CALL TO ORDER: 7:02 p.m.

ROLL CALL
Berwin Hanna, Mayor, Present
Herb Higgins, Mayor Pro Tem, Present
Kathy Azevedo, Council Member, Present
Kevin Bash, Council Member, Present
Greg Newton, Council Member, Present

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Herb Higgins

INVOCATION: Pastor Vernie Fletcher, Grace Fellowship Church

PROCLAMATION: Red Ribbon Week, October 23 – 31, 2014

Mayor Hanna presented a proclamation to Corona-Norco Unified School District staff and students recognizing this year’s theme Love Yourself Be Drug Free. The students commented on Red Ribbon Week activities at the schools.

CITY COUNCIL BUSINESS ITEMS AS follows:

1. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS

Council Member Bash:
- RCA meeting cancelled.
- Commented on the Rolling Devils Wheelchair basketball event October 25-26 and that to-date approximately $9,000 has been raised for the event. Tomark Sports is donating basketballs for each child.
• Attended the Veterans Memorial meeting today and commented on the progress. The dedication will be November 11, 2014 at 10:00 a.m.
• Commented on the pauper’s cemetery at Corona Sunnyslope Cemetery, where at least 258 people are buried. The cemetery was recently leveled and graded.

Mayor Pro Tem Higgins:
No report given.

Council Member Newton:
• Attended the Chino Desalter meeting October 9, 2014. The regional board approved a $2.5 million contract for the Chino 2 well fields. Commented that the Santa Ana River boring project is still disabled.

Council Member Azevedo:
• Attended three Western Regional Council of Governments (WRCOG) meetings. At the October 13, 2014 meeting, Air Quality Management District (AQMD) reported that the air toxics risk has been reduced since 2006. At the WRCOG Strategic Planning meeting on October 10, 2014, several key topics were discussed and a regional approach to waste to energy remained on the list of important issues to discuss further.
• Commented that the Parade of Lights Committee is meeting twice a month. The event will take place on December 13, 2014.
• Attended the Community Action Committee meeting on October 14, 2014 at the California Rehabilitation Center and noted that the prison population has declined - now at 2,673 prisoners.
• Participated in the Principal for a Day program at Norco High School and commented on the new Badge Program the school is offering.
• Commented on the upcoming U.N.L.O.A.D. meeting on October 27, 2014 and encouraged the public to attend.

Mayor Hanna:
• Attended the Riverside County Transportation Commission (RCTC) meeting and commented that the improvements on the 91 freeway are progressing. RCTC is still working on eminent domain issues on this project.
• Attended the Riverside Transit Agency (RTA) meeting and commented on a contest RTA is offering. Contestants are encouraged to create a video on how to ride a bus for the chance at winning the first place prize of $1,250. Contest ends mid-November.
• Mayor Hanna thanked Public Works staff for their prompt response in repairs due to a truck running over a water meter. Service was quickly restored to the property owner.

2. CITY COUNCIL CONSENT ITEMS:

Consent Calendar Items 2.E. and 2.F. were pulled to allow for public comment.
M/S AZEVEDO/BASH to adopt the remaining items as recommended on the Consent Calendar. The motion was carried by the following roll call vote:
AYES:        AZEVEDO, BASH, HANNA, HIGGINS, NEWTON
NOES:        NONE
ABSENT:      NONE
ABSTAIN:     NONE

A. City Council Minutes: Regular Meeting of October 1, 2014  
Action: Approved the City Council Minutes.

B. Procedural Step to Approve Ordinance after Reading of Title Only.  Action: Approved.

C. Quarterly Investment Report for Quarter Ended September 30, 2014.  Action: Received and filed.


E. Approval for Funding of the City of Norco Traffic Enforcement Plan.  Pulled for discussion.

F. Approval for Funding of Norco Auto Mall Sign Improvements.  Pulled for discussion.

3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR

2.E. Approval for Funding of the City of Norco Traffic Enforcement Plan.

Ted Hoffman thanked the City Council for going the extra mile with the City Manager and the Sheriff Lieutenant in creating this plan.

Bill Schwab commented on the Resolution for the enforcement plan and asked about the return on investment after six months. Mr. Schwab asked how the plan will be evaluated.

Lt. Briddick reported on the concern about the amount of traffic collisions in the City. With the current contract, there are no dedicated deputies for traffic enforcement. The calls for service that deputies respond to range widely and are prioritized over traffic enforcement. Lt. Briddick commented on the reporting requirements of the enforcement plan, which will run like a grant and will be fiscally responsible.
City Manager Okoro addressed some of the comments made by Mr. Schwab and stated that many of the details were presented at the October 8, 2014 City Council Special meeting. Mr. Okoro indicated that future funding for the enforcement plan will depend on performance and budget availability.

Council Member Newton expressed his concerns with Sheriff Deputies working overtime and possible issues with fatigue. Lt. Briddick stated that working in public safety, it is common for deputies to work overtime. Deputies must follow work guidelines and the idea is to break the enforcement hours into small manageable hours so that they can perform optimally. Council Member Newton thanked Mayor Hanna, Mayor Pro Tem Higgins, and Lt. Briddick for their work in realizing this plan.

Mayor Pro Tem Higgins commented that the Council understands the possibility of losing trails because of speeding motorists. Discussions took place with Sheriff Sniff’s office with the original intention of requesting a motorcycle officer. However, due to higher costs associated with a motorcycle officer, this alternative plan was created. Mayor Pro Tem Higgins indicated that statistically every citation will have a location and speed, which will be key for tracking purposes.

Mayor Hanna and Council Members Bash and Azevedo concurred and thanked their colleagues, staff, and Sheriff Sniff.

M/S HANNA/NEWTON to adopt Resolution No. 2014-62, appropriating $75,000 for the City of Norco Sheriff staff plan for traffic enforcement. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

2.F. Approval for Funding of Norco Auto Mall Sign Improvements.

Lisa Campbell expressed her concern about the City’s portion of the cost and said there are better ways the City could use the funds. Ms. Campbell indicated that the City will be paying half the costs but only receiving 15% of screen time on the sign.

Ted Hoffman commented that $187,340 is not much out of the budget. Mr. Hoffman stated that the City could charge for commercial advertising on the sign to recoup the funds. Mr. Hoffman concurred with staff on upgrading the sign.

Bill Schwab commented on what is fair and equitable for the City and asked the Council to look at the numbers and statistics closely. Mr. Schwab noted that he served on the Economic Development Advisory Council (EDAC) when the Mitsubishi dealership requested an upgrade of the sign in 2003. That proposal came before EDAC but not this current upgrade proposal.
Economic Development Consultant Roger Grody presented a brief background on the Auto Mall sign. Mr. Grody also noted that over the course of the next ten years, the auto dealerships, not the City, will be paying $130,000 for sign maintenance and programming. Mr. Grody expressed that the City cannot understate economic impact auto dealers have on the City. In regards to screen time, Mr. Grody indicated that the City has 15% of time for community event promotion or the time could be sold for commercial advertising. The 15% screen time equates to nine minutes of every hour, which is significant. Mr. Grody noted that the current components of the sign are obsolete and the minimum amount spent on the sign to keep it effective is $115,000.

Council Member Newton thanked Mr. Grody and the Economic Development Advisory Council for their work on this issue. Council Member Newton noted some statistics, stating that second quarter sales tax reports an increase and that the City should see an 8% to 12% sales tax revenue increase as a result from the upgraded sign. Council Member Newton expressed his concerns with the sign contractor and the agreement. Mr. Grody indicated that Electra-Media, Inc. is bringing the parties together and that the arrangement is between the Norco Auto Merchants Association. The City was asked to contribute and the City sees the benefits. Council Member Newton asked if there is a possibility that if Browning contributes, that the City could commit to 25% the first year, 50% the second year, and 75% the third year. In response, Mr. Grody stated that the 50-50 arrangement is not locked in and it is negotiable.

City Manager Okoro stated that the City relies on sales tax for essential items and commented that this agreement represents the City’s commitment to support the Auto Mall and keeping it viable. Mr. Okoro noted that the General Fund is the best way to fund the upgrade since Redevelopment Agency funds are subject to approval by the California Department of Finance. The sign is a reinvestment into the Auto Mall to help achieve results in the General Fund.

Council Member Newton asked if the sign were left alone, would sales tax decrease. In response, Mr. Grody stated that statistics demonstrate that a new or upgraded sign improves sales tax. There is nothing more critical to the vitality of the City’s economy than the Auto Mall. The City is a partner with the business community and this is a perfect example of that commitment.

Council Member Azevedo expressed her support for the upgrade. The City is dependent on the Auto Mall; however, the City cannot commit until Browning commits and it is possible that Browning is waiting on the City to commit.

Mayor Pro Tem Higgins addressed the return on investment. Mr. Higgins reiterated EMI’s statement that the City’s contribution would be paid off in three years. The City does not pay maintenance costs and the upgraded sign will have seven years of good use.

Council Member Bash commented that the Auto Mall dealers were on the verge of leaving five years ago during the downturn in the economy. Council Member Bash concurred that the sign upgrade is a good investment. Council Member Bash also concurred with Council
Member Azevedo of the possibility that Browning is waiting to see the City’s position in committing funds.

M/S HIGGINS/BASH to adopt Resolution No. 2014-63, approving an expenditure of $187,340 for improvements to the Norco Auto Mall sign, and authorize the City Manager to execute an agreement with the Norco Automobile Merchants Association. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS
NOES: NEWTON
ABSENT: NONE
ABSTAIN: NONE

Mayor Hanna recessed the meeting at 8:41 p.m. and reconvened the meeting at 8:57 p.m.

4. CITY COUNCIL DISCUSSION / ACTION ITEMS:

   A. Acceptance of Bids and Award of Contract for the Norco MDP Line NB-2 and S-5A Project, Located on Temescal Avenue between Cole street and Wrangler Way and the end of Kingman Drive.

Director of Public Works Lori Askew presented a brief background of the project and summary as noted in the staff report. Ms. Askew stated that staff received one letter of protest from the Center for Contract Compliance citing several alleged contractor violations and requested the City consider that information when making the decision on awarding the contract to GRFCO, Inc.

Council Member Azevedo inquired about the possibility of starting the project at the opposite end at Norco High School. Ms. Askew stated that Riverside County Flood Control is designing, funding, and constructing the remaining portion of this project, which could occur sometime next year. If the City puts this project (MDP Line NB-2 and S-5A Project) behind the Riverside County Flood Control massive drainage project, it could be delayed as much as two years. Ms. Askew also noted that this project will be reimbursed by Riverside County Flood Control.

In response to Council Member Newton, Ms. Askew commented that the protest letter is a standard letter but that this is the first time a bid has been protested.

In response to Mayor Pro Tem Higgins, Ms. Askew stated that RKA Consulting Group looks at these types of projects. Mayor Pro Tem Higgins asked who prepared the contract and how priority of projects is determined. Director Askew stated that she prepared the contract for this project. Prior to releasing a Request for Proposal, the City submits a list of desired projects to Riverside County Flood Control for approval. Water and Sewer Manager Bill Thompson added that Riverside County Flood Control puts together the budget for the projects and submits it to the Riverside County Board of Supervisors for approval.
In response to Mayor Pro Tem Higgins, Mr. Thompson stated that Frontier Road is considered a minor drain project. Mayor Pro Tem Higgins asked if Frontier Road has ever been included on any submittal to the County or has any work been planned for Frontier Road. Mr. Thompson stated that Riverside County would not fund the minor drain projects two years ago but now have agreed to reimburse the City.

Council Member Bash thanked staff for the inclusion of Kingman on this project. In response to Council Member Bash, Director Askew stated that she will be in a preconstruction meeting next week and will get a timeline.

M/S BASH/AZEVEDO to accept bids submitted for the construction of various storm drains and related appurtenances and award a contract to GRFCO, INC. of Moreno Valley, CA in the amount of $513,298.00 and authorize the City Manager to approve contract change orders up to 10 percent of the bid contract amount. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

B. Fiscal Year 2013-2014 Year-End Budget to Actual Report.

City Manager Okoro presented a brief report. Mr. Okoro indicated that the City has met its financial targets. The Fiscal Year 2013-2014 actual revenues and expenditures performed better than final year-end budget projections for the City’s main Operating Funds - General Fund, Water Fund and Sewer Fund. This means that actual revenues exceeded budget amounts while actual expenditures came in below budgets. The combination of improving revenues and better expenditure control resulted in better than expected increase in fund balance for the General Fund and improved working capital for the Water and Sewer Enterprise Funds.

In response to Council Member Azevedo, Mr. Okoro indicated that funds to supplement the shortage for Landscape Maintenance District 2 comes from the General Fund.

Council Member Newton asked how the City can improve reducing debt service. City Manager Okoro stated that two years ago, Standard and Poor downgraded the City’s outstanding bonds with respect to the water and sewer fund. The reason is that after the City paid all its operating expenditures, excluding debt service, the City did not have enough reserve to achieve a debt service coverage ratio that was acceptable for credit rating purposes. The only way to improve debt service coverage is to make sure that water service expenditures do not exceed revenue. Therefore, rate adjustments need to be done in a timely manner.

Council Member Newton stated that a Purchased Water Agreement is smart and progressive business compared to tiered rates. Council Member Newton asked why the City is increasing rates if we are selling water to Corona. Mr. Okoro stated that Norco is selling to
Corona to bring down expenditures.

In response to Council Member Bash, Water and Sewer Manager Bill Thompson stated that the petition for change to get the reclaimed recycled water from the WRCWA plant across the River Road bridge has been in the works for the past fourteen months. The court will be making a decision as to what the City, and the other members of the Joint Powers Authority, are expected to leave in the river as a discharge. Staff is completing a recycled water permit which will be reviewed by the Health Department in December and hopefully receive the approved permit in January.

**M/S AZEVEDO/BASH to receive and file the Fiscal Year 2013-2014 Year-End Budget to Actual Report. The motion was carried by the following roll call vote:**

**AYES:** AZEVEDO, BASH, HANNA, HIGGINS, NEWTON  
**NOES:** NONE  
**ABSENT:** NONE  
**ABSTAIN:** NONE

5. **CITY COUNCIL CONTINUED PUBLIC HEARING:**

   **A. Ordinance No. 980, First Reading.** Code Change 2014-05 (City of Norco): A City-Initiated Code Amendment to Add Chapter 5.56 “Hookah and Smoking Lounges” Prohibiting Hookah and Smoking Lounges in All Zoning Districts within the City.

Planning Director Steve King presented brief information on the proposed ordinance.

In response to Mayor Pro Tem Higgins, Director King indicated that smoking cigarettes and cigars are permitted on a patio if the patio is an approved smoking area.

**Mayor Hanna opened the public hearing at 9:48 p.m., indicating that proper notification had been made and asked for the appearance of those wishing to speak.**

Brittany Yamada expressed her opposition to the City micro-managing by discriminating a specific type of tobacco. Ms. Yamada commented on the possible impact for future businesses.

Sandy MacQuarrie expressed her opposition to the proposed ordinance. Ms. MacQuarrie commented on the right to choose to smoke tobacco products. Ms. MacQuarrie indicated that she visited the restaurant with hookah smoking and met with the owners. She commented that the patio at the restaurant is removed from the public and neighboring businesses are not opposed.

Ted Hoffman commented that smoking is a personal choice and does not want to see Norco become a nanny city. Mr. Hoffman suggested a moratorium to allow time to research this subject.
Mike Mayer expressed his opposition to the proposed ordinance. Mr. Mayer said that he does not smoke but believes it is a personal choice and the proposed ordinance seems to single out hookah smoking.

Michael Van Veghten presented a comparison of different tobacco products. Mr. Van Veghten stated that tobacco is an American grown product. He stated his opposition to the proposed ordinance.

Devin Roth expressed his opposition to the proposed ordinance and commented on service to the public versus control of the public.

Lisa Campbell expressed her opposition to the proposed ordinance. Ms. Campbell gave complimentary comments about the restaurant in question.

Lou Paltza read a statement prepared by Ms. Myrna Paltza on behalf of Concerned Citizens of Norco (CCON) regarding citizen’s rights. Mr. Paltza commented that if the City continues to turn down potential businesses that are deemed not cohesive with the Norco lifestyle, the City will cease to exist.

Jana Alton expressed her opposition to the proposed ordinance. Ms. Alton stated that people are entitled to make their own choices. Ms. Alton said that the City should not be reactionary and should not appear to be isolating a culture.

Eddie Ammari, co-owner of Kaza Maza, stated that hookah is part of the Middle Eastern/Mediterranean culture. Mr. Ammari said that his business was booming until discussion of the proposed ordinance began. Mr. Ammari said that the proposed ordinance would infringe on his rights. He stated that other tenants in the shopping center are not bothered by the hookah.

Linda Dixon commented on the health concerns of hookah being above other forms of tobacco as well as the criminal activity associated with it. Ms. Dixon indicated that the proposed ordinance is city-wide, not just the restaurant that has been commented on. Ms. Dixon said that the patio is just a few feet from the parking lot and expressed how the patio would be monitored.

Harvey Sullivan expressed concerns with the proposed ordinance and the issue of personal rights.

Pamela Smith commented that hookah is a legal tobacco and the proposed ordinance is infringing on people’s rights.

Fred Keith expressed his opposition to the proposed ordinance.

**Mayor Hanna closed the public hearing at 10:24 p.m., bringing the discussion back to Council Members.**
Council Member Bash commented that he assisted the owners of Kaza Maza open their business even with some serious issues that had to be overcome. Council Member Bash stated that the public hearing for the proposed ordinance has been continued twice at the owner’s request.

Mayor Pro Tem Higgins expressed his concerns with the City dictating what should be personal choice. Mr. Higgins commented on other locations in the City that allow outdoor smoking.

There was some discussion between Council Member Newton and Director King regarding permitted uses. Mr. King stated that if a use is not listed, it is not permitted. Council Member Newton asked if a standalone smoking lounge could be opened. Director King indicated that a smoking lounge is permitted provided it is only selling tobacco products, only being manned by the owner of the business, and they do not have any employees. City Attorney John Harper added that what Mr. King stated is reflective of State of California laws.

Council Member Azevedo commented that she is viewing this as a city-initiated ordinance and not singling out a particular business. Council Member Azevedo suggested this type of ordinance should be reviewed by the Planning Commission first and provide recommendations. Council Member Azevedo stated that there is not enough information to make a decision and the only manner in which she would support this is if it is an ancillary use, not a standalone use.

Mayor Hanna concurred with Mayor Pro Tem Higgins.

Council Member Bash offered the suggestion of allowing smoking on the patio in the interim. City Attorney Harper stated that it is not a permitted use. The City Council could make a finding that smoking hookah, as an ancillary outdoor use, is permitted. Council Member Azevedo concurred and Mayor Pro Tem Higgins indicated that the finding allows hookah as long as it is in conjunction with a restaurant and not a standalone use.

Council Member Azevedo requested that the ordinance be brought back written differently. City Attorney Harper indicated that the Council could make a finding now to treat hookah smoking the same way as other outdoor smoking uses that are as an ancillary use to a restaurant.

M/S HIGGINS/BASH that the City Council make a finding that hookah smoking is similar to other tobacco uses and ancillary uses with outdoor smoking. The motion was carried by the following roll call vote:
AYES: BASH, HANNA, HIGGINS, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: AZEVEDO

6. CITY COUNCIL PUBLIC HEARINGS:
A. **A Resolution Amending the City’s Comprehensive Fee Resolution to Update and Adjust the Development Impact Fee Schedule.**

M/S HIGGINS/HANNA to continue the public hearing to the November 5, 2014 City Council meeting. The motion was carried by the following roll call vote:

**AYES:** AZEVEDO, BASH, HANNA, HIGGINS, NEWTON

**NOES:** NONE

**ABSENT:** NONE

**ABSTAIN:** NONE


M/S HANNA/HIGGINS to continue the public hearing to the November 5, 2014 City Council meeting. The motion was carried by the following roll call vote:

**AYES:** AZEVEDO, BASH, HANNA, HIGGINS, NEWTON

**NOES:** NONE

**ABSENT:** NONE

**ABSTAIN:** NONE

C. **Ordinance No. 982, First Reading.** Code Amendment 2014-07. A City-initiated Code Change to Amend Chapter 15.09 “Swap Meets” and Other Related Cross-References in the Norco Municipal Code as Needed Regarding the Collection of Business License Fees for Special Events.

M/S HANNA/HIGGINS to continue the public hearing to the November 5, 2014 City Council meeting. The motion was carried by the following roll call vote:

**AYES:** AZEVEDO, BASH, HANNA, HIGGINS, NEWTON

**NOES:** NONE

**ABSENT:** NONE

**ABSTAIN:** NONE


M/S HANNA/HIGGINS to continue the public hearing to the November 5, 2014 City Council meeting. The motion was carried by the following roll call vote:

**AYES:** AZEVEDO, BASH, HANNA, HIGGINS, NEWTON

**NOES:** NONE

**ABSENT:** NONE

**ABSTAIN:** NONE
ABSTAIN: NONE

7. PUBLIC COMMENTS:

Ted Hoffman commented on his recent vacation in which he visited various veterans memorials. Mr. Hoffman expressed how proud he is of the City of Norco’s memorial. Mr. Hoffman also commented on a person he met while on vacation regarding waste compaction. Mr. Hoffman asked to give the idea to Waste Management.

Nathan Miller thanked the City Council and staff for the accommodation in continuing the development impact fees public hearing.

Dave Henderson indicated that he delivered a petition to City Hall last week. Understanding that staff is under no obligation to add an item to the City Council agenda, he requested that the Council agendize for the next meeting, discussion declaring Balboa under default for Silverlakes. The discussion merely causes notice to Balboa to perform and the notice of default starts the clock to get the work on Silverlakes started. Mr. Henderson said the notice does not stop the lease payments and asks the tenant to perform. Agendizing the topic would allow for discussion of options.

Richard Hallam commented on the Veterans Memorial and those opposed to it. Mr. Hallam stated that George Ingalls gave his life for this country hence the memorial named in his honor and for all those that sacrificed. Mr. Hallam suggested that those who are opposed to it to visit the memorial.

Harvey Sullivan commented that the City is not in default of the agreement with Balboa; however, Balboa is in default. Mr. Sullivan requested the matter be agendized.

Lisa Campbell concurred with Mr. Henderson and Mr. Sullivan. Ms. Campbell stated that the project began in 2007 and that there has been ample time to get started on it.

Linda Dixon commented on her vacation in which she visited the WWII memorial in New Orleans. Ms. Dixon discussed her involvement in the fundraising efforts for the George A. Ingalls Veterans Memorial. Ms. Dixon commented that the Lake Norconian Club Foundation is hosting a Pearl Harbor event on December 7, 2014 at the new George A. Ingalls Veterans Memorial. The event is open to the public.

8. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS

None

ADJOURNMENT

Mayor Hanna adjourned the meeting at 11:00 p.m.