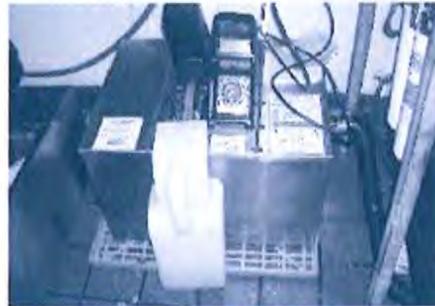
WHICH GREASE REMOVAL DEVICE DO YOU HAVE



Outdoor Underground Grease Interceptor



Sample Indoor
Manual Grease Trap



Sample Indoor
Automatic Grease Trap

WHERE IS THE GREASE REMOVAL DEVICE AT YOUR RESTAURANT

Learn where your grease removal device is located in order to ensure proper maintenance and usage. Proper maintenance of grease interceptors and grease traps prevents FOG from going down the drain, clogging pipes, and potentially causing a sewer backup. We recommend your business install a grease removal device if you do not have a grease removal device. With new regulations you may be required to install a grease removal device. Grease removal devices are approved by the City of Imperial Beach Building Division and inspected by the Public Works Department.

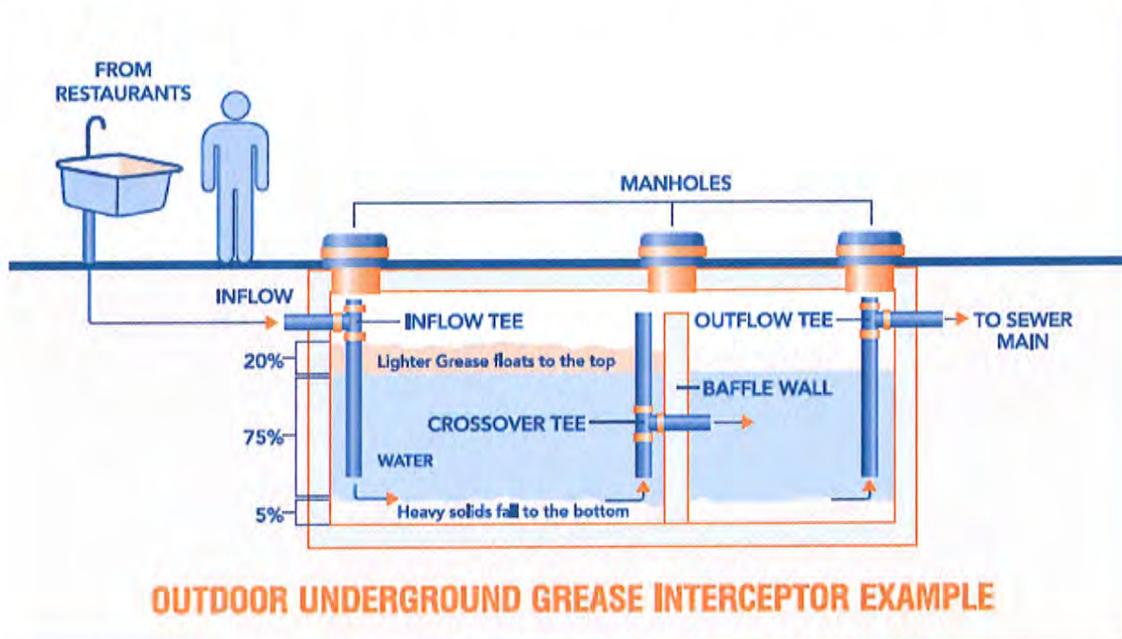
GREASE INTERCEPTOR MAINTENANCE

INTRODUCTION

Interceptors are one of the most effective grease removal devices for food service establishments (FSE). Grease interceptors require less frequent maintenance than other methods to keep fats, oils and grease (FOG) from entering the sewer system and causing overflows. A grease interceptor is an outdoor, in-ground device that removes FOG from wastewater before it enters the sewer.

Wastewater enters the interceptor from kitchen drains, and is slowed down so solids can settle to the bottom as grease floats to the top.

The required maintenance frequency for grease interceptors may be significantly reduced with the proper grease disposal practices. Refer to the Proper Disposal of Fats, Oils and Grease BMPs instruction sheet for more information.



GREASE INTERCEPTOR MAINTENANCE (CONTINUED)

MAINTENANCE

Maintenance of interceptors includes removing all of the liquids and solids and disposing of the material in accordance with all federal, state, and local laws. The Imperial Beach Municipal Code requires FSEs to clean the interceptor when 25 percent of the total volume is a combination of grease and solids. The best way to determine the appropriate pumping interval is to check the interceptor frequently after installation and estimate how long it takes the interceptor to fill up to 25 percent with grease and solids. Consulting with a reputable grease hauler can help to determine the appropriate maintenance schedule for your business.

Check the interceptor monthly, at a minimum, and pump out completely at least once every three months. Waiting too long to clean an interceptor can create an odor problem.

GREASE WASTE HAULER

Removal of solids and liquids from a grease interceptor **must be performed by a licensed grease hauler or recycler/renderer**. Please refer to the Selecting a Grease Hauler information sheet for more information on licensed grease haulers. If possible have an employee verify the grease waste hauler has completely pumped all liquids and solids out of the interceptor.

MAINTENANCE RECORDS

The grease hauler should record the volume of grease and liquid removed and provide a receipt. Keep receipts from California Department of Food and Agriculture licensed grease waste haulers for two years to demonstrate proper interceptor maintenance.

IF AN OVERFLOW OCCURS

Stop water flowing to the interceptor and **notify Public Works of the spill by calling 619-423-8311** as soon as possible. **After hours, call Sheriff's Dispatch at 619-585-7232**. You probably will need to call a plumber to clean sewer lines and verify the interceptor is working properly. If cleaning sewer lines clean from the interceptor outlet to the main sewer line in addition to cleaning the lines from the building to the interceptor inlet. This will help avoid future overflows. Prevent outdoor grease over flows from impacting public health and the environment, including storm drains by containing the overflow using dirt if necessary, or another substance, until all grease is cleaned up. Clean any FOG that is on the ground by using absorbent materials, then placing the materials in plastic bags and place in the trash. Never use water to clean FOG spills.

GREASE TRAP MAINTENANCE

INTRODUCTION

Grease traps require frequent maintenance in order to remove fats, oils and grease (FOG) from wastewater before it enters the sewer. Grease traps are generally under the sink, but can be found in the floor. There are two types of grease traps: manual and automatic.

You should know where your grease trap is located and how to open and maintain it.



Sample Manual Grease Trap*
(Maintenance Recommended Weekly)



Sample Automatic Grease Trap*
(Maintenance Recommended Daily)

BEST MANAGEMENT PRACTICES

Follow the Proper Disposal of FOG Best Management Practices (BMPs) so that traps do not have to be cleaned as often. Refer to the Proper Disposal of Fats, Oils and Grease BMPs instruction sheet for more information.

MAINTENANCE

Automatic indoor grease traps do not clean themselves. **Automatic indoor grease traps should be easily accessible and cleaned daily by removing grease and cleaning out the screening baskets. Manual grease traps need to be cleaned at least weekly, but if the trap is more than 25 percent full of grease after one week, the trap should be cleaned more often.** Never use hot water, acids, caustics, solvents or emulsifying agents when cleaning grease traps. Dishwashers should not be plumbed to grease traps, because of the higher temperature of dishwater and detergents that keep grease from separating from the water.

DISPOSAL OF GREASE TRAP WASTE

Some renderers allow grease from automatic grease traps can be mixed with used cooking oil and grease that is placed in a recycling bin (i.e. tallow bins). Please check with your renderer prior to mixing this waste with recycled cooking oil. After removing grease from a manual grease trap, solidify by mixing with an absorbent material, such as kitty litter, and bagging before disposing in the trash.

MAINTENANCE RECORDS

Food service employees or cleaning services may maintain indoor grease traps. Maintenance records must be kept for three years to demonstrate proper maintenance of the grease trap. Maintenance records should include who cleaned the trap and on what date.

IF AN OVERFLOW OCCURS

Stop the water flowing to the grease trap, let management know immediately and take immediate action to contain the overflow. Notify the City of any overflow. A plumber should be called to clean sewer lines and check if the trap is working properly.

HOW TO RECYCLE KITCHEN GREASE

INTRODUCTION



Recycling used cooking oil and grease from fryers and other cooking equipment keeps fats, oil and grease (FOG) out of the sewer and storm drain systems. The used cooking oil and grease should be collected in sealed bins or sealed containers that can be stored outside. Use a California Department of Food and Agriculture licensed renderer for disposal of recycled kitchen grease. Recycling waste cooking oil helps prolong the life of grease traps and interceptors. Recycled oil is used in animal feed, lubricants, and fuels such as biodiesel. FOG can also be kept out of the sewer and storm drains by solidifying the used grease with absorbent materials in a bag and then place in the trash.

DOS OF COOKING GREASE RECYCLING

- DO train all employees on spill response and reporting procedures, including use of absorbent materials, proper disposal and reporting overflows or spills to management.
- DO save used cooking oil for recycling in sealed bins or sealed containers, by emptying into solid containers that you can easily lift and pour.
- DO combine used oil and grease collected from an automatic grease trap with the recycled grease bin/container, but check with the renderer first.
- DO keep bins and containers sealed, tightly closed or locked to prevent illegal dumping and to keep insects, animals, rainwater and wind out, and if the bins and containers are stored outside, keep them under a roof and away from storm drains.

DON'TS OF COOKING GREASE RECYCLING

- DON'T pour FOG into a sink, floor drain, storm drain, dumpster, plastic bags or on outdoor surfaces or landscaped areas.
- DON'T combine FOG from the manual grease trap or grease interceptor with the recyclable oils and grease.
- DON'T wash recycling area or outdoor spills into the sewer or storm drain.

GREASE BIN CLEANING AREA

- Grease bin storage areas should be located greater than 30 feet away from a storm drain.
- Keep area clean by using absorbent sweep or mop and put dirty mop water in the mop sink.
- Place used absorbent sweep or cat litter, paper towels or similar materials for cleaning in a plastic bag, and secure the bag before placing in the trash.
- Keep spill clean-up kits containing rags, absorbent sweep, kitty litter, etc., nearby the storage area in an accessible location.
- Keep the exterior of the container clean by using absorbent materials to wipe off any noticeable grease.

QUESTIONS TO ASK THE RENDERER

- | | |
|--|---|
| <ul style="list-style-type: none"> • Do you provide the containers for the grease? • If you provide them, what size are the containers? • How often will the grease be picked up? | <ul style="list-style-type: none"> • How often are grease bins replaced? • Do you allow the mixing of "yellow" grease from an automatic grease trap with the recycled grease? • What is the charge for grease recycling? |
|--|---|

SELECTING A GREASE HAULER

INTRODUCTION

Restaurant owners and operators are responsible for properly maintaining their grease removal devices. A reputable grease hauler can help with maintenance by recommending an appropriate cleaning schedule and notifying you of any mechanical problems with the grease interceptor.



By carefully selecting a grease hauler you should:

- receive the service you paid for
- ensure grease is properly managed
- avoid illegal dumping and under bidding
- reduce the chance of experiencing a sewer overflow
- avoid sewer and stormwater fines or penalties

SERVICES SHOULD INCLUDE

Services provided by grease haulers may vary, but at a minimum, should include:

- Complete removal of grease layer, settled solids and wastewater. Do not accept skimming the top layer of grease only, as debris also collects at the bottom of the interceptor.
- A thorough cleaning including removing baffle and lid if possible scraping the sides, lid and baffles to remove as much of the grease as possible, and replacing the baffle and lid.
- Proper disposal of grease waste and water at an approved location.
- A contract which states disposal will comply with all federal, state and local laws and regulations.
- A receipt with the date and volume removed.

TIPS

Ask the hauler/pumper to describe their pumping process. Compare costs of service, availability and scheduling. Average cost of hauling is charged per gallon of waste and costs will vary, so check at least three different companies. Ask other restaurants for their opinions and experiences with grease haulers/recyclers. Witness/observe all activities performed by the grease hauler. If the grease hauler does not provide adequate answers to your questions, you may want to consider interviewing additional grease haulers to provide the service.

For a list of Imperial Beach area grease haulers/pumpers/recyclers, refer to the Yellow Pages under "Grease Traps," "Grease Haulers," and "Septic Tanks and Systems".

REQUIREMENTS FOR NEW AND REMODELED FOOD SERVICE ESTABLISHMENTS

INTRODUCTION

Fats, oils and grease (FOG) cause serious problems in the sanitary sewer system. FOG sticks to the walls of the pipes when poured down the drain and, over time, restricts the flow until a sewer stoppage or overflow occurs. These stoppages and overflows can create smelly, dirty messes, possibly damaging your business, property, and profits, as well as the environment.

REQUIREMENTS

When constructing a new facility that serves food, also known as food service establishments (FSEs), or remodeling an existing FSE, you may be required to install an appropriately sized grease removal device per the California Plumbing Code. Before you begin, we recommend you contact the building division at 619-628-1357 for grease interceptor construction requirements. For further information, you can also visit the Environmental Division Webpage at www.cityofib.com. For more information on grease interceptors see the Grease Removal Device information sheet. Check with the Building Division and the Environmental Division to ensure all plumbing code requirements are met and proper permits are obtained.

GREASE REMOVAL DEVICE MAINTENANCE

Grease removal equipment must be maintained regularly to prevent sewer problems. The device must be pumped when it is 25 percent full with grease and solids. The best way to determine the appropriate interval is to work with your hauler to determine the appropriate cleaning schedule. Refer to the Grease Interceptor Maintenance instruction sheet for more information.

GREASE HAULERS

Use a California Department of Food and Agriculture licensed grease waste hauler or recycler for servicing grease interceptors.

INSPECTIONS, FINES, PENALTIES

Your facility may be inspected at any time to ensure proper maintenance of the grease removal equipment and proper disposal of grease waste.

Expect inspections to occur at least once annually with your annual storm water inspection. If your facility is out of compliance the inspector will re-inspect with escalating penalties until problems are corrected. It is in your best interest to always be in compliance with FOG and storm water regulations in order to reduce inspection frequency and the risk of financial penalties.

If a sanitary sewer overflow occurs, your facility could be held responsible for cleanup costs and potentially be assessed fines and penalties.



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY BROWN, CITY MANAGER

MEETING DATE: NOVEMBER 7, 2012

ORIGINATING DEPT.: CITY MANAGER
GREGORY WADE, ASSISTANT CITY MANAGER *GW*

SUBJECT: PUBLIC HEARING: ADOPTION OF RESOLUTION NO. 2012-726 APPROVING THE IMPERIAL BEACH BUSINESS IMPROVEMENT DISTRICT ANNUAL REPORT AND AUTHORIZING THE LEVYING OF THE FISCAL YEAR 2012-13 ANNUAL ASSESSMENT FOR THE DISTRICT PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1989

BACKGROUND:

The Imperial Beach Business Improvement District was established in 1997. The purpose of the BID, as outlined in the original Ordinance, was to raise money to defray costs for any of the following:

- (1) Acquisition, construction, and/or maintenance of parking facilities;
- (2) Decoration of any public place;
- (3) Promotion of public events in public places;
- (4) Provision of music or entertainment in public places; and
- (5) Promotion of business activities.

On October 3, 2012, the City Council considered and approved the Fiscal Year (FY) 2011-12 Annual Report of the Business Improvement District (BID) Board. The Report also included a Budget for FY 2012-13. At that meeting, Resolution No. 2012-7252 was adopted approving the FY 2011-12 Annual Report and scheduling a public hearing for November 7, 2012 to consider final approval of the Annual Report and to authorize the levying of the annual assessment for FY 2012-13. The law governing Parking and Business Improvement Districts requires that any oral and written protests be heard at the public hearing.

As part of a two-step process required under State law, the City Council conducted a meeting on October 3, 2012, during which the Annual Report for the BID was considered and a time was set for this noticed public hearing to adopt a resolution to levy the annual assessment for the fiscal year.

This Public Hearing, therefore, constitutes the second step in this two-step process.

DISCUSSION:

Budgeted BID expenditures for FY 2012-13 are estimated at \$42,675. Total revenues (income plus cash reserves) are projected to be \$48,984. The BID has accumulated a reserve of approximately \$20,484. The proposed budget anticipates a projected carryover of \$6,309 at the end of the Fiscal Year 2012-2013.

ENVIRONMENTAL IMPACT

Not a project as defined by CEQA.

FISCAL ANALYSIS:

Minimal costs to the City are associated with the collection/disbursement of the BID assessment by the City.

DEPARTMENT RECOMMENDATION:

1. Declare public hearing open;
2. Receive public testimony;
3. Close public hearing; and,
4. Adopt Resolution No. 2012-7262 approving the Report from the BID Advisory Board for Fiscal Year 2011-12 and the budget and proposed activities for Fiscal Year 2012-13 and levying the assessment for properties within the BID for Fiscal Year 2012-13.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, City Manager

Attachments:

1. BID Annual Report for FY 2011-12 & Proposed Budget for FY 2012-13
2. Resolution No. 2012-7262
3. Agreement between the City of Imperial Beach and the BID/Chamber of Commerce



The Business Improvement District Association (BID) has promoted Imperial Beach as an active business community and visitor destination with a healthy variety of retail businesses, special events, and visitor attractions during the fiscal year of July 2011 to June 2012. With the help of the South County Career Center, a successful Business Exposition was held to give existing and those hoping to start a business a resource needed to run a successful business. The Paint the Box Program was actively reinstated. Funds were spent, in conjunction with the City of Imperial Beach, for the Fourth of July Fireworks and Concert. Funds were provided for the Sunset Concert Series at the Beach and for providing sound for both the Beachfront BBQ and Christmas Comes to IB. While 2011-2012 was busy, 2012 and beyond present themselves as times of change for the city. With the new Seacoast Inn and Sidewalk Improvements proceeding, the BID will look forward to making Imperial Beach even more of a destination city. The BID plans on continuing the successful Paint the Box program, Business Exposition, Sunset Celebrations and Taste of IB. The BID is looking forward to promote the City of Imperial Beach as a destination city for both businesses and visitors.



Mike Osborne
Business Improvement District Chairperson



Annual report, fiscal year 01 July 2011 to 30 June 2012, and proposed budget, 01 July 2012 to 30 June 2013, for the Imperial Beach Business Improvement District Association (Association).

- 1) There are no proposed changes in the boundaries of the parking and business improvement area or in any benefit zones within the area. The association does not propose to include excluded areas of the City of Imperial Beach (City) this fiscal year.
- 2) Improvement and activities with costs of providing improvements and activities (July 1, 2011 to June 30, 2012): See Attachment A
- 3) The BID accomplished (Jun 2011 – Jul 2012):
 - A) Promoting bring people into the district by:
 1. Continued the Paint the Box Program as part of our Beautification Project.
 2. Provided rewards for Light up IB winners to promote visitors to Imperial Beach under the Beautification Project.
 3. Funding \$10,000 for the Big Bay Boom 4th of July Fireworks.
 4. Conducting a 4th of July concert.
 5. Conducting Sunset Celebration concerts.
 6. Providing music for the Beachfront BBQ.
 7. Providing music and promotion for Christmas Comes to IB.
 8. Providing the start up funding for the IB Maps.
 9. Conducting a Business Exposition.
- 4) Proposed improvements and activities with the estimate of the cost of providing the improvements and the activities proposed (July 1, 2012 to June 30, 2013): See Attachment B
- 5) The BID plans on (for Jun 2012- Jul 2013):
 - A) Promoting bringing people into the district by:
 1. Conducting the Taste of IB, showcasing local businesses.
 2. Holding Sunset Celebrations during the summer months.
 3. Purchasing a new Happy Holidays lighted banner for the Dempsey Center.
 4. Providing music for Christmas Comes to IB and the Beachfront BBQ.
 - B) Helping the district beautification by:
 1. Providing the Paint the Box program.
 2. Providing Holiday Flags.
 - C) Promoting the establishment of new businesses and helping existing businesses with the Business Exposition.
 - D) Promoting the District by helping the City advertise special projects such as ground breakings and news worthy city projects helping the image of the District.
- 6) It is proposed to keep the assessment the same as last fiscal year.

7) Surplus from last fiscal year is \$20,484 down from \$35,324 the previous year

8) Collected BID funds were drastically lower this year at \$7,593 instead of the budgeted \$27,500.

9) Contributions (July 1, 2011 to June 30, 2012) from sources other than assessments levied included:

A) City of Imperial Beach Grant for Taste of IB	\$1000
B) Grant Funds from the Port for Taste of IB	\$1000
C) Taste of IB Sponsors	\$ 100



Mike Osborne
Business Improvement District Chairperson

Annual Report Addendum

The Business Improvement District Association (BID) has promoted Imperial Beach as an active business community and visitor destination with a healthy variety of retail businesses, special events, and visitor attractions during the fiscal year of July 2011 to June 2012. With the help of the South County Career Center, a successful Business Exposition was held to give existing and those hoping to start a business a resource needed to run a successful business. The Paint the Box Program was actively reinstated. Funds were spent, in conjunction with the City of Imperial Beach, for the Fourth of July Fireworks and Concert. Funds were provided for the Sunset Concert Series at the Beach and for providing sound for both the Beachfront BBQ and Christmas Comes to IB. While 2011-2012 was busy, 2012 and beyond present themselves as times of change for the city. With the new Seacoast Inn and Sidewalk Improvements proceeding, the BID will look forward to making Imperial Beach even more of a destination city. The BID plans on continuing the successful Paint the Box program, Business Exposition, Sunset Celebrations and Taste of IB. The BID is looking forward to promote the City of Imperial Beach as a destination city for both businesses and visitors.

Income	Budget	Actual	Difference (\$)	%		
BID Fees	\$27,500	\$7,593	-\$19,907	-72%		
07/18/12		\$7,593				
Taste of IB	\$2,000	\$1,000	-\$1,000	-50%		
Grant Funds City of IB		\$1,000				
Grants (Port for Taste of IB)	\$1,000	\$1,000	\$0	0%		
Port Grant		\$1,000				
4 th July Concert Sponsors		\$100	\$100			
Reconciliation	\$0	\$0	\$0	0%		
Balance Forward	\$35,324	\$35,324	\$0	0%		
Total Income	\$65,824	\$45,017	-\$20,807	-72%		
Expense	Budget	Subset	Actual	Subset Cost	Difference (\$)	%
Administration/Operations	\$15,100		\$5,172		\$9,928	66%
Banking		\$100				
½ Fees to IB CoC		\$13,750				
08/06/11				\$3,797		
Annual Audit		\$1,250		\$1,375		
Parking Improvements	\$0		\$0			
Beautification/Special Projects	\$13,500		\$2,390		\$11,110	82%
Paint the Box		\$7,500				
David Williams				\$870		
Art Kids				\$450		
David Williams				\$720		
Holiday Decorations		\$1,000				
Light Up IB Winners				\$350		
Banners		\$5,000				
General Promotions	\$7,366		\$4,536		\$2,830	38%
Taste of IB		\$2,800				
Taste of IB Advertising		\$566				
Eagle times				\$566		
Sunset Celebration June 2012		\$500				
Robert Sanchez				\$300		
4 th July Concert 2011		\$1,500				
Scott West				\$150		
Tim Taylor				\$300		

	Edward Stewart		\$150			
	Joey Veizaga		\$300			
	Paul Ingram		\$300			
	Al Myers		\$100			
	Alex Dupue		\$500			
	Eric Leaf		\$150			
	Eric Iguchi-Sound		\$120			
	Sunset Celebrations Aug	\$500				
	Paul Ingram		\$300			
	Sunset Celebrations Sept	\$500				
	Barry Ferrar		\$300			
	Music – Christmas Comes to IB	\$500				
	Xmas IB		\$500			
	Music – Beachfront BBQ	\$500				
			\$500			
Special Events Promotions/Advertisi	\$17,950	\$11,315		\$6,635	37%	
4 th July Fireworks (actually Fireworks)	\$10,000		\$10,000			
4 th July Advertising	\$1,200					
IB Printing			\$106			
Business Exposition	\$1,250					
IB Printing			\$137			
Raffles/Supplies			\$18			
Continental Breakfast			\$174			
Sunset Celebrations Banners/Posters	\$250					
IB Printing			\$282			
Advertising – City of IB Projects	\$3,000					
			\$0			
Event Promotion	\$1,500					
Xmas IB			\$500			
Postage	\$500					
			\$0			
Printing & Reproduction	\$500					
IB Printing-Sunset			\$98			
Reserves/Miscellaneous	\$2,100	\$1,120		\$980	47%	
Miscellaneous	\$2,000					
IB Maps			\$1,000			

	Sunset Celebration Permit		\$120	
	Website	\$100		
<u>Total Expenses</u>	<u>\$56,016</u>	<u>\$24,533</u>	<u>\$31,483</u>	<u>56%</u>
Total Expenses			\$24,533	
Cash Reserves Carried Over			\$20,484	
Total			\$45,017	
Notes:	Started the year with	\$35,324		
	and finished with	\$20,484		

Attachment A

BID Budget 2011-2012

Income	Budget	Actual	Difference (\$)	%		
BID Fees	\$27,500	\$7,593	-\$19,907	-72%		
07/18/12		\$7,593				
Taste of IB	\$2,000	\$1,000	-\$1,000	-50%		
Grant Funds City of IB		\$1,000				
Grants (Port for Taste of IB)	\$1,000	\$1,000	\$0	0%		
Port Grant		\$1,000				
4 th July Concert Sponsors		\$100	\$100			
Reconciliation	\$0	\$0	\$0	0%		
Balance Forward	\$35,324	\$35,324	\$0	0%		
Total Income	\$65,824	\$45,017	-\$20,807	-72%		
Expense	Budget	Subset	Actual	Subset Cost	Difference (\$)	%
Administration/Operations	\$15,100		\$5,172		\$9,928	66%
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Taste of IB		\$2,800				
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Eagle times				\$566		
Sunset Celebration June 2012		\$500				
Robert Sanchez				\$300		
4 th July Concert 2011		\$1,500				
Scott West				\$150		
Tim Taylor				\$300		
Edward Stewart				\$150		
Joey Veizaga				\$300		
Paul Ingram				\$300		
Al Myers				\$100		
Alex Dupue				\$500		
Eric Leaf				\$150		
Eric Iguchi-Sound				\$120		
Sunset Celebrations Aug		\$500				
Paul Ingram				\$300		
Sunset Celebrations Sept		\$500				
Barry Ferrar				\$300		
Music – Christmas Comes to IB		\$500				
Xmas IB				\$500		
Music – Beachfront BBQ		\$500				
				\$500		

Attachment A

BID Budget 2011-2012

Special Events Promotions/Advertis	\$17,950		\$11,315		\$6,635	37%
4 th July Fireworks (actually Fireworks	\$10,000		\$10,000			
4 th July Advertising	\$1,200					
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IB Maps			\$1,000			
Sunset Celebration Permit			\$120			
Website	\$100					
Total Expenses	\$56,016		\$24,533		\$31,483	56%
Total Expenses						\$24,533
Cash Reserves Carried Over						\$20,484
Total						\$45,017
Notes:	Started the year with	\$35,324				
	and finished with	\$20,484				

Attachment B

BID Budget 2012-2013

Income		Budget	
BID Fees		\$27,500	
Taste of IB		\$1,000	
Total Income		\$28,500	
Cash Reserves Carried Over from Jun 2010- Jul 2011		\$20,484	
Total Income Plus Cash Reserves		\$48,984	
Budgeted Expense		Budget	Subset Cost
Administration/Operations		\$15,125	
	½ Fees to IB CoC		\$13,750
	Annual Audit		\$1,375
Parking Improvements		\$0	
Beautification/Special Projects		\$15,500	
	Paint the Box		\$8,000
	Holiday Decorations		\$2,500
	Holiday Flags		\$5,000
General Promotions		\$4,100	
	Taste of IB 2012		\$1,500
	Sunset Celebration Jul 2012		\$300
	Sunset Celebrations Aug 2012		\$300
	Sunset Celebrations Sept 2012		\$500
	Sound – Christmas Comes to IB		\$500
	Music – Beachfront BBQ		\$500
	Sunset Celebration June 2013		\$500
Special Events Promotions/Advertising		\$5,950	
	Business Exposition		\$1,250
	Event Promotion		\$3,700
	Postage		\$500
	Printing & Reproduction		\$500
Reserves/Miscellaneous		\$2,000	
	Miscellaneous		\$2,000
Budgeted Total Expenses		\$42,675	
Budgeted Cash Reserves to Be carried over		\$6,309	
Total Budgeted		\$48,984	

RESOLUTION NO. 2012-7262

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVING THE FISCAL YEAR 2011-12 IMPERIAL BEACH BUSINESS IMPROVEMENT DISTRICT REPORT AND LEVYING THE FISCAL YEAR 2012-13 ANNUAL ASSESSMENT FOR THE DISTRICT PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1989

WHEREAS, by Ordinance No. 96-907, adopted by the Imperial Beach City Council on January 2, 1997, the "Imperial Beach Business Improvement District" (the "District") was formed, pursuant to the provisions of the Parking and Business Improvement Area Law of 1989, codified as California Streets and Highways Code Section 36500 et seq. (the "Law"); and

WHEREAS, the Advisory Board for the District has caused a report to be prepared for Fiscal Year 2011-2012 and said report is on file with the City Clerk; and

WHEREAS, the City Council considered said report from the advisory board at a meeting on October 3, 2012; and

WHEREAS, the City Council adopted Resolution No. 2012-7252 at a meeting on October 3, 2012, approving the Report of the BID and setting a public hearing for November 7, 2012, to receive public testimony and to levy the assessments for Fiscal Year 2012-2013.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH AS FOLLOWS:

Section 1. The City Council gives final approval to the Fiscal Year 2011-2012 Report of the BID Advisory Board and declares its intention to levy and collect Fiscal Year 2012-2013 assessments within the Imperial Beach Business Improvement District as set forth in **Section 2.**

Section 2. The area included in the District includes the Imperial Beach business community within the following address ranges:

Sub-District #1/Highway 75 – Palm Avenue

<u>STREET</u>	<u>ADDRESS SERIES</u>
1. 7 th Street	600-800
2. Delaware	600-800
3. 9 th Street	600-800
4. 10 th Street	600-800
5. 11 th Street	450-500
6. 12 th Street	500-800
7. 13 th Street	500-810
8. Emory Street	600-800
9. N. Emory Street	600-700
10. Florence Street	500-600
11. Florida Street	500-600
12. Highway 75	500-1360
13. Palm Avenue	700-1360

Sub-District #2/Old Palm Avenue

<u>STREET</u>	<u>ADDRESS SERIES</u>
1. Palm Avenue	200-699
2. 3 rd Street	500-700

Sub-District #3/Seacoast Drive

<u>STREET</u>	<u>ADDRESS SERIES</u>
1. Seacoast Drive	600-1099
2. Palm Avenue	000-200
3. Dahlia Avenue	000-200
4. Donax Avenue	000-200
5. Daisy Avenue	000-200
6. Date Avenue	000-200
7. Elm Avenue	000-200
8. Evergreen Avenue	000-200
9. Elder Avenue	000-200
10. Elkwood Avenue	000-200
11. Ebony Avenue	000-200
12. Imperial Beach Boulevard	000-200

Sub-District #4/13th Street Business Corridor

<u>STREET</u>	<u>ADDRESS SERIES</u>
1. Imperial Beach Boulevard	1000-1400
2. 9 th Street	801-1100
3. 13 th Street	801-1100
4. Emory Street	801-1100

Sub-District #5/Bayside Businesses

<u>STREET</u>	<u>ADDRESS SERIES</u>
1. Cherry Avenue	700-1100
2. Boulevard Avenue	700-1300
3. Basswood Avenue	700-1000

The assessments for the BID in Fiscal Year 2012-2012 are as follows and remain the same as first established in Ordinance No. 96-907:

Zone 1 – Highway 75/Palm Avenue, Old Palm Avenue, and Seacoast Drive

Zone 2 – 13th Street Business Corridor and around Imperial Beach Boulevard and side streets and Bayside Businesses

<u>Category</u>	<u>Zone 1</u>	<u>Zone 2</u>
1. Financial/Entertainment	\$600	\$600
2. General Retail	\$120	\$100
3. Service and Professional	\$100	\$85
4. Industrial/Manufacturing	\$85	\$65

Section 3. The report of the advisory board is on file with the City Clerk. Said report contains a full and detailed description of the improvements and activities provided and those to be provided in the 2012-2013 Fiscal Year.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its regular meeting held on the 7th day of November 2012, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, MMC
CITY CLERK

AGREEMENT BETWEEN THE IMPERIAL BEACH BUSINESS IMPROVEMENT DISTRICT ASSOCIATION/CHAMBER OF COMMERCE AND THE CITY OF IMPERIAL BEACH FOR ADMINISTRATION SERVICE OF THE IMPERIAL BEACH BUSINESS IMPROVEMENT DISTRICT

This agreement entered into this 6th day of July 2005, by and between the **IMPERIAL BEACH BUSINESS IMPROVEMENT DISTRICT ASSOCIATION/CHAMBER OF COMMERCE**, a California non-profit corporation, (hereinafter referred to as **Association**), and the **CITY OF IMPERIAL BEACH**, (hereinafter referred to as **City**).

WITNESSETH:

WHEREAS, there exists as a newly formed group of business merchants and professionals, an organization known as the Imperial Beach Business Improvement District Association/Chamber of Commerce (**Association**) established as a non-profit corporation under the laws of the State of California; and

WHEREAS, the City Council of the City of Imperial Beach California has passed and approved Ordinance No. 96-907 whereby establishing the Imperial Beach Business Improvement District (hereinafter referred to as the "Imperial Beach Business Improvement District" or simply "**District**") as provided for in Ordinance No. 96-907 (hereinafter referred to as the ("**BID Ordinance**")); and

WHEREAS, it is the desire of the City Council of the City to enter into an agreement with the **Association** to provide for administration and implementation of the **District**, as provided for in the **BID Ordinance**.

NOW, THEREFORE, it is agreed by and between the **Association** as follows:

Section I ASSOCIATION RESPONSIBILITIES

Consistent with the purpose of the Imperial Beach Business Improvement District and with the approved annual budget, the **Association** shall:

1. Implement the activities as specified in the **BID Ordinance**, such activities may include:
 - a. The acquisition, construction or maintenance of parking facilities for the benefit of the **District**.
 - b. Decoration of any public place in the **District**.
 - c. Promotion of public events, which are to take place on or in public places in the **District**.
 - d. Furnishing of music in any public place in the **District**.

- e. The general promotion of business activities in the **District**.
2. Stimulate demand for goods and services available within the **District**.
3. Facilitate the beautification of public places within the **District**.
4. Facilitate cultural enhancement within the **District**.
5. Prepare an annual budget for submission to, review and approval by the **City** as specified in Section III of this **Agreement**.
6. Open an account in a financial establishment to deposit and transact all **Association** financial business consistent with the implementation of the **District**. All interest generated on the deposit of such funds shall be expended by the **Association** for the purposes herein specified.
7. Submit annual activity and progress reports to the **City** on or before the 1st of August, and provide the **City** with other information as requested.
8. Consult the City Council concerning changes in assessments, boundaries of the **BID Ordinance**.
9. Retain the records relative to this agreement for three (3) years. Upon termination of this agreement, said records shall be turned over to the **City**; copies of the records may be kept by the **Association**.

Section II CITY RESPONSIBILITIES

The **City** shall:

1. Collect all additional charges or assessments due under this ordinance at the same time and in the same manner as the business license tax.
2. Distribute to the **Association** all funds collected by the **BID Ordinance**, excluding any delinquent assessment penalties or interest collected.
3. Review and approve the **Association's** annual budget, submitted to the **City** pursuant to Section II as provided herein. The **City's** review may include recommended modifications to said budget. It is the intent of this **Agreement** to recognize that (1) the **Association** and **BID Ordinance** are a result of an initiative generated by business people located within the **Imperial Beach Business Improvement District**, for their benefit, (2) that the businesses and individuals within the District are more closely concerned with and knowledgeable of the needs and the operations of the **Imperial Beach Business Improvement District**, and (3) to the extent consistent with the Streets and Highway Code Section 36503, the **City**

shall not unreasonably withhold approval of the Association's proposed budget.

4. Pay to the **Association** all funds to be collected pursuant to the **BID Ordinance**. Such payment shall be forwarded to the **Association** on a monthly basis. The monthly payment will reflect the total dollar amount of BID assessments collected during the previous thirty days.
5. Not initiate any changes in the **District** boundaries, assessments or charges as prescribed in the **BID Ordinance** of limit or increase the amount of revenue to be collected pursuant to said ordinance, without first consulting with the **Association**.
6. Grant to the **Association** the discretion to expend funds to carry out this Agreement so long as the expenditures remain consistent with this **Agreement**, the **BID Ordinance** and the approved budget.
7. Not contract with any other group or organization to represent or implement the **Business Improvement District** pursuant to the **BID Ordinance**.
8. By July 1st, provide the Association with an estimate of revenues to be received pursuant to the **BID Ordinance** for use by the **Association** in preparing the ensuing years budget.
9. On a monthly basis, provide the **Association** a listing of new businesses within the **District**. The **Association** may review the delinquency list after it is prepared.

Section III **BUDGET**

On or before August 1 of each year, the **Association** shall submit for **City** review and approval, an annual fiscal year budget for the implementation of the **Agreement**. Said budget shall include:

1. a. An estimate of revenue to be received pursuant to the **BID Ordinance** to be provided by **City** staff as provided herein.
- b. An estimate of anticipated revenues, and revenues applied for, by the **Association**.
- c. Identification of proposed expenditures including but not limited to expenses for:
 - A. Administration/Operations
 - B. Parking Improvements
 - C. Beautification/Special Projects
 - D. General Promotions
 - E. Special Events Promotions/Advertising
 - F. Reserves/Miscellaneous

- d. A narrative description of the **Association's** proposed activities within the fiscal year in implementing the approved budget, including a listing of goals and objectives achieved in the prior year and to be pursued in the upcoming fiscal year.
 - e. A narrative summary of the **Association's** annual activities, including a description of accomplishments in implementation of goals and objectives.
 - e. A listing of all assets of the **Association** and estimated value of those assets related to business improvement district activities.
2. The budget may allocate no more than five percent (5%) of BID revenues for discretionary use of the **Association's** Board of Directors.
 3. No more than fifteen percent (15%) of the funds identified in the approved budget may be shifted at the discretion of the **Association's** Board of Directors. Any changes in the budget above the fifteen percent (15%) amount must first be considered and approved by the **City**.
 4. Nothing in this **Agreement** shall preclude the **City** from assisting the **Association** financially or in any other means available to the **City** in the implementation of the **District**.
 5. Said budget may include the proposed expenditure of revenues of the Association from sources other than the revenue received pursuant to the **BID Ordinance**. The expenditure of such other revenue shall not require the review or approval by the **City** and must be included in the budget document as a convenience to the **Association**.
 6. In the event the budget is not approved by the **City** by September 1, the **Association's** activities may continue into the new fiscal year carrying forward the previous year's budget.
 7. The budget shall be consistent with this **Agreement** and the **BID Ordinance**.

Section IV TERM OF AGREEMENT

The effective date of this **Agreement** shall be July 6, 2005 and shall terminate September 1, 2006.

Section V EXTENSION OF AGREEMENT

On the first day of September 2006 and annually thereafter, the termination date of this **Agreement** shall be extended for a period of one (1) year unless either party gives notice to the other as set forth herein.

Section VI NOTICE OF NON-EXTENSION

At least a one (1) year written notice of non-extension shall be given. The **City** shall mail notice to the **Association** at:

The **Association** shall mail notice to the City at: 825 Imperial Beach Boulevard, Imperial Beach, California 91932.

Said notice shall simply state that the party is exercising its rights under the **Agreement** not to extend the **Agreement**.

Section VII DISESTABLISHMENT

This **Agreement** shall terminate automatically if the **District** is disestablished. Funds received by the **City** but not distributed to the **Association** shall be paid to the **Association** and expended for purposes identified in the last adopted budget. Any surplus funds of the **Association** shall be returned to the **City** and refunded to paying businesses through a credit on future business license taxes.

Section VIII ADMINISTRATION OF AGREEMENT

The City Manager is hereby designated to administer this **Agreement** on behalf of the **City** and is hereby authorized to make any determination on behalf of the **City** necessary for implementation of the provisions of this **Agreement**.

Section IX AUDITS

Annually, at its expense, the Association shall submit for review all of its financial records to a Certified Public Accountant (CPA) for completion of an Agreed Upon Procedures engagement, with the resulting report submitted to the City Manager within 120 days of the fiscal year ending August 31st. The scope of this report shall be limited to the review of BID receipts and disbursements and the annually adopted BID budget, to ensure compliance with the BID Operating Agreement.

At any time during normal business hours and as often as the City deems necessary, the Association shall make available to the City for examination at reasonable locations within the City all data and records to all matters covered by this agreement. The Association will permit the City to make, or contract with a CPA at Association expense, to audit all invoices, materials, payrolls, records of personnel, and other data and media relating to all matters covered in this

agreement. When findings of the Agreed Upon Procedures or audit indicate that **Agreement** requirements are not being met, upon such written notification, **Association** agrees to take appropriate corrective action immediately.

Section X TITLE TO EQUIPMENT

Any equipment acquired with funds under this **Agreement** shall be deemed the property of the **Association** with the following exceptions: (1) If the governing of the BID should be transferred to another association board of directors. Under said circumstances, the successor association would assume title for said equipment; or, (2) In the event the original **Association** should cease to exist, ownership of said equipment which requires maintenance and care would be transferred to the **City**.

Section XI INSURANCE

The **Association** shall take out and maintain throughout the period of this **Agreement**, Comprehensive General Liability Insurance with minimum limits of \$300,000 combined single limit (CSL), \$300,000 bodily injury per occurrence and \$100,000 property damage per occurrence covering all bodily injury and property damage arising out of its operation under this **Agreement**.

The **Association** shall provide automobile insurance covering all bodily injury and property liability incurred during the performance of this **Agreement** with minimum coverage of \$100,000 for property damage per accident, \$250,000 for bodily injury for each person, and not less than \$500,000 for bodily injury per accident; or \$300,000 per accident combined single limit (CSL).

The **Association** shall throughout the period of this Agreement maintain in full force and effect a policy of Worker's Compensation Insurance covering all of its employees and volunteers.

Said policy shall name the **City** and an additional insured and shall constitute primary insurance as to the **City**, its officers, agents and employees, so that any other policies held by the **City** shall not contribute to any loss under said insurance. Said policy shall provide for thirty (30) days prior written notice to the **City** of cancellation or material change.

Certificates of other sufficient proof that these insurance provisions have been complied with must be filed with the City Clerk within 30 days of execution of this **Agreement**.

If the **Association** does not keep such insurance in full force and effect, the **City** may, upon receiving notice of cancellation of said insurance, elect to terminate this **Agreement** effective on the date said insurance coverage is terminated.

Section XII INDEMNIFICATION

The **Association** agrees to indemnify, defend and save harmless the **City**, its officers, agents and employees, from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, material men, laborers, and other person, firm or supplies in connection with the performance of this **Agreement** and for any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the **Association** in the performance of this **Agreement**.

The **City** agrees to indemnify, defend and save harmless the **Association**, its officers, agents and employees, from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, material men, laborers, and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this **Agreement** for any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the **City** in performance of this **Agreement**.

Section XIII CONFLICT OF INTEREST

The City may determine that the Association is subject to a conflict of interest code and is required to complete one or more statements of economic interest disclosing relevant financial interests. Upon the City's request, the Association shall submit the necessary documentation.

Section XIV COMPLIANCE WITH LAW

- a. All work done under this **Agreement** shall be done in compliance with the applicable provisions of the federal and state laws and any regulations promulgated thereunder.
- b. The **Association** agrees to comply with all state or local licensing standards; all applicable accrediting standards and any other standards or criteria established by the state or local laws to assure quality of service.
- c. This **Agreement** shall be governed and construed in accordance with the laws of the State of California.

Section XV COMPLETE AGREEMENT

This **Agreement** contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this **Agreement** shall be deemed to exist or to bind any of the parties hereto. This **Agreement** supersedes all previous agreements, if any, between the parties.

Section XVI AMENDMENTS

An amendment may be made by mutual consent between the **City** and the **Association** to this **Agreement**. Such request for an amendment shall be forwarded to the

opposite party by the party requesting such amendment, in writing, specifying in detail the requested amendments to be considered and a written statement as to the reason for such amendment. Such amendment request shall be considered by the governing body of both the City and the **Association** as soon as possible.

Any alterations, variations, modifications or waivers of provisions to this **Agreement** shall be valid only when reduced to writing duly signed and attached to the original of this **Agreement**.

Section XVII ASSIGNABILITY

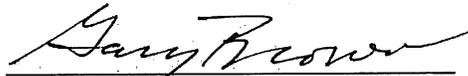
The **Association** shall not assign any interest in this **Agreement** without the prior written consent of the **City**, and any attempted assignment without such consent shall be void.

IN WITNESS WHEREOF, this **Agreement** is executed by the parties.

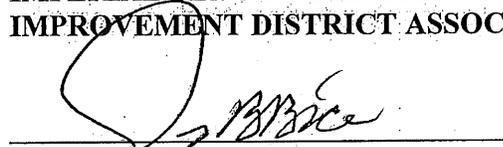
DATE: July 6, 2005

CITY OF IMPERIAL BEACH:

**IMPERIAL BEACH BUSINESS
IMPROVEMENT DISTRICT ASSOCIATION:**

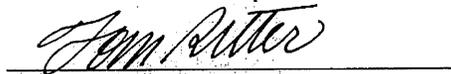


City Manager



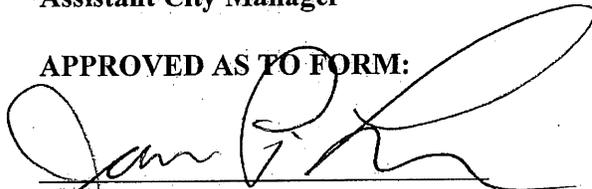
Chairperson

APPROVED AS TO CONTENT:



Assistant City Manager

APPROVED AS TO FORM:



City Attorney



STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER *GB*
MEETING DATE: NOVEMBER 7, 2012
ORIGINATING DEPT.: ADMINISTRATIVE SERVICES DEPARTMENT, KATHLEEN VONACHEN, DIRECTOR *KV*
SUBJECT: QUARTERLY INVESTMENT REPORT FOR THE 4TH QUARTER OF FY 2011-2012 AS OF JUNE 30, 2012

BACKGROUND:

The investment of the funds of the City of Imperial Beach is directed by the goals of safety, liquidity and yield. The authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659. In adherence with the state law, the City submits this quarterly investment report for the 4th Quarter of FY 2011-2012 as of June 30, 2012.

The City's Investment Policy assigns responsibility for investing the unexpended cash used for funding operations of the City to the Administrative Services Director/City Treasurer. State law encourages City Council annual review and consideration of an investment policy. The City Council last adopted the City's Annual Investment Policy in June 2011, and the policy is reviewed and, if appropriate, revised annually. Submitted for Council's adoption at tonight's meeting is the Investment Policy Update for FY 2012-2013.

Quarterly Investment Reporting

Per State law, city treasurers may prepare and submit quarterly reports to the City Manager and City Council that provide specified information about the City's investment program. The quarterly report must contain a statement of the portfolio's compliance with the statement of investment policy, or any deviations from full compliance. Additionally the quarterly report must include a statement denoting the ability of the City to meet its expenditures for the ensuing six months.

Investment Strategy

The City's investment priorities, in order, are "Safety, Liquidity and Yield", while meeting the cash flow needs of the City through prudent investment of unexpended cash.

DISCUSSION:

The attached Investment Portfolio Report indicates that on June 30, 2012, City funds in the amount of \$33,818,946 were invested producing annual weighted average yield of 1.03%. The Local Agency Investment Fund (LAIF), the City’s benchmark for comparison of investment yield, was 0.37% for the year. Accrued interest earnings for this fiscal year totaled \$482,458.

Below is a summary of the changes in the market value of the City’s portfolio at June 30, 2012 compared to twelve months prior.

City of Imperial Beach Portfolio					
	Fiscal Year	% of	Fiscal Year Ended	% of	Increase
	Ended 6/30/12	Total	6/30/11	Total	(Decrease)
Local Agency Invest Fund	\$ 19,920,346	58.9%	\$ 17,752,193	45.7%	\$ 2,168,153
US Govt Agency Securities	8,024,180	23.7%	18,086,570	46.6%	(10,062,390)
US Corporate Bonds	5,874,420	17.4%	2,999,130	7.7%	2,875,290
Total	\$ 33,818,946	100%	\$ 38,837,893	100%	\$ (5,018,947)

Total market value of investments at June 30, 2012 of \$33,818,946 represents a decrease of approximately \$5 million from the same in June 30, 2011. The decrease is due to capital project expenditures related to the cooperative agreement between the City and the former Redevelopment Agency for the delivery of certain capital projects of which were funded by the issuance of the 2010 Tax Allocation Bonds.

Future quarterly statements will demonstrate that the City draws on the liquid portfolio (LAIF) throughout the calendar year for normal operating activity, with the more significant levels of draw occurring in the 3rd quarter (January through March) and 1st quarter (July through September). The City’s cash position improves in late December and April due to the receipt of property tax collections from the County, as well as other State and intergovernmental payments. Transfers are made from the LAIF investment account into checking during the quarter to account for disbursements that exceed receipts.

Compliance with Policy

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis to ensure the City’s investment portfolio will remain sufficiently liquid to enable the City to meet all reasonably anticipated operating requirements. As of June 30, 2012, the portfolio contains enough liquidity to meet the next six months of expected expenditures by the City.

As of June 30, 2012, the City held various investment instruments with a maturity date longer than five years. Of the total portfolio, 42% of the portfolio was diversified in US government agencies and US corporate bond fixed income investment securities with maturities from November 2013 to August 2030. These longer maturities were approved by the City Council, as required by the California local government investment law. The majority of the portfolio of \$19,920,346, or 59%, were invested in a highly liquid account, utilizing the State’s investment pool.

Market Value of City Investments

Staff reviews and adjusts at fiscal yearend, or June 30th, the liquid investments of the Local Agency Investment Fund (LAIF) per Governmental Accounting Standards Board (GASB)

Statement 31. Per GASB 31, local governments are also required to account for and report the market value of their investment portfolios at the close of the fiscal year. This is reported when LAIF and the City's investment safekeeping agent release their adjustments concerning investments whose values changed due to interest rates and market conditions.

As of June 30, 2012, the market value of the City's holdings in fixed income investment securities for US government agencies were \$19,426 above the purchased/amortized cost, while the US corporate bonds were valued at \$138,786 below their purchased/amortized cost. The market value of the City's liquid LAIF investment pool holdings were reported at \$24,266 above the purchase price. The net of these market values is \$95,094 below the original purchased/amortized cost. Because the City follows the policy of holding all investments till their maturity, the City will always receive the par or face value of the investments, not the lower reported market value.

Investments can be called (redeemed prior to maturity) by the issuing entity. If a security is called, the City would receive the par value of the investment (value at maturity or face value), or at a greater price depending on investment's terms. The City is compensated for the lower market value of these investments by receiving investment yields or coupon payments substantially higher than the LAIF investment benchmark of 0.37%.

Successor Agency to the Imperial Beach Redevelopment Agency

Pursuant to Section 34172 of the Community Redevelopment Law (Health and Safety Code Section 33000 et seq; "CRL"), as modified by the California Supreme Court decision entered December 29, 2011, all redevelopment agencies in the State of California were dissolved. On that date, by operation of law pursuant to CRL Section 34175, all assets, properties, contracts, leases, books and records, buildings and equipment of redevelopment agencies were transferred to successor agencies.

On January 5, 2012, the City Council adopted Resolution 2012-7136, affirming that the City Council would serve as the Successor Agency to the former Imperial Beach Redevelopment Agency, in which capacity the City will wind down the affairs of the former Redevelopment Agency at the direction of an Oversight Board. The Oversight Board must review the Recognized Obligations Payment Schedule for each six month period beginning January 1, 2012 until the close out of the redevelopment agency is complete which could be many years.

The Imperial Beach Redevelopment Successor Agency cash and investments summary is provided. Successor Agency funds in the amount of \$6,394,940 were invested in a highly liquid nature producing a weighted average yield of 0.06% for this fiscal year.

Eighty-three percent of the total, or \$5,304,301, was held by the 2003 and 2010 Tax Allocation Bond issuances' fiscal agent, Wells Fargo Corporate Trust. Of those funds, \$3,473,549 are required by the bond indenture to be held as a reserve in the event of a default or delay in the payment of semi-annual debt service. This \$3.47 million amount represents one year's payment of principal and interest of the two bond issues combined. Bond proceeds of \$1,830,752 were also available for the capital projects for which the bonds were issued and for capitalized interest.

The remaining 17% of the Successor Agency portfolio was held in the City of Imperial Beach's LAIF account. Finance staff is currently establishing a Successor Agency checking account to segregate these funds held in trust by the City finance staff.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

None.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council review and accept the Quarterly Investment Report of the fourth quarter ending June 30, 2012, and adopt Resolution No: 2012-7265 considering and accepting the Quarterly Investment Report of the fourth quarter ending June 30, 2012.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. 2012-7265
2. City of Imperial Beach Investment Portfolio Summary for Qtr Ended June 30, 2012
3. (Informational Only) Imperial Beach Redevelopment Successor Agency Investment Portfolio Summary for Qtr Ended June 30, 2012

RESOLUTION NO. 2012-7265

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, REVIEWING AND CONSIDERING THE QUARTERLY INVESTMENT REPORT FOR THE 4TH QUARTER OF THE FISCAL YEAR ENDING JUNE 30, 2012

WHEREAS, Section 53646 of the California Government Code encourages city treasurers and chief fiscal officers of municipalities to submit a quarterly investment report for their governing bodies' review and consideration; and

WHEREAS, Government Code Section 53646(b) states that if a quarterly report is submitted the municipality provides a statement of compliance with its officially adopted investment policy and a statement denoting the ability of the City to meet its expenditures for the ensuring six months; and

WHEREAS, Section 53646(b) states that the quarterly report must contain a statement of the portfolio's compliance with the statement of investment policy, or any deviations from full compliance.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. The City's investment priorities, in order, are "Safety, Liquidity and Yield", while meeting the cash flow needs of the City through prudent investment of unexpended cash.
2. As of June 30, 2012, the portfolio of the City of Imperial Beach was in compliance with the investment policy adopted by the City Council at that time.
3. As of June 30, 2012, the City held various investment instruments with a maturity date longer than five years of which Council approved August 2010.
4. The City's cash and investments amount to and are sufficiently liquidity to meet the next six months of expected expenditures by the City.
5. We have reviewed and approve of the fourth quarter investment report for the fiscal year ended June 30, 2012.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of November 2012, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, MMC
CITY CLERK

ATTACHMENT 2

INVESTMENT PORTFOLIO
CITY OF IMPERIAL BEACH
June 30, 2012

Investment Type	Safekeeping Agent	Date Purchased	CUSIP #	Purchased / Amortized Cost (\$)(a)	Maturity Date	Call Date	Yield %	Par Value (\$)(a)	% of Portfolio	GASB 31 Market Value (\$)(a)	Annual Accrued Income (b)
US GOVERNMENT Securities and Agencies (0-100%)											
Fed Home Loan Bank	Union Bank	2/8/2012	313376TT2	\$ 2,000,000	5/8/2015	5/8/2012	0.69%	\$ 2,000,000	6%	\$ 2,000,060	3,450
Fed Home Loan Bank	Union Bank	5/6/2011	313373KZ4	2,004,754	11/29/2013	N/A	1.07%	2,000,000	6%	2,020,820	21,400
Fed Farm Credit Bank	Union Bank	9/14/2011	31331KXY1	2,000,000	9/14/2015	9/14/2012	1.04%	2,000,000	6%	2,003,240	10,400
Fed Farm Credit Bank	Union Bank	1/23/2012	31331K6R6	2,000,000	7/17/2015	4/17/2012	0.82%	2,000,000	6%	2,000,060	7,608
Other US Govt Securities and Agencies that matured during the fiscal year (c)											
Total US Government Securities and Agencies											
				\$ 8,004,754			0.90%	\$ 8,000,000	24%	\$ 8,024,180	250,497
US CORPORATE BONDS (0-30%)											
Morgan Stanley Dean Witt (Step Up) (d)	Union Bank	7/30/2010	61745EZ61	\$ 1,000,000	7/30/2020	7/30/2012	4.10%	\$ 1,000,000	3%	\$ 974,820	60,000
Morgan Stanley Dean Witt Flt Rt (d)	Union Bank	8/24/2010	61745EQ1	1,000,000	8/24/2030	8/24/2012	7.10%	1,000,000	3%	900,000	70,084
General Electric Capital Corp (Mtn Fltg/RT)	Union Bank	1/25/2012	36962G5B6	997,995	4/7/2014	N/A	1.10%	1,000,000	3%	999,120	5,307
JP Morgan Chase Bank	Union Bank	2/6/2012	48125VLC2	2,000,000	2/6/2017	N/A	3.03%	2,000,000	6%	1,980,700	15,000
Berkshire Hathaway (Del Sr.)	Union Bank	4/11/2012	084670BD9	1,015,211	1/31/2017	N/A	1.87%	1,000,000	3%	1,019,780	5,753
Other US Corporate Bonds that matured during the fiscal year (c)											
Total US Corporate Bonds											
				\$ 6,013,206			3.37%	\$ 6,000,000	18%	\$ 5,874,420	162,366.92
CERTIFICATES OF DEPOSIT (0-30%)											
				\$ -	N/A	N/A	0.00%	\$ -	0%	\$ -	-
LIQUID ACCOUNTS (0-100%)											
Local Agency Investment Fund (LAIF) (e)	State of Calif	N/A	N/A	\$ 19,896,080	N/A	N/A	0.37%	\$ 19,896,080	59%	\$ 19,920,346	69,594
Total Liquid Accounts											
				\$ 19,896,080			0.37%	\$ 19,896,080	59%	\$ 19,920,346	69,594
				\$ 33,914,040			1.03%	\$ 33,896,080	100%	\$ 33,818,946	482,458

(a) -Difference in value between Purchased Price, Amortized Cost, Par Value and Market Value may be due to timing of purchase. Investments may have been purchased when interest rates were lower or higher than the end date of this report. PAR (face) value and does not reflect whether investment was purchased at a discount or premium, reflected in the Purchase Price. As interest rates increase or decrease, the value of the investment will decrease or increase accordingly. The City's investment intention is to hold the investments to maturity thereby receiving PAR value at maturity unless the City will realize a profit by liquidating the investment prior to maturity date. Certain investments have call provisions which may be exercised by the issuer as necessary.

(b) -Interest rates are reported gross and have not been adjusted for any brokerage fees. Those fees are minimal and are expensed when the invoice is received. Interest on US government securities and agencies generally paid semi-annually.

(c) -Specific bonds that matured in the first three quarters of the fiscal year are not presented in this Q4 report, although the accrual income is provided for informational purposes.

(d) -Morgan Stanley corporate bonds are "step ups" whose terms include an 0.10% increase in the yield for the future year effective on the call date. The call dates are annual and coincide with the purchased.

(e) The fiscal year's cash transactions were not segregated as of the dissolution RDA on January 31, 2012. As a result a percentage distribution was determined, with 91.41% of LAIF balances attributable to the City and the remainder 5.19% from Successor Agency/Redevelopment funds.

INVESTMENT PORTFOLIO
SUCCESSOR AGENCY OF IMPERIAL BEACH REDEVELOPMENT AGENCY
 June 30, 2012

Investment Type	Safekeeping Agent	Date Purchased	CUSIP #	Purchased / Amortized Cost (\$ (a))	Maturity Date	Call Date	Yield %	Par Value (\$ (a))	% of Portfolio	GASB 31 Market Value (\$ (a))	Annual Accrued Income (b)
LIQUID ACCOUNTS											
Local Agency Investment Fund (LAIF) (c)	State of Calif	N/A	N/A	\$ 1,089,330	N/A	N/A	0.37%	\$ 1,089,330	17.0%	\$ 1,090,659	3,810
<i>Total Liquid Accounts</i>				\$ 1,089,330			0.37%	\$ 1,089,659	17.0%	\$ 1,090,659	3,810
CASH HELD WITH FISCAL AGENTS / TRUSTEES											
<i>Liquid Money Market Accounts</i>											
SA/RDA 2010 TABs Project Funds	Wells Fargo	N/A	n/a	\$ 1,274,325	N/A	N/A	0.00%	\$ 1,274,325	19.9%	\$ 1,274,325	128
SA/RDA 2003 TABs Debt Reserve	Wells Fargo	N/A	N/A	1,555,575	N/A	N/A	0.00%	1,555,575	24.3%	1,555,575	187
SA/RDA 2010 TABs Cap Interest	Wells Fargo	N/A	N/A	556,427	N/A	N/A	0.00%	556,427	8.7%	556,427	131
SA/RDA 2010 TABs Debt Reserve	Wells Fargo	N/A	n/a	1,917,974	N/A	N/A	0.00%	1,917,974	30.0%	1,917,974	196
<i>Total Cash Held With Fiscal Agents/Trustees</i>				\$ 5,304,301			0.00%	\$ 5,304,301	83.0%	\$ 5,304,301	642
				\$ 6,393,631			0.06%	\$ 6,393,631	100.0%	\$ 6,394,960	4,451

(a) -Difference in value between Purchased Price, Amortized Cost, Par Value and Market Value may be due to timing of purchase. Investments may have been purchased when interest rates were lower/higher than end date of this report. PAR (face) value and does not reflect whether investment was purchased at a discount or premium, reflected in the Purchase Price. As interest rates increase or decrease, the value of the investment will decrease or increase accordingly. The City's investment intention is to hold the investments to maturity thereby receiving PAR value at maturity unless the City will realize a profit by liquidating the investment prior to maturity date. Certain investments have call provisions which may be exercised by the issuer as necessary.

(b) -Interest rates are reported gross and have not been adjusted for any brokerage fees. Those fees are minimal and are expensed when the invoice is received. Interest on US government securities and agencies generally paid semi-annually.

(c) The fiscal year's cash transactions were not segregated as of the dissolution RDA on January 31, 2012. As a result a percentage distribution was determined, with 91.41% of LAIF balances attributable to the City and the remainder 5.19% from Successor Agency/Redevelopment funds.



AGENDA ITEM NO. 6.2

**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: MAYOR AND COUNCILMEMBERS

FROM: GARY BROWN, CITY MANAGER *GB*

MEETING DATE: NOVEMBER 7, 2012

ORIGINATING DEPT.: COMMUNITY DEVELOPMENT DEPARTMENT
GREG WADE, DIRECTOR *GW*

SUBJECT: ADOPTION OF RESOLUTION NO. 2012-7267 AUTHORIZING CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE SAN DIEGO UNIFIED PORT DISTRICT (PORT DISTRICT) FOR THE ALLOCATION AND USE OF UP TO \$150,000 OF THE PORT DISTRICT'S APPROVED FISCAL YEAR (FY) 2014-2018 CAPITAL IMPROVEMENT PROGRAM (CIP) FUNDS FOR CONSTRUCTION OF THE DATE AVENUE STREET END IMPROVEMENTS

BACKGROUND:

In November 2011, staff was officially informed that the Port of San Diego (the Port) was initiating its Capital Improvement Program (CIP) planning process for fiscal years (FY) 2014-2018. Staff was also advised of changes to the CIP development, specifically as related to adoption of Board of Port Commissioners (BPC) Policy 120 in which the Port provided an opportunity for Member Cities, Port tenants, and the public to propose potential projects for consideration during the Port's CIP review process. BPC Policy 120 also addressed and allowed for the consideration of both On- and Off-Tidelands projects.

During the City Council meeting on November 11, 2011, the City Council provided staff with general direction to staff on proposed projects for which applications would to be submitted to the Port for consideration and/or inclusion in the Port's FY 2014-2018 CIP. After several extension of the submittal deadline, applications were ultimately due to the Port by February 28, 2012.

DISCUSSION:

At the meeting held on October 17, 2012, staff reported to the City Council that the following three projects were approved for funding in the Port's FY 2014-2018 CIP:

Project:	Port Assessment:	Funding:	Fiscal Year:
Imperial Beach Pier Plaza Tot Lot	This project will increase the use of a widely used facility (Pier Plaza)	\$100,000	FY 2014
Imperial Beach Remaining Street Ends	The recommended project is to confirm cost estimates and schedules for all remaining street end projects (including Carnation & Dahlia) by performing a comprehensive study that establishes environmental and design constraints for the remaining street end improvements.	\$200,000	FY 2014
South Seacoast Restroom and Shower Facility	Project will provide a needed facility at the Beach south of the Pier. The first step in this project is a feasibility study. The project is Off-Tidelands	\$75,000	FY 2015

During the meeting on October 19, 2012, staff advised the City Council that it had discussed and assessed the above projects internally in terms of priority and importance with respect to other project needs throughout the City and further advised that these projects may not warrant the allocated expenditures. Staff recommended instead requesting that the Port CIP funds be allocated to the improvement of the Date Avenue Street End.

Included as a part of the Pier South project (formerly the Seacoast Inn) are the Date Avenue Street End Improvements, which include the construction and installation of new public improvements within the Date Avenue public right-of-way between Seacoast Drive and the beach (Ocean Boulevard). The "Date Avenue Street End Improvements" consist of the construction of new sidewalks, curbs, gutters, enhanced roadway paving, parking (including one ADA parking stall), landscaping and irrigation, storm drains and storm water run-off treatment measures, lighting, public safety vehicular and pedestrian beach access and a new, vertical seawall to protect the street end. A Disposition and Development Agreement (DDA) for the Pier South project, entered into on December 16, 2010, between the Former Redevelopment Agency (the "Former Agency"), which was recently assigned to the Imperial Beach Redevelopment Agency Successor Agency (Successor Agency), and Imperial Coast, L.P., commits \$885,797 towards construction of the Date Avenue Street End Improvements. As it appears that the funds allocated for this purpose will not be sufficient to construct all of the Date Avenue Street End Improvements, the Port CIP funds would assist in completing them.

During the meeting on October 19, 2012, therefore, staff recommended and the City Council support the submittal of a revised application for up to \$150,000 of Port FY 2014-2018 CIP funds to be allocated to the Date Avenue Street End Improvements. The revised FY 2014-2018 CIP application would essentially request the reallocation of funds approved for the Tot Lot to be used instead for the Date Avenue Street End Improvements and would also allocate \$50,000 of the Imperial Beach Remaining Street Ends to the Date Avenue Street End Improvements.

Pursuant to the approved DDA for construction of the Pier South Hotel, the \$885,797 allocated to the Date Avenue Street End Improvements shall only be disbursed to the Developer (Pacifica) after providing verification of actual construction costs to the Former Agency/Successor Agency. If and/or when all \$885,797 of Former Agency/Successor Agency funds are expended for the Date Avenue Street End Improvements, any additional construction costs necessary for the construction of these public improvements would then be disbursed to Pacifica utilizing the Port's FY 2014-2018 CIP funds, up to a maximum of \$150,000. Similar to

the disbursement requirements provided for in the DDA, verification of actual construction costs would have to be provided to the City prior to disbursement of these Port CIP funds.

At the time of the last City Council meeting, staff indicated that Port staff was still determining whether or not the FY 2014-2018 CIP funds could be used for construction of the Date Avenue Street End improvements since they are expected to be completed in the next few months, well ahead of the FY 2014-2018 cycle. Port staff has advised the City to prepare a Memorandum of Understanding (MOU) to allow for the use of these funds for this purpose. A Draft MOU has been prepared and forwarded to the Port for their review (see Attachment 1). Therefore, staff is recommending that the City Council adopt Resolution No. 2012-7267 authorizing the City Manager to enter into a MOU with the Port to allow for the use of up to \$150,000 of Port FY 2014-2018 CIP funds for the construction of the Date Avenue Street End Improvements. Because the specific terms of the MOU may yet be revised, staff is requesting authorization for the City Manager to enter into the MOU subject to any additional modifications recommended by either the Port or City staff.

FISCAL IMPACT:

There are no direct fiscal impacts to the City with this action. Port FY 2014-2018 CIP funds for Beach totaling \$300,000 in FY 2014 and \$75,000 in FY 2015 have been approved for funding for projects in Imperial Beach. This action would allocate \$150,000 of those funds to be used for the Date Avenue Street End Improvements.

DEPARTMENT RECOMMENDATION:

That the City Council adopt Resolution No. 2012-7267 authorizing the City Manager to enter into a Memorandum of Understanding (MOU), in the general format as contained in Attachment 1, with the San Diego Unified Port District to allow for the use of up to \$150,000 of Port FY 2014-2018 CIP funds for the construction of the Date Avenue Street End Improvements.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, City Manager

Attachments:

1. Draft MOU Between the City and the Port – Use of FY 2014-2018 CIP Funds for Date Avenue Street End Improvements
2. Resolution No. 2012-7267

**MEMORANDUM OF UNDERSTANDING
BETWEEN SAN DIEGO UNIFIED PORT DISTRICT
AND THE CITY OF IMPERIAL BEACH FOR FUNDING FOR THE DATE AVENUE
STREET END IMPROVEMENT PROJECT**

This Memorandum of Understanding (MOU) specifies the relationship between the San Diego Unified Port District (District) and City of Imperial Beach (City) for the Date Avenue Street End Improvement Project by Imperial Coast, L.P., in Imperial Beach.

WHEREAS, on December 16, 2010, the Former Redevelopment Agency of the City of Imperial Beach (Former Agency) and Imperial Coast, L.P., entered into a Disposition and Development Agreement (DDA) for the construction of a new, four-story 78-room hotel located on the Imperial Beach Shoreline between Dunes Park (Daisy Avenue) and Date Avenue; and

WHEREAS, pursuant to the terms of the DDA, the Former Agency (now the Imperial Beach Redevelopment Agency Successor Agency) will provide Imperial Coast, L.P. up to \$885,797 for the construction of the Date Avenue Street End Improvements within the Date Avenue public right-of-way between Seacoast Drive and the beach (Ocean Boulevard) including new sidewalks, curbs, gutters, enhanced roadway paving, parking (including one ADA parking stall), landscaping and irrigation, storm drains and storm water run-off treatment measures, lighting, public safety vehicular and pedestrian beach access and a new, vertical seawall to protect the street end (Date Avenue Street End Improvement Project); and

WHEREAS, on December 12, 1997, the District and the City entered into a Grant of Easement for the Date Avenue Street End which required the District to use its best efforts to (1) construct shoreline protection for this property, (2) provide pedestrian and emergency access, and (3) provide appropriate amenities, including but not limited to, landscaping, hardscape, and lighting; and

WHEREAS, on October 11, 2012, the District and the City entered into a new Easement Agreement combining Date Avenue with all other street ends in the City into one easement agreement which also provides for the maintenance and improvement of these street ends by the District; and

WHEREAS, on June 7, 2012, the District adopted Resolution No. 2012-69 approving projects for the Fiscal Year (FY) 2014-2018 Capital Improvement Program (CIP); and

WHEREAS, in the FY 2014-2018 CIP, the District allocated funding of \$100,000 for the Imperial Beach Pier Plaza Tot Lot and \$200,000 for Imperial Beach Remaining Street Ends during FY 2014; and

Attachment 1

WHEREAS, on October 19, 2012, the City Council of the City of Imperial Beach considered and supported the submittal of a revised District FY 2014-2018 CIP application to reallocate up to \$100,000 from the Imperial Beach Pier Plaza Tot Lot project and up to \$50,000 from the Imperial Beach Remaining Street Ends projects to the Date Avenue Street End Improvement Project; and

WHEREAS, the District has advised the City to submit a revised application for funding the Date Avenue Street End Improvement Project with up to \$150,000 from the District's FY 2014-2018 CIP.

NOW THEREFORE, the parties hereto agree to enter into this MOU effective as of this ___ day of _____, 2012:

1. City shall act as overall Program Manager for implementation of the Date Avenue Street End Improvement Project. The construction may be carried out by the contractor retained by Imperial Coast, L.P., with prevailing wages paid as required pursuant to the DDA.
2. The District shall obtain and provide to the City the necessary funding to contribute to the project costs for a not to exceed amount of One Hundred Fifty Thousand Dollars (\$150,000) solely for the costs to complete the Date Avenue Street End Improvement Project that exceed the Eight Hundred Eight-Five Thousand Seven Hundred Ninety-Seven Dollars (\$885,797) that the former Redevelopment Agency for the City has already committed via the DDA.
3. As a prerequisite to payment, the City shall invoice the District for the costs in excess of Eight Hundred Eight-Five Thousand Seven Hundred Ninety-Seven Dollars (\$885,797) necessary to construct the Date Avenue Street End Improvement Project (Excess Costs), accompanied by records and receipts as required.
4. Within thirty (30) days of receipt of invoice, the District will submit complete payment to City for the Excess Costs in the same amount as charged by the contractor.
5. In case of any unforeseen circumstances or a dispute relating to this MOU, City and District will meet in good faith to resolve issues.
6. This MOU shall commence effective on the date set forth above and shall continue until completion of Date Avenue Street End Improvement Project located in Imperial Beach.
7. This MOU is not intended to, and shall not be construed to, create any right on the part of a third party to bring an action to enforce any of its terms.

GARY R. BROWN
City Manager
City of Imperial Beach

[District Contact]
[Contact Title]
San Diego Unified Port District

DRAFT

RESOLUTION NO. 2012-7267

A RESOLUTION OF THE CITY COUNCIL OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN DIEGO UNIFIED PORT DISTRICT AND THE CITY OF IMPERIAL BEACH TO PROVIDE UP TO \$150,000 OF FISCAL YEAR 2014-2018 CAPITAL IMPROVEMENT PROGRAM FUNDS FOR THE CONSTRUCTION OF THE DATE AVENUE STREET END IMPROVEMENTS

WHEREAS, on December 16, 2010, the Former Redevelopment Agency of the City of Imperial Beach (Former Agency) and Imperial Coast, L.P., entered into a Disposition and Development Agreement (DDA) for the construction of a new, four-story 78-room hotel located on the Imperial Beach Shoreline between Dunes Park (Daisy Avenue) and Date Avenue; and

WHEREAS, pursuant to the terms of the DDA, the Former Agency (now the Imperial Beach Redevelopment Agency Successor Agency) will provide Imperial Coast, L.P. up to \$885,797 for the construction of the Date Avenue Street End Improvements within the Date Avenue public right-of-way between Seacoast Drive and the beach (Ocean Boulevard) including new sidewalks, curbs, gutters, enhanced roadway paving, parking (including one ADA parking stall), landscaping and irrigation, storm drains and storm water run-off treatment measures, lighting, public safety vehicular and pedestrian beach access and a new, vertical seawall to protect the street end (Date Avenue Street End Improvement Project); and

WHEREAS, on December 12, 1997, the San Diego Unified Port District (Port District) and the City entered into a Grant of Easement for the Date Avenue Street End which required the District to use its best efforts to (1) construct shoreline protection for this property, (2) provide pedestrian and emergency access, and (3) provide appropriate amenities, including but not limited to, landscaping, hardscape, and lighting; and

WHEREAS, on October 11, 2012, the Port District and the City entered into a new Easement Agreement combining Date Avenue with all other street ends in the City into one easement agreement which also provides for the maintenance and improvement of these street ends by the Port District; and

WHEREAS, on June 7, 2012, the Port District's Board of Port Commissioners adopted Resolution No. 2012-69 approving projects for the Fiscal Year (FY) 2014-2018 Capital Improvement Program (CIP); and

WHEREAS, in the Port District's FY 2014-2018 CIP, the Port District allocated funding of \$100,000 for the Imperial Beach Pier Plaza Tot Lot and \$200,000 for Imperial Beach Remaining Street Ends during FY 2014; and

WHEREAS, on October 19, 2012, the City Council of the City of Imperial Beach considered and supported the submittal of a revised Port District FY 2014-2018 CIP application to reallocate up to \$100,000 from the Imperial Beach Pier Plaza Tot Lot project and up to \$50,000 from the Imperial Beach Remaining Street Ends projects to the Date Avenue Street End Improvement Project; and

WHEREAS, the Port District has advised the City to submit a revised application for funding the Date Avenue Street End Improvement Project with up to \$150,000 from the Port District's FY 2014-2018 CIP funds.

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes the City Manager to enter into a Memorandum of Understanding with the San Diego Unified Port District to provide up to \$150,000 of Fiscal Year 2014-2018 Capital Improvement Program funds for the construction of the Date Avenue Street End Improvements.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of November 2012, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, CMC
CITY CLERK



**STAFF REPORT
CITY OF IMPERIAL BEACH
CITY COUNCIL/REDEVELOPMENT AGENCY
SUCCESSOR AGENCY**

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL AND CHAIR AND MEMBERS OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY

FROM: GARY BROWN, CITY MANAGER/EXECUTIVE DIRECTOR *GB*

MEETING DATE: NOVEMBER 7, 2012

ORIGINATING DEPT.: ADMINISTRATIVE SERVICES DEPARTMENT, KATHLEEN VONACHEN, DIRECTOR/TREASURER *KV*

SUBJECT: INVESTMENT POLICY – FY 2012-2013 UPDATE

BACKGROUND:

The City's Investment Policy was last adopted by the Council in June 2011, and is reviewed and, if appropriate, revised annually. The submitted investment policy for consideration includes best practices for local government investments recommended by notable third party local government investment advisory firms, with the goal of ensuring municipalities are in compliance with legislative policies and the State government code. California Government Code Section 53646(a)(1-2) encourages governing body annual review and consideration of an investment policy.

DISCUSSION:

The investment policy applies to all financial assets of the City and Successor Agency as accounted for in the annual financial statements. Policy statements outlined in the policy focus on the pooled funds, but will also apply to all other funds under the Administrative Services Director's span of control unless specifically exempted by statute or ordinance. This policy is applicable, but not limited to the following funds: General Fund, Sewer Fund, Capital Funds, Other Special Revenue Funds, Debt Service Funds, Internal Service Funds, Trust and Agency Funds (including the Successor Agency), and any new fund created by City Council unless specifically exempted.

Historically, the City and Successor Agency's investment portfolio has had a balance of between \$25 and \$405 million depending on the level of capital project activity. These funds are drawn on throughout the calendar year for normal operating activity with more significant levels of draw occurring in the 3rd quarter (January - March) and the 1st quarter (July through December). The City's cash position improves in late December and April due to the receipt of

property tax collections from the County.

Given current economic uncertainties and the financial condition of our state, the City and Successor Agency's future investment strategy will seek to be slightly more conservative than permitted by State Code, with idle cash invested primarily in the State's Local Agency Investment Fund (LAIF) or other available local government investment pools. Although these investment pools earn low yields, they satisfy the primary objective of SAFETY of PRINCIPAL.

Local government agencies similar in size to Imperial Beach are primarily invested in LAIF, or other available local government investment pools, as it maximizes cash flow and liquidity. Agencies that had more diversified portfolios typically use a third party to manage their investments. The City and successor Agency's investments are currently managed internally. Staff plans to research the viability, safety, and performance of other available local government investment pools in the San Diego area to potentially augment our liquid cash investment options, and to analyze the cost effectiveness of managing its portfolio externally with a competitively bid investment advisory firm specializing in investments of California local government funds.

The proposed Investment Policy submitted for consideration is a revision of the existing policy, and is in conformance with policies followed by a majority of California local governments. Staff has provided a copy of the existing investment policy for comparison purposes. The City and Successor Agency's independent financial auditors have reviewed this proposed investment policy and has stated that it contains the information required for the notes to the financial statements in a display manner that is organized and easy to find.

The proposed Investment Policy includes the following general provisions:

- Establishes an Investment Advisory Committee made up of the City Manager/Executive Director, Assistant City Manager/Deputy Director, and the Administrative Services Director/City Treasurer, which will serve as the implementing body of the Investment Policy and review timely submitted quarterly investment reports prepared in the Finance Department;
- Provides direction on investment strategies, including the length of the investment or average maturity, which investments are legally permitted for local governments, and reduces risk by ensuring the portfolio has a recommended mix across investment categories (such as US government agencies, treasuries, corporate bonds, etc.) and specific corporations and/or government agencies;
- Establishes a procedure for the qualification of broker/dealers seeking to transact business with the City and Successor Agency, and encourages the acquisition of only "new issue" securities in order to ensure a competitive bid environment where the City and Successor Agency can acquire investments at favorable rates; and
- Outlines the internal control procedures related to executing investment transactions, and the financial and performance reporting of the portfolio;

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

None.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council complete the annual review and consideration of the Investment Policy and adopt Resolution No: 2012-7266 accepting and approving the Investment Policy Update for FY 2012-2013.

Staff recommends the Mayor and Member of the Imperial Beach Redevelopment Successor Agency complete the annual review and consideration of the Investment Policy and adopt Resolution No. SA-12-17 accepting and approving the Investment Policy Update for FY 2012-2013.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.

Attachments:

1. Resolution No. 2012-7266 of the City of Imperial Beach
2. Resolution No. SA-12-17 of the Imperial Beach Redevelopment Successor Agency
3. Proposed City of Imperial Beach Investment Policy #408
4. Existing City of Imperial Beach Investment Policy #408 adopted June 15, 2011

RESOLUTION NO. 2012-7266

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, ADOPTING THE CITY OF IMPERIAL BEACH INVESTMENT POLICY

WHEREAS, a comprehensive investment policy provides a level of accountability for investment officials and promotes greater public trust in the investment process; and

WHEREAS, the policy for the investment of all City financial assets seeks to satisfy the primary objective of safety of principal, with the subsequent goals of liquidity and yield; and

WHEREAS, an investment policy provides a municipality with direction for how investments shall be placed within the specific securities as outlined by type and maturity sector in the policy; and

WHEREAS, the authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659; and

WHEREAS, governing body adoption of an investment policy is a recommended best practice by the Government Finance Officers Association; and

WHEREAS, California Government Code Sections 53646(a)(1-2) states that public agencies may provide an annual investment policy to the legislative body of each local agency and that for local agencies other than counties, either the treasurer or chief fiscal officer may annually render a statement of the investment policy to the legislative body; and

WHEREAS, California Government Code Sections 53646(a)(2) further requires that for non-county agencies such as municipalities, the legislative body is required only to consider the investment policy or any changes to the investment policy at a public meeting.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. That the attached Investment Policy Update for FY 2012-2013 is hereby reviewed, considered, approved and adopted.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of November 2012, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, MMC
CITY CLERK

RESOLUTION NO. SA-12-17

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, ADOPTING THE CITY OF IMPERIAL BEACH INVESTMENT POLICY

WHEREAS, a comprehensive investment policy provides a level of accountability for investment officials and promotes greater public trust in the investment process; and

WHEREAS, the policy for the investment of all City financial assets seeks to satisfy the primary objective of safety of principal, with the subsequent goals of liquidity and yield; and

WHEREAS, an investment policy provides a municipality with direction for how investments shall be placed within the specific securities as outlined by type and maturity sector in the policy; and

WHEREAS, the authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659; and

WHEREAS, governing body adoption of an investment policy is a recommended best practice by the Government Finance Officers Association; and

WHEREAS, California Government Code Sections 53646(a)(1-2) states that public agencies may provide an annual investment policy to the legislative body of each local agency and that for local agencies other than counties, either the treasurer or chief fiscal officer may annually render a statement of the investment policy to the legislative body; and

WHEREAS, California Government Code Sections 53646(a)(2) further requires that for non-county agencies such as municipalities, the legislative body is required only to consider the investment policy or any changes to the investment policy at a public meeting.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Imperial Beach as follows:

1. That the attached Investment Policy Update for FY 2012-2013 is hereby reviewed, considered, approved and adopted.

PASSED, APPROVED, AND ADOPTED by the Redevelopment Agency of the City of Imperial Beach at its meeting held on the 7th day of November 2012, by the following vote:

AYES:	BOARDMEMBERS:
NOES:	BOARDMEMBERS:
ABSENT:	BOARDMEMBERS:

JAMES C. JANNEY
CHAIRPERSON

ATTEST:

JACQUELINE M. HALD, MMC
SECRETARY

**CITY OF IMPERIAL BEACH
CITY COUNCIL / REDEVELOPMENT SUCCESSOR AGENCY POLICY**

SUBJECT: INVESTMENT POLICY UPDATE	POLICY NUMBER	EFFECTIVE DATE	PAGE
	408	06/15/11	1 of 11

ADOPTED BY: Council Action

DATED: 06/18/97

AMENDED BY: Resolution No. 2012-7266

DATED: 11/07/12

PROPOSED BY: Redevelopment Agency Successor Agency Resolution No: SA-12-17

INVESTMENT POLICY

POLICY

Under authority granted by the City Council and City Manager, the Administrative Services Director/City Treasurer is responsible for investing the unexpended cash in the City and Redevelopment Successor Agency Treasury.

The investment of the funds of the City of Imperial Beach and the Imperial Beach Redevelopment Successor Agency is directed to the goals of safety, liquidity and yield. The authority governing investments for municipal governments is set forth in the California Government Code, Sections 53601 through 53659.

The primary objective of the investment policy of the City of Imperial Beach is SAFETY OF PRINCIPAL. Investments shall be placed in those securities as outlined by type and maturity sector in this document. Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law. Portfolio management requires continual analysis and as a result the balance between the various investments and maturities may change in order to give the City of Imperial Beach the optimum combination of necessary liquidity and optimal yield based on cash flow projections, while maintaining safety of principal.

SCOPE

The investment policy applies to all financial assets of the City of Imperial Beach and the Imperial Beach Redevelopment Successor Agency as accounted for in its annual financial statements. Policy statements outlined in this document focus on the Imperial Beach's pooled funds, but will also apply to all other funds under the Administrative Services Director/City Treasurer's span of control unless specifically exempted by statute or ordinance. This policy is applicable, but not limited to all funds listed below:

•General Fund •Wastewater (Sewer) Fund •Capital Funds •Other Special Revenue Funds, Debt Service Funds, Internal Service Funds •Trust and Agency Funds (including funds of the Redevelopment Successor Agency) • Any new fund created by the City Council unless specifically exempted.

PRUDENCE

The standard to be used by investment officials shall be that of a "prudent investor" and shall be applied in the context of managing all aspects of the overall portfolio. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City and Agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

It is the City's and Agency's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars.

However, it is realized that market prices of securities will vary depending on economic and interest rate conditions at any point in time. It is further recognized that in a well-diversified investment portfolio, occasional measured losses are inevitable due to economic, bond market or individual security credit analysis. These occasional losses must be considered within the context of the overall investment program objectives and the resultant long-term rate of return.

Investments held in the City's investment portfolio as of initial adoption of this policy (November 2012) were purchased under the authority and guidelines of a previously City Council adopted investment policy and may not conform to parameters and restrictions stipulated in this investment policy. The presiding City Council, upon the advice of the Investment Advisory Committee, will provide the Administrative Services Director/City Treasurer direction as to actions, if any, to be taken in order to bring all investment holdings into compliance.

The Administrative Services Director/City Treasurer and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

OBJECTIVES

Safety of Principal

Safety of principal is the foremost objective of the City of Imperial Beach and the Agency. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or erosion of market value. The City shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm the City's capital base and cash flow.

Market risk, defined as market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by limiting the average maturity of the investment portfolio to three years, the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation. As is authorized by the California government code, any securities with maturities longer than five years require prior approval of the Imperial Beach City Council.

Liquidity

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis in an effort to ensure that the City's investment portfolio will remain sufficiently liquid to enable the City/Agency to meet all reasonably anticipated operating requirements.

MATURITY MATRIX

Maturities of investments will be selected based on liquidity requirements to minimize interest rate risk and maximize earnings. Current and expected yield curve analysis will be monitored and the portfolio will be invested accordingly. The weighted average maturity of the pooled portfolio should not exceed three years and the following percentages of the portfolio should be invested in the following maturity sectors:

Maturity Range

Suggested Percentage

1 day to 7 days	10 to 50%
7 days to 180	10 to 30%
180 days to 360 days	10 to 30%
1 year to 2 years	10 to 30%
2 years to 3 years	0 to 30%
3 years to 4 years	0 to 25%
4 years to 5 years	0 to 20%
Over 5 years	Council Authorization Required *

* One exception does exist regarding the investment of bond reserve funds. If in the opinion of the Administrative Services Director/City Treasurer, matching the segregated investment portfolio of the bond reserve fund with the maturity schedule of an individual bond issue is prudent given current economic analysis, the investment policy authorizes extending beyond the five year maturity limitation as outlined in this document.

PERFORMANCE EVALUATION

Investment performance is monitored and evaluated by the Investment Advisory Committee. Investment performance statistics and activity reports are generated on a quarterly basis for presentation to the Investment Advisory Committee and to the City Council/Board. Annually, a statement of investment policy, and any proposed changes to the policy, will be rendered to the Investment Advisory Committee and to the City Council/Board for consideration at a public meeting.

The investment portfolio is designed to at least attain a market average rate of return through economic cycles. The market average rate of return is defined as average return on the Local Agency Investment Fund (assuming the State does not adversely affect LAIF's returns due to budget constraints).

DELEGATION OF AUTHORITY

The City Council/Board assigns the responsibility of investing unexpended cash to the Administrative Services Director/City Treasurer. Daily management responsibility of the investment program may be delegated to senior level Finance Department staff, who shall establish procedures for operations consistent with this investment policy.

INVESTMENT COMMITTEE

An investment committee consisting of the City Manager/Executive Director, Assistant City Manager/Deputy Director, and Administrative Services Director/ Treasurer shall be established to provide general oversight and direction concerning the policy related to management of the City's investment portfolio. Assigned Finance Department staff members may serve in a staff and advisory capacity, although are not members of the Committee. The Committee shall review and approve quarterly investment reports prepared and submitted by the Finance Department and Administrative Services Director/City Treasurer, or meet as necessary to discuss changes to the report and/or the investment strategies. The Investment Committee, serving as the legislative body of the Investment Policy, will have the quarterly reports for their review within thirty (30) days following the end of the quarter covered by the report as per Section 53646 (b)(1) of the California Government Code.

ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program, or impair their ability to make impartial investment decisions. Additionally the Administrative Services Director/City Treasurer and other members of the Investment Advisory Committee are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC).

SAFEKEEPING OF SECURITIES

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third party bank trust department, acting as agent for the City under the terms of a custody agreement. All trades executed by a dealer will settle delivery versus payment (DVP) through the City's safekeeping agent.

Securities held custody for the City shall be monitored by the Administrative Services Director/City Treasurer to verify investment holdings.

All exceptions to this safekeeping policy must be approved by the City Administrative Services Director/City Treasurer in written form and included in the quarterly reporting to the Investment Committee and the City Council/Board.

INTERNAL CONTROL

Separation of functions between the Administrative Services Director/City Treasurer and City senior level finance staff is designed to provide an ongoing internal review to prevent the potential for converting assets or concealing transactions.

Investment decisions are made by the Administrative Services Director/City Treasurer, and executed and confirmed by senior level finance staff. All wire transfers initiated by senior level finance staff must be approved by and transmitted by the Administrative Services Director/City Treasurer and reconfirmed by the appropriate financial institution to the senior finance staff. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by senior finance staff on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review and perform procedure testing on the City's cash and investments that have a material impact on the financial statements. The Administrative Services Director/City Treasurer and/or Investment Advisory Committee shall review and assure compliance with investment process and procedures.

REPORTING

The Administrative Services Director/City Treasurer shall review and render quarterly reports to the City Investment Advisory Committee and to the City Council which shall include the face amount of the cash investment, the classification of the investment, the name of the institution or entity, the rate of interest, the maturity date, the current market value and accrued interest due for all securities. The quarterly reports will be submitted to the Investment Committee within thirty (30) days following the end of the quarter covered by the report as per Section 53646 (b)(1) of the California Government Code. Once approved by the Investment Committee, the quarterly reports shall be placed on the City Council's meeting agenda for its review and approval no later than 60 days after the quarter ends.

QUALIFIED BROKER/DEALERS

The City shall transact business only with banks, savings and loans, and with qualified broker/dealers. The broker/dealers should be primary or regional dealers. The Administrative Services Director/City Treasurer will

make exceptions only upon written authorization from the Investment Advisory Committee. Investment staff shall investigate dealers wishing to do business with the City to determine if they are adequately capitalized, have pending legal action against the firm or the individual broker, and make markets in the securities appropriate to the City's needs.

The Administrative Services Director/City Treasurer and/or senior finance staff shall annually send a copy of the current investment policy to all broker/dealers approved to do business with the City. Confirmation of receipt of this policy shall be considered evidence that the dealer understands the investment policies and intends to sell the City/Agency only appropriate investments authorized by this investment policy. No broker/dealer may be approved to do business with the City without confirmation of receipt of the investment policy.

COLLATERAL REQUIREMENTS

Collateral is required for investments in certificates of deposit. In order to reduce market risk, the collateral level will be at least 110% of market value of principal and accrued interest.

AUTHORIZED INVESTMENTS

Investment of City funds is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized, as further limited herein:

1. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.
2. Obligations issued by the Government National Mortgage Association (GNMA), the Federal Farm Credit System (FFCB), the Federal Home Loan Bank Board (FHLB), the Federal National Mortgage Association (FNMA), the Student Loan Marketing Association (SLMA), and the Federal Home Loan Mortgage Corporation (FHLMC). There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.

all investments detailed in items 3 through 10 are further restricted to a percentage of the cost value of the portfolio in any single issuer name to a maximum of 5%. The total value invested in any one issuer shall not exceed 5% of the issuers net worth. Again, a five-year maximum maturity limitation is applicable unless further restricted by this policy. Notably, exception of the limitations of items 3 through 10 are permitted for the investment securities held in the City's portfolio as of November 7, 2012,

3. Bills of exchange or time drafts drawn on and accepted by commercial banks, otherwise known as banker's acceptances. Banker's acceptances purchased may not exceed 180 days to maturity or 30% of the cost value of the portfolio.
4. Commercial paper ranked P1 by Moody's Investor Services or A1+ by Standard & Poor's, and issued by domestic corporations having assets in excess of \$500,000,000 and having an AA or better rating on its' long term debentures as provided by Moody's or Standard & Poor's. Purchases of eligible commercial paper may not exceed 270 days to maturity nor represent more than 5% of the outstanding paper of the issuing corporation. Purchases of commercial paper may not exceed 25% of the cost value of the portfolio.
5. Negotiable Certificates of Deposit issued by nationally or state chartered banks (FDIC insured institutions) or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of total portfolio. A maturity limitation of five years is applicable.

6. Local Agency Investment Fund (LAIF) which is a State of California managed investment pool, and San Diego County Investment pool, or other local government fixed income investment pools in the region, may be used up to the maximum permitted by California State Law. A review of the pool/fund is required when they are part of the list of authorized investments.
7. Time deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 25% of the investment portfolio may be invested in this investment type.
8. Medium Term Corporate Notes, with a maximum maturity of five years may be purchased. Securities eligible for investment shall be rated AA or better by Moody's or Standard & Poor's rating services. Purchase of medium term notes may not exceed 30% of the market value of the portfolio and no more than 5% of the market value of the portfolio may be invested in notes issued by one corporation. Commercial paper holdings should also be included when calculating the 15% limitation
9. Ineligible investments are those that are not described herein, including but not limited to, common stocks and long term (over five years in maturity) notes and bonds are prohibited from use in this portfolio unless as noted previously approved the City Council. It is noted that special circumstances arise that necessitate the purchase of securities beyond the five-year limitation. On such occasions, requests must be approved by City Council prior to purchase. City Council approval is not required for investment of longer term securities of bonded debt reserve investments as long as the approved bond documents authorize such investments.
10. Various daily money market funds administered for or by trustees, paying agents and custodian banks contracted by the City of Imperial Beach may be purchased as allowed under State of California Government Code. Only funds holding U.S. Treasury or Government agency obligations can be utilized.

The following summary of maximum percentage limits, by instrument, are established for the City's totaled pooled funds portfolio, which excludes debt-related funds. City and Successor Agency funds are reported separately. These percentages are in compliance with the California Government Code for the investment of local government funds:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (LAIF)	Upon Demand	N/A	\$50 million per account	N/A
San Diego County Investment Pool or other similar local government investment pools	Upon Demand	N/A	Limits as prescribed by respective pool	N/A
Treasury Bills	5 Years	N/A	100%	N/A
US Government Agency and Federal Agency Securities	5 Years	N/A	100%	N/A
Bankers Acceptances	180 Days	N/A	30%	(A), (B)
Commercial Paper	270 Days	AA	25%	(A), (B)
Negotiable Certificates of Deposit	5 Years	N/A	30%	(A), (B)
Time Certificates of Deposit – Banks or Savings and Loans	5 Years	N/A	25%	(A), (B)
Medium Term Corporate Notes	5 Years	AA	30%	(A), (B), (C)

- (A) 5% of outstanding paper of issuing corporation
- (B) 5% of the portfolio in one corporation
- (C) Excluding investments held by the City as of November 7, 2012.

DERIVATIVE INVESTMENTS

Derivatives are investments whose value is "derived" from a benchmark or index. That benchmark can be almost any financial measure from interest rates to commodity and stock prices. The use of derivatives for the investment of City idle cash is prohibited under this policy. If deemed appropriate, a Guaranteed Investment Contracts (GICs), a derivative investment instrument generally accepted as prudent and safe, may be undertaken for the investment debt reserves derived from issued bond proceeds..

LEGISLATIVE CHANGES

Any State of California legislative action that further restricts allowable maturities, investment type, or percentage allocations will be incorporated into the City of Imperial Beach/Redevelopment Successor Agency Investment Policy and supersede any and all previous applicable language.

INTEREST EARNINGS

All moneys earned and collected from investments authorized in this policy shall be allocated quarterly to various City fund accounts based on the cash balance in each fund at quarter end as a percentage of the entire pooled portfolio. Funds in a negative cash position on average over the course of the fiscal year will not be allocated investment income nor will they receive market value adjustments as fiscal year end, as prescribed by GASB Statement 31. An accounting of such adjustments to withdraw negative interest in such funds, often referred to as a true up, will take place at fiscal year-end.

Additionally, in conformance with GASB Statement 31 the purchase price or book value of the City investments will be adjusted at year-end to account for the amortized cost of any investment securities purchased at a premium or a discount. Book Value reflects the value at which an investment security is shown on the holder's balance sheet, and is the acquisition cost less amortization of premium or accretion of discount. This annual accounting adjustment brings the value of the security closer to its par value as it approaches the maturity date and avoids the appearance of a "paper loss" in the final year if the investment purchased at a premium matures at face or par value.

LIMITING MARKET VALUE EROSION

The longer the maturity of securities, the greater their market price volatility. Therefore, it is the general policy of the City to limit the potential effects from erosion in market values by adhering to the following guidelines:

All immediate and anticipated liquidity requirements will be addressed prior to purchasing all investments.

Maturity dates for long-term investments will coincide with significant cash flow requirements where possible, to assist with short term cash requirements at maturity.

All long-term securities will be purchased with the intent to hold all investments to maturity under then prevailing economic conditions. However, economic or market conditions may change, making it in the City's best interest to sell or trade a security prior to maturity.

PORTFOLIO MANAGEMENT ACTIVITY

The investment program shall seek to augment returns consistent with the intent of this policy, identified risk limitations and prudent investment principals. These objectives will be achieved by use of the following strategies:

Active Portfolio Management. Through active fund and cash flow management, taking advantage of current economic and interest rate trends, the portfolio yield may be enhanced with limited and measurable increases in risk by extending the weighted maturity of the total portfolio.

Portfolio Maturity Management. When structuring the maturity composition of the portfolio, the City shall evaluate current and expected interest rate yields and necessary cash flow requirements. It is recognized that in normal market conditions longer maturities produce higher yields. However, the securities with longer maturities also experience greater price fluctuations when the level of interest rates change.

Security Swaps. The City may take advantage of security swap opportunities to improve the overall portfolio yield. A swap, which improves the portfolio yield, may be selected even if the transactions result in an accounting loss. Documentation for swaps will be included in the City's permanent investment file documents.

Competitive Bidding. It is the policy of the City to require competitive bidding for investment transactions that are not classified as "new issue" securities. For the purchase of non-"new issue" securities and the sale of all securities at least three bidders must be contacted. Competitive bidding for security swaps is also suggested, however, it is understood that certain time constraints and broker portfolio limitations exist which would not accommodate the competitive bidding process. If a time or portfolio constraining condition exists, the pricing of the swap should be verified to current market conditions and documented for auditing purposes.

POLICY REVIEW

The City of Imperial Beach's investment policy shall be adopted by resolution of the City Council \Redevelopment Successor Agency Board on an annual basis. This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. Any amendments to the policy shall be forwarded to City Council for approval.

Glossary of Terms

Accrued Interest - Interest earned but not yet received.

Active Deposits - Funds which are immediately required for disbursement.

Amortization - An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

Asked Price - The price a broker dealer offers to sell securities.

Basis Point - One basis point is one hundredth of one percent (.01).

Bid Price - The price a broker dealer offers to purchase securities.

Bond - A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Bond Swap – Selling one bond issue and buying another at the same time in order to create an advantage for the investor. Some benefits of swapping may include tax-deductible losses, increased yields, and an improved quality portfolio.

Book Entry Securities – Securities, such stocks held in “street name,” that are recorded in a customer’s account, but are not accompanied by a certificate. The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors’ concerns about the certificates themselves. All the large New York City banks, including those that handle the bulk of the transactions of the major government securities dealers, now clear most of their transactions with each other and with the Federal Reserve through the use of automated telecommunications and the “book-entry” custody system maintained by the Federal Reserve Bank of New York. These banks have deposited with the Federal Reserve Bank a major portion of their government and agency securities holdings, including securities held for the accounts of their customers or in a fiduciary capacity. Virtually all transfers for the account of the banks, as well as for the government securities dealers who are their clients, are now effected solely by bookkeeping entries. The system reduces the costs and risks of physical handling and speeds the completion of transactions.

Bearer and Registered Bonds - In the past, bearer and registered bonds were issued in paper form. Those still outstanding may be exchanged at any Federal Reserve Bank or branch for an equal amount of any authorized denomination of the same issue. Outstanding bearer bonds are interchangeable with registered bonds and bonds in “book-entry” form. That is, the latter exist as computer entries only and no paper securities are issued. New bearer and registered bonds are no longer being issued. Since August 1986, the Treasury’s new issues of marketable notes and bonds are available in book-entry form only. All Treasury bills and more than 90% of all other marketable securities are now in book-entry form. Book-entry obligations are transferable only pursuant to regulations prescribed by the Secretary of the Treasury.

Book Value - The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Broker – In securities, the intermediary between a buyer and a seller of securities. The broker, who usually charges a commission, must be registered with the exchange in which he or she is trading, accounting for the name registered representative.

Certificate of Deposit - A deposit insured up to \$250,000 by the FDIC at a set rate for a specified period of time, which this limit of \$250,000 limit was extended till December 31, 2013. The limit was previously \$100,000.

Collateral - Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Comprehensive Annual Financial Report (CAFR) or Annual Financial Statements - The official annual financial report for the City. CAFRs and Annual Financial Statements include five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).

Constant Maturity Treasury (CMT) - An average yield of a specific Treasury maturity sector for a specific time frame. This is a market index for reference of past direction of interest rates for the given Treasury maturity range.

Coupon - The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

Credit Analysis - A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Current Yield - The interest paid on an investment expressed as a percentage of the current price of the security.

Custody - A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

Delivery vs. Payment (DVP) - Delivery of securities with a simultaneous exchange of money for the securities.

Discount - The difference between the cost of a security and its value at maturity when quoted at lower than face value.

Diversification - Dividing investment funds among a variety of securities offering independent returns and risk profiles.

Duration - The weighted average maturity of a bond's cash flow stream, where the present value of the cash flows serve as the weights; the future point in time at which on average, an investor has received exactly half of the original investment, in present value terms; a bond's zero-coupon equivalent; the fulcrum of a bond's present value cash flow time line.

Fannie Mae - Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Federal Reserve System - The central bank of the U.S. that consists of a seven member Board of Governors, 12 regional banks, over 8,000 commercial banks, and 17,000 depository institutions that are members.

Federal Deposit Insurance Corporation (FDIC) - Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit (currently \$250,000) per account.

Fed Wire - A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

Freddie Mac - Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Ginnie Mae - Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

Inactive Deposit s- Funds not immediately needed for disbursement.

Interest Rate - The annual yield earned on an investment, expressed as a percentage.

Investment Agreements - An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

Liquidity - Refers to the ability to rapidly convert an investment into cash.

Market Value - The price at which a security is trading and could presumably be purchased or sold.

Maturity - The date upon which the principal or stated value of an investment becomes due and payable.

New Issue - Term used when a security is originally "brought" to market.

Perfected Delivery - Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

Portfolio - Collection of securities held by an investor.

Primary Dealer - A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

Purchase Date - The date in which a security is purchased for settlement on that or a later date.

Rate of Return - The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (REPO) - A transaction where the seller (bank) agrees to buy back from the buyer (City) the securities at an agreed upon price after a stated period of time.

Reverse Repurchase Agreement (REVERSE REPO) - A transaction where the seller (City) agrees to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.

Risk - Degree of uncertainty of return on an asset.

Safekeeping - see custody.

Sallie Mae - Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.

Secondary Market - A market made for the purchase and sale of outstanding issues following the initial distribution.

Settlement Date - The date on which a trade is cleared by delivery of securities against funds.

Time Deposit – A deposit in an interest-paying account that requires the money to remain on account for a specific length of time. While withdrawals can generally be made from a passbook account at any time, other time deposits, such as certificates of deposit, are penalized for early withdrawal.

Treasury Bills - U.S. Treasury Bills which are short-term, direct obligations of the U.S. Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of \$10,000 in multiples of \$5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.

U.S. Government Agencies - Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

Yield - The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

Yield to Maturity - The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

Yield Curve - The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.

**CITY OF IMPERIAL BEACH
COUNCIL POLICY**

SUBJECT: INVESTMENT POLICY UPDATE	POLICY NUMBER	EFFECTIVE DATE	PAGE
	408	06/15/11	1 of 4

ADOPTED BY: Council Action

DATED: 06/18/97

AMENDED BY: Resolution No. 2011-

DATED: 06/15/11

PURPOSE

Effective cash flow management and cash investment practices are recognized as essential to good fiscal management. This Statement is intended to provide guidelines for the prudent investment of the City's temporarily idle cash in all Funds, and outline the policies for maximizing the efficiency of the City's cash management system.

OBJECTIVE

The objective of the investment policy is to provide guidelines for insuring the safety of funds invested while maximizing investment interest income to the City.

INVESTMENT POLICY

- A.** The Finance Director is responsible for investing the cash balances in all City Funds in accordance with the California Government Code, Sections 53600 et seq. and 53635 et seq. This policy does not include Long Term Debt Reserve Funds and Deferred Compensation Funds, which are exceptions covered by other more specific Government Code sections and the legal documents unique to each debt transaction. Investment practices shall conform to the prudent man rule (Civil Code Sect. 2261, et seq.) which states, in essence, that "in investing... property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of their own affairs..."
- B.** Investments are normally purchased to be held to maturity. However, market conditions may dictate the purchase of investments with higher yields that may have an early call date. It is realistically anticipated that market prices of securities purchased as investments will vary depending on economic conditions, interest rate fluctuations, or individual security credit factors. In a well diversified investment portfolio, such temporary variations in market value will inevitably result in measurable losses at any specific point in time. From time to time, changes in economic or market conditions may dictate that it is in the City's best interest to sell a security prior to maturity.
- C.** The three principle factors of Safety, Liquidity and Yield are to be taken into consideration, in the specific order listed, when making investment decisions.
1. **Safety** of principal is the foremost factor to be considered during each investment transaction. Safety in investing refers to minimizing the potential for loss of principal, interest or a combination of the two due to the two types of risk, Credit Risk and Market Risk.
- a. Credit Risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by only investing in very safe, or "investment grade" securities and

- diversifying where feasible.
- b. Market Risk, defined as market value fluctuations due to overall changes in interest rates shall be mitigated by limiting the average maturity of the investment portfolio to less than 3 years, with a maximum maturity of any one security of 5 years without prior Council approval. Maturities for over 5 years are allowed for floating rate investments and step up investments provided that the average maturity of the investment portfolio is less than 3 years. Also, the portfolio will be structured based on liquidity needs so as to avoid the need to sell securities prior to maturity.
 2. **Liquidity** refers to the ability to convert an investment to cash promptly with minimum risk of losing some portion of principal or interest. The investment portfolio will be structured based on historic cash flow analysis in order to provide the necessary liquidity as investments routinely mature. A portion of the portfolio will be maintained in liquid short term securities which can be converted to cash if necessary to meet unforeseen disbursement requirements.
 3. **Yield** is the average annual return on an investment based on the interest rate, price, and length of time to maturity. The City attempts to obtain the highest yield possible, provided that the basic criteria of safety and liquidity have been met.

AUTHORIZED INVESTMENT INSTRUMENTS

The City may invest in the following instruments under the guidelines as provided herein:

- A. Certificates of Deposit. Time Certificates of Deposit will be made only in FDIC or FSLIC insured accounts. For deposits in excess of the insured maximum of \$100,000, approved collateral shall be required in accordance with California Government Code Section 53652 and/or 53651 (m) (1). No more than 25% of the investment portfolio may be invested in this investment type.
- B. Securities of the U.S. Government or its Agencies. Includes obligations issued by Federal Home Loan Banks, Government National Mortgage Association, the Farm Credit System, the Federal Home Loan Bank, the Federal Home Loan Mortgage Association, the Federal National Mortgage Association, the Student Loan Marketing Association, or obligations or other instruments of or issued by a federal agency or a United States Government sponsored enterprise.
- C. Treasury Bills and Notes. US Treasury Bills, Notes, Bonds or Certificates of Indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- D. Local Agency Investment Fund (LAIF). Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account. Maximum investment is subject to state regulation.
- E. County of San Diego Treasury Pool. Investment of funds in the County of San Diego Treasury which allows the County Treasurer-Tax Collector to invest local funds through a pooled concept.

- F. Bankers Acceptance. Bills of Exchange or Time Drafts drawn on and accepted by a commercial bank, otherwise known as Bankers Acceptances, both domestic and foreign, which are eligible for purchase by the Federal Reserve System. Purchases of Bankers Acceptances may not exceed 180 days maturity or total more than 40% of the cost value of the City's investment portfolio.
- G. Commercial Paper. Paper of the highest rating as provided by Moody's Investors Service, Inc. (P1), or Standard and Poor's Corporation (A1+). Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000). Purchases of eligible commercial paper may not exceed 270 days maturity, represent more than 10% of the outstanding paper of the issuer, or total more than 25% of the cost value of the City's investment portfolio.
- H. Negotiable Certificates of Deposit. Issued by a nationally or state chartered bank or a state or federal savings and loan association or by a state licensed branch of a foreign bank. Purchases of Negotiable Certificates of Deposit may not total more than 30% of the cost value of the City's investment portfolio.
- I. Repurchase Agreements. A purchase of securities by the City pursuant to a Master Repurchase Agreement by which the seller will repurchase such securities on or before a specified date, or on demand of either party, and for a specified amount. Investments in repurchase agreements will be used solely as short term investments not to exceed 90 days and be collateralized by securities having a market value of at least 102% of the value of the repurchase agreement at all times during the term of the investment.
- J. Medium Term Corporate Notes. Corporate obligations shall be rated A or better by Moody's and or Standard and Poor's rating agencies. Purchases of corporate medium term notes shall not total more than 30% of the cost value of the City's investment portfolio, nor for any one corporation, when combined with any Commercial Paper issued by the same corporation, total more than 15% of the cost value of the City's investment portfolio.
- K. Various daily cash funds administered for or by Trustees, Paying Agents, or Custodian Banks contracted by the City may be purchased as allowed under California Government Code. Only those funds holding US Treasury or Government Agency obligations shall be purchased.

DIVERSIFICATION

Investments shall be diversified among institutions, types of securities and maturities to maximize safety and yield with changing market conditions. Local financial institutions will be given preferential consideration for investment of City funds consistent with the City's objective of attaining market rates of return, and consistent with constraints imposed by its safety objectives, cash flow considerations and State laws.

SAFEKEEPING

All investments of the City shall have the City of Imperial Beach as registered owner and shall be held in safekeeping by a third party bank trust department, acting as agent for the City under the terms of a custody agreement.

INVESTMENT REPORTS

A. The Finance Director shall submit a quarterly investment report to the City Manager and City Council in accordance with Government Code Section 16481.2 containing the following information for each individual investment:

- Financial institution
- Type of investment
- Purchase Price of investment
- Rate of interest
- Purchase date
- Maturity date
- Current market value for securities
- Other data as required by the City

In addition, the report shall include a statement of compliance of the portfolio with the Council approved Investment Policy and a statement indicating the ability of the City to meet its expenditure requirements for the next six months.

B. The Finance Director shall submit copies of the second and fourth quarter calendar year investment reports to the California Debt and Advisory Commission (CDAIC) in accordance with AB 943. Also a copy of the City's Investment Policy shall be sent to CDAIC annually.

POLICY REVIEW

This investment policy and guidelines shall be adopted by resolution of the City Council on an annual basis after being reviewed to ensure its consistency with the overall objectives of preservation of principal, liquidity, and yield, and its relevance to current law and financial and economic trends.