



**CITY OF NORCO
CITY COUNCIL REGULAR MEETING MINUTES**

**Wednesday, January 20, 2016
City Council Chambers, 2820 Clark Avenue, Norco, CA 92860**

CALL TO ORDER: 7:00 p.m.

ROLL CALL: Kevin Bash, Mayor, **Present**
Greg Newton, Mayor Pro Tem, **Present**
Robin Grundmeyer, Council Member, **Present**
Berwin Hanna, Council Member, **Present**
Ted Hoffman, Council Member, **Present**

PLEDGE OF ALLEGIANCE: Mayor Kevin Bash

INVOCATION: Pastor Rene Parish, *Beacon Hill Assembly of God*

Mayor Bash reported a change in the order of the agenda. He indicated that Item 6.A. would be heard directly after Item 5.A.

INTRODUCTIONS: Julie Reyes, *Waste Management Municipal Marketing Manager*

Ms. Reyes indicated that she is back with Waste Management in a leadership role overseeing municipal contracts in San Bernardino and Riverside counties

Marissa Castro-Salvati, *Southern California Edison Government Affairs Representative*

Ms. Castro-Salvati stated that she has been with SCE for nineteen years previously serving the San Gabriel Valley area. The local government affairs group has undergone some reorganization and noted that she now represents 35 cities in the desert area and Inland Empire.

Chad Blais, *Director of Public Works*

City Manager Andy Okoro introduced Mr. Blais and provided a brief summary of his background and education. Mr. Blais thanked the Council for the opportunity to serve the residents of Norco.

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

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

Council Member Hanna:

- Attended a Riverside County Transportation Commission meeting. An item of interest discussed was the topic of grade crossing which are the railroad crossing overpasses to help traffic flow and reduce smog.

Council Member Grundmeyer:

- Attended a League of California Cities meeting in Indio this month.

Council Member Hoffman:

- Attended a Riverside County Transportation Commission meeting and noted discussion on the State of California highway system and local streets. Residents wanting to know more about the Road Charge Pilot program can go to www.californiaroadchargepilot.com.
- Attended a Southern California Association of Governments (SCAG) meeting and introduced City of Eastvale Council Member Clint Lorimore who is the SCAG regional representative for Norco, and SCAG Regional Public Affairs Representative Arnold San Miguel to provide a brief summary of the regional transportation plan. The current plan is a long-range plan for the region and meets state and federal requirements. Mr. Lorimore indicated that any Council Member wishing to provide comments on the plan may do so and he will submit them as part of the public comment period which ends February 1.

Mayor Pro Tem Newton:

- Attended a Western Riverside County Regional Wastewater Authority meeting in late December via teleconference. The Board received and filed the independent auditors report for the sewer system management plan.
- Attended a Chino Basin Desalter Authority Board meeting on January 7.

Mayor Bash:

- Attended a Riverside Conservation Authority meeting.
- Attended a Western Riverside Council of Governments meeting.
- Attended a grass roots meeting last week regarding the proposed La Sierra development.

2. CITY COUNCIL CONSENT ITEMS:

City Clerk Cheryl Link pulled item 2.A. as well as item 2.D to allow for public comment.

M/S HANNA/HOFFMAN to approve the remaining items on the Consent Calendar as recommended. The motion was carried by the following roll call vote:

AYES: GRUNDMEYER, HANNA, HOFFMAN, NEWTON, BASH

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

- A. City Council Regular Meeting Minutes of December 2, 2015 and December 16, 2015, and City Council Special Meeting Minutes of January 6, 2016. **Pulled for discussion.** (City Clerk)
 - B. Procedural Step to Approve Ordinance after Reading of Title Only. **Action: Approved.** (City Clerk)
 - C. Recap of Actions Taken by the Planning Commission at its Meeting Held on January 13, 2016. **Action: Received and filed.** (Planning Director)
 - D. **Resolution No. 2016-01**, Establishing Rules and Procedures for Filming and Recording During Meetings in the Council Chamber. **Pulled for discussion.** (City Clerk)
 - E. Quarterly Investment Report for Quarter Ended December 31, 2015. **Action: Received and filed.** (Finance Officer)
 - F. 2015 Sanitary Sewer System Management Plan Audit. **Action: Received and filed the City of Norco's 2015 Sewer System Management Plan Audit as required by State Order 2006-0003.** (Director of Public Works)
 - G. Resolution Amending and Approving the City's Conflict of Interest Code Applicable to Designated Employees Pursuant to the Political Reform Act of 1974. **Action: Adopted Resolution No. 2016-02, amending the City's Conflict of Interest Code.** (City Clerk)
 - H. Acceptance of the Pavement Management System, Phase I, as Complete. **Action: Accepted the Pavement Management System, Phase I as complete and authorized the City Clerk to file the Notice of Completion with the Riverside County Recorder's Office.** (City Engineer)
 - I. Acceptance of the Pavement Management System, Phase II, as Complete. **Action: Accepted the Pavement Management System, Phase II as complete and authorized the City Clerk to file the Notice of Completion with the Riverside County Recorder's Office.** (City Engineer)
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR
- 2.A. City Council Regular Meeting Minutes of December 2, 2015 and December 16, 2015, and City Council Special Meeting Minutes of January 6, 2016. (City Clerk)

City Clerk Cheryl Link pulled this item to clarify a few minor corrections to the minutes of December 2, 2015 and December 16, 2016.

M/S BASH/NEWTON to approve the regular meeting minutes of December 2, 2015 and December 16, 2015 as presented with changes; and the special meeting minutes of January 6, 2016. The motion was carried by the following roll call vote:

AYES: GRUNDMEYER, HANNA, HOFFMAN, NEWTON, BASH
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

2.D. **Resolution No. 2016-01**, Establishing Rules and Procedures for Filming and Recording During Meetings in the Council Chamber. *(City Clerk)*

City Clerk Cheryl Link reported that at the request of the Council at the December 2, 2015 Council meeting, staff has prepared and developed protocol for the recording of City meetings by members of the public and the media. The City acknowledges that no prior permission is required to record meetings but to maintain the good order of a public meeting, staff developed rules and procedures for the recording of City meetings by the public and media in the Council Chamber.

Lance Gregory suggested that the City look into recording Council meetings.

Jodie Webber read the introduction to the Ralph M. Brown Act. Ms. Webber commented on certain protocols in the staff report that she believes is a precondition to attendance and that possibly violates the Brown Act. Ms. Webber also noted her issue with the speaker cards not indicating that providing a name is voluntary. City Attorney John Harper responded with his interpretation of the Brown Act and indicated that every public agency is permitted to require as a condition of speaking the identification of the speaker. In response to the notice of intent to record as noted in the staff report, Mr. Harper stated that it is included in the policy for the purpose of the City being able to make appropriate accommodations for the public.

M/S HANNA/BASH to adopt Resolution No. 2016-01, approving rules and procedures for filming and recording of City meetings in the Council Chamber. The motion was carried by the following roll call vote:

AYES: GRUNDMEYER, HANNA, HOFFMAN, NEWTON, BASH
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

4. PUBLIC COMMENTS:

Tandy Kerr commented on traffic issues on Seventh Street. Ms. Kerr requested speed bumps as well as a stop sign and Seventh Street and Detroit.

Linda Dixon invited the Council and the public to attend the Lake Norconian Club Foundation Mardi Gras Fundraiser Gala on Saturday, February 13 at 6:00 p.m. at Nellie

Weaver Hall. Ms. Dixon also commented that the Lake Norconian Club Foundation has gained access to the hotel and roof repair begins next week.

Bonnie Slager commented that the producer of the 3 Mules documentary will be the guest speaker at the Norco Horsemen's Association general meeting tomorrow. Ms. Slager stated that Norco Horsemen's Association Trail Committee will be working on trail maintenance on Pedley Avenue between 10:00a.m. and 12:00 p.m. on Saturday, January 23 and welcomed the public to join in. Lastly, Ms. Slager reminded the public that Norco Horsemen's Association will be hosting the next Town Hall meeting on Monday, January 25 at 6:30 p.m. at Nellie Weaver Hall.

Corinne Holder spoke on behalf of Berwin Hanna's re-election campaign committee and noted that several donations were made with surplus funds, including donations to the Lake Norconian Club Foundation, Senior Center breakfasts, Leaps and Bounds, and Norco FFA.

Lou Paltza noted that tomorrow is the 21st of the month and in keeping with the 21 Seconds Now program, he reminded the public that flags should be at half-staff and 21 seconds of silence at 12:00 noon. Mr. Paltza suggested including the school district in this program.

Norvah Williams expressed her concerns with the paving in front of Norco Elementary School. Ms. Williams mentioned that there are pieces of asphalt on that portion of Temescal Avenue causing a safety issue.

5. DISCUSSION / ACTION ITEMS:

- A. Approval of Memorandum of Understanding with Balboa Management, LLC Regarding Reimbursement Repayment Schedule for SilverLakes Equestrian and Sports Park. (*City Manager*)

City Manager Okoro reported that the City has provided reimbursement costs totaling \$5,575,884.17 of the \$6,000,000 authorized reimbursement for City-owned water, sewer and other related improvements on the Silverlakes property. The last reimbursement was made on June 12, 2013 and accrued interest on all outstanding reimbursements calculated through June 30, 2016 is \$1,290,269.24. Based on this and the repayment terms provided in the Funding, Construction and Acquisition Agreement; the monthly repayment amount to the City has been determined to be \$45,514.50. Should the remaining reimbursement amount of \$424,115.83 be made to Balboa Management, LLC, the monthly repayment amount will be \$48,325.88.

In response to Mayor Pro Tem Newton, City Manager Okoro indicated that the rate of repayment of 5.9%, was determined by applying the highest rate on the long-term portion of the bond. Mr. Okoro added that if the bonds are refinanced in the future to a lower rate, the 5.9% will remain in effect for the MOU with Balboa. Mayor Pro Tem Newton also inquired about receiving title to the items installed. Mr. Okoro noted that the Funding and Acquisition Agreement calls for the City receiving title to the improvements on the property. There was some discussion regarding the City having an Instrument of Indebtedness. City

Attorney John stated that all the provisions in the MOU are contained in the existing contract with the City.

Council Member Hoffman referred to a letter written by former City Manager Beth Groves in March 2012 regarding the release of \$2.7 million from the water and sewer proceeds for the preparation and installation of water and sewer. Mr. Hoffman also referred to the \$1.7 million for import of dirt. Mr. Okoro stated that the work is broad any includes any cost associated with construction. Water and Sewer Manager Bill Thompson indicated that when developing a property, grading is needed prior to installation of utilities. Also, SilverLakes is in a flood plain and required additional dirt to be imported.

In response to Council Member Grundmeyer, Mr. Okoro stated that payments do not begin until July 2016, which is when improvements will be completed.

Lance Gregory expressed concerns about the MOU since he read recent reports regarding the County supervisor's judgment on the property taxes. Mr. Gregory said that it is his understanding that an MOU is not a legally binding document.

Tina Gregory said she does not understand the MOU document and Mr. Harper clarified some of her questions.

Mayor Pro Tem Newton indicated that he supports approval excluding Section 4 in the MOU regarding the remaining reimbursement amount of \$424,115.83. Mr. Harper indicated that the MOU simply approves the amortization schedule. Mr. Okoro stated that any additional amount reimbursed would come back before the Council for approval.

M/S NEWTON/HOFFMAN to approve the Memorandum of Understanding, excluding Section 4, with Balboa Management, LLC regarding the reimbursement payment schedule for SilverLakes Equestrian and Sports Park. The motion was carried by the following roll call vote:

AYES: GRUNDMEYER, HANNA, HOFFMAN, NEWTON, BASH

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

Mayor Bash recessed the meeting at 8:45pm and reconvened the meeting at 8:58pm

- B. Appointment to the Economic Development Advisory Council (EDAC) to Fill One (1) Unscheduled Vacancy. (City Clerk)

City Clerk Link reported that on December 8, 2015, Melissa Villapando submitted a letter of resignation from her appointment on the Economic Development Advisory Council (EDAC). Immediately following, the City Clerk's Office began the recruitment process and accepted applications until December 30, 2015. During the recruitment process, the City Clerk's Office received one application, from Mr. Scott da Rosa. Staff is recommending that the City Council make an appointment to EDAC.

Scott da Rosa commented about his experience and that his current occupation will bring valuable perspective to the Economic Development Advisory Council. Mr. da Rosa also commented on his work ethic and thanked the Council for the consideration.

M/S HANNA/BASH to appoint Mr. Scott da Rosa to the Economic Development Advisory Council to fill the unscheduled vacancy with his term to take effect immediately and ending June 30, 2017. The motion was carried by the following roll call vote:

AYES: GRUNDMEYER, HANNA, HOFFMAN, NEWTON, BASH

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

- C. La Sierra Hills (City of Riverside; and the Norco-Riverside City Boundaries: to Introduce for Discussion, Support of the Rural Land Use Restrictions in the La Sierra Hills Area in the City of Riverside, and the Current City Boundaries for Both Cities. *(Planning Director)*

Director King reported that per the request of City Council, below is a discussion of where the La Sierra Lands development was being proposed which required passage of Measure "L" by Riverside City voters. Measure "L" was defeated in November 2014 which stopped that proposal. This item has been agendaized for discussion about how much development is currently allowed as a result of Proposition R and Measure C (both Riverside statutes) in the La Sierra hills area, and what the relation is to the current city boundaries between Norco and Riverside.

Mayor Bash commented on his past involvement with this issue. The two leading proponents of Measure L changed sides soon after the passage of Measure L. The plan is to build 750 homes with the claim of open space. Mayor Bash requested concurrence from Council to send a letter to the Riverside City Council to uphold Proposition R and Measure C, as well as look at mitigation measures on North Drive. Mayor Bash suggested organizing a photo opportunity with the equestrian communities of Norco and La Sierra for the media.

Mayor Pro Tem Newton commented on his support for the Resolution and commented that innovative traffic calming is forthcoming.

Council Member Hoffman also commented on his support for the Resolution and suggested using the City of Riverside's General Plan in the efforts to preserve open space in the La Sierra Hills area.

M/S GRUNDMEYER/HANNA to adopt Resolution No. 2016-03, expressing support that Proposition R and Measure C be upheld by the City of Riverside to preserve the rural character of the La Sierra Hills section of the City of Riverside. The motion was carried by the following roll call vote:

AYES: GRUNDMEYER, HANNA, HOFFMAN, NEWTON, BASH

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

- D. Discussion Regarding Alternative Funding Options for Continuation of the Equestrian Trail Fence Replacement Project at Various Locations to Include Additional Trail Sections within the Bluff/Peninsula Area of Norco to Complete Transition from Wood Fencing to PVC (Vinyl) Fencing. *(Deputy City Manager/Director of Parks, Recreation and Community Services)*

Deputy City Manager Petree reported that at the request of the City Council, this is a Capital Improvement continuation project for the Bluff/Peninsula area of Norco as outlined in Exhibit A. This item was requested by the City Council to bring back costs associated with expanding the Various Trail Project Capital Program currently being worked on. The staff report outlines several options for funding.

In response to Council Member Grundmeyer's request for clarification on use of funds collected from property owners that have been determined as non-refundable, Deputy City Manager Petree stated that there are specific projects in which deposits were made for public improvements. There was some discussion about whether these funds could be used for other projects, which they could if Council so chooses.

There was some discussion about use of Fire and/or Sheriff work crews for the labor portion of the project, which could potentially reduce the cost of the project to about \$100,000. Mayor Pro Tem Newton commented that it would not be wise to defund the trail fund. Mayor Pro Tem Newton commented that there is approximately \$212,000 in cash-in-lieu funds that could be transferred to a street fund but expressed concern about the use of these funds that were earmarked for other improvements.

Deputy City Manager Petree stated that there is 700 linear feet of trail fencing to add in order to complete this section of the City. City Manager Okoro indicated that if it is the direction of the Council, staff can bring back details on the cash-in-lieu funds available during the mid-year budget review in February.

Mike Thompson commented on the installation of the new vinyl fencing and requested that the standards go back for review to the Streets, Trails and Utilities Commission.

Charles Walton commented on the Recreational Trails Program Reauthorization program and asked the Council to look into this grant.

Mayor Pro Tem Newton suggested that staff move forward with the bid process to complete the project.

M/S HOFFMAN/GRUNDMEYER to proceed with the bid process for the additional vinyl trail fence sections within the Bluff/peninsula area and bring back to Council for approval by April 2016. The motion was carried by the following roll call vote:

AYES: GRUNDMEYER, HANNA, HOFFMAN, NEWTON, BASH

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

6. PUBLIC HEARING:

- A. Proposition 218 Public Hearing Approving a "Pass-Through" Water Rate Adjustment. (Director of Public Works)

Director of Public Works Chad Blas reported that in compliance with Article XIID of the State of California Constitution and the Proposition 218 Omnibus Implementation Act, and AB 3030 Section 53756 of the Government Code regarding "Pass Through" increase in wholesale water rate charges, the City mailed 9,617 public notices to all affected property owners and rate payers of the proposed "Pass-Through" Water Rate Adjustment. Staff is recommending that the City Council accept written and verbal comments on the proposed rates and to approve the proposed rates after closure of the public hearing.

Director Blas indicated that the City has and will continue to experience increases in its water supply costs annually. He discussed water demands versus water supply and presented a history of increases in purchased water costs. Purchased water costs increased by 15% and purchased water costs make up about 70% of total water production costs. Staff recommends only a 10% increase in the overall commodity rate. The new proposed commodity rate is \$2.20.

In response to Mayor Pro Tem Newton, Finance Officer Schuchard stated that 9,617 notices were mailed and City Clerk Link stated that only six protest letters were received. There was some discussion about the Proposition 218 process and that future public hearings are not required through the year 2019. Director Blas indicated that if our purchasers raise rates, this pass-through process allows a rate increase but with 30-day notice prior to implementation.

In response to Council Member Hoffman's inquiry about assistance for senior citizens, Finance Officer Shuchard indicated that assistance programs are available through the Housing Division.

Mayor Bash opened the public hearing indicating that proper notification had been made and asked for the appearance of those wishing to speak.

Dave Stockton commented that he is opposed to the increase and submitted a letter of protest.

Lou Paltza asked how SilverLakes, the Navy, the prison, school district, etc. affect usage and how that usage is monitored.

Betsy Roberts commented that the notification letter should have provided more information. Ms. Roberts stated that her biggest concern is infrastructure and water leaks and asked the Council to look at infrastructure before passing on rates.

Bobbie Pope said she lives in the Bluff area and asked if the ground well water was going to be shut off. Director Blas stated that it is not the plan, but that staff is working on ways to reduce the temperature of the water from that well.

Jodie Webber commented that the City is contractually obligated to purchase a certain amount of water and she expressed concerns about how this impacts water conservation mandates from the State.

Bill Schwab commented on the low number of protest letters/responses received.

With no one else wishing to speak, Mayor Bash closed the public hearing bringing the discussion back to the Council Members.

Mayor Bash and Director Blais briefly answered some of the questions and concerns addressed during public comments.

M/S HANNA/HOFFMAN to adopt Resolution No. 2016-04 approving adjustments to water rates. The motion was carried by the following roll call vote:

AYES: GRUNDMEYER, HANNA, HOFFMAN, NEWTON, BASH

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

7. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

Council Member Hanna requested to agendaize discussion of preparing an ordinance to issue fines for illegal dumping. City Manager Okoro indicated that fines come under Code Enforcement and administrative citations.

Council Member Grundmeyer commented on a visit by a group of 14 students and an advisor from Illinois. They visited various sites in Norco this week and were warmly welcomed by Mayor Bash.

Council Member Hoffman complimented staff members Keith Price and John Starling for their work on the arenas. Mr. Hoffman also thanked Code Enforcement Officer Javier Rodriguez for addressing a trail hazard.

In response to Mayor Pro Tem Newton's request for status on the various traffic studies, Deputy City Manager Petree stated that staff received the some engineering reports and a workshop will be scheduled for the City Council to review and provide recommendations.

Council Member Hoffman requested a meeting with residents of Landscape Maintenance District 4 to allow them to be part of the decision-making process for fence installation.

Mayor Bash commented on the Lake Norconian Club Foundation Mardi Gras Fundraising event on February 13, 2016 and the Norco Film Festival event also on February 13th.

ADJOURNMENT

Mayor Bash adjourned the meeting at 10:55 p.m.