



**CITY OF NORCO  
CITY COUNCIL / SUCCESSOR AGENCY TO THE NORCO COMMUNITY  
REDEVELOPMENT AGENCY REGULAR MEETING AGENDA**

**Wednesday, May 18, 2016  
City Council Chambers, 2820 Clark Avenue, Norco, CA 92860**

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**CALL TO ORDER:** 7:00 p.m.

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

**PLEDGE OF ALLEGIANCE:** Council Member Ted Hoffman

**INVOCATION**

**BUSINESS APPRECIATION NOMINEE:** Polly's Pies Restaurant

**CITY COUNCIL / SUCCESSOR AGENCY BUSINESS ITEMS AS FOLLOWS:**

1. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS:
2. CITY COUNCIL / SUCCESSOR AGENCY CONSENT ITEMS: *All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Council, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Council or the audience request specific items be removed from the Consent Calendar. Items removed from the Consent Calendar will be separately considered under Item No.3 of the Agenda.*
  - A. City Council Special Meeting/Budget Workshop and Regular Meeting Minutes of May 4, 2016. **Recommended Action: Approve the City Council special and regular meeting minutes.** (City Clerk)
  - B. Procedural Step to Approve Ordinance after Reading of Title Only. **Recommended Action: Approval** (City Clerk)
  - C. Recap of Actions Taken by the Planning Commission at its Meeting Held on May 11, 2016. **Recommended Action: Receive and file.** (Planning Director)
  - D. Approval and Adoption of the Annual Appropriation Limit for Fiscal Year 2016-2017. **Recommended Action: Adopt Resolution No. 2016-23, approving the annual appropriation limit for Fiscal Year 2016-2017.** (Finance Officer)
  - E. Annual Adoption of the City's Investment Policy. **Recommended Action: Approve and adopt the annual City Investment Policy.** (Finance Officer)

- F. Exception to Allowable Construction Materials for Driveways in Parkway/Trail Setting. **Recommended Action: Allow specific variance for installation of asphalt strips within existing NexPave driveway ramps intersecting unimproved parkway.** (Public Works Director)
- G. Acceptance of Vine Street and Sagetree Lane Water Improvements. **Recommended Action: Accept the Vine Street and Sagetree Lane Water Improvements Project as complete and direct the City Clerk to file the Notice of Completion with the County of Riverside.** (Director of Public Works)
- H. Termination of Disposition and Development Agreements, Grant Deed Restrictions and Covenants, Conditions and Restrictions Pertaining to APN 126-120-0385-5 (Norco Hamner Holdings LLC). **Recommended Action: Approval of the agreement terminating the Disposition and Development Agreements, Grant Deed Restrictions and Covenants, Conditions and Restrictions for APN 126-120-0385-5.** (City Attorney/Counsel)
- I. Scheduling of a Public Hearing for the Adoption of the City of Norco 2015 Urban Water Management Plan. **Recommended Action: Approve the scheduling of a public hearing at the June 15, 2016 City Council meeting to adopt the City of Norco 2015 Urban Water Management Plan.** (Director of Public Works)
- J. Ratification to Increase the Fiscal Year 2015-2016 Western Riverside County Regional Wastewater Authority Operating Budget. **Recommended Action: Adopt Resolution No. 2016-24, amending the Fiscal Year 2015-2016 Western Riverside County Regional Wastewater Authority Operating Budget in the amount of \$487,714.** (Director of Public Works)
- K. Ratification of Fiscal Year 2016-2017 Western Riverside County Regional Wastewater Authority Budget. **Recommended Action: Adopt Resolution No. 2016-25, approving the Fiscal Year 2016-2017 Western Riverside County Regional Wastewater Authority budget establishing rates to be charged for conveyance, treatment and disposal of wastewater.** (Director of Public Works)
- L. Approval of Lease Agreements between City of Norco and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless for Telecommunication Facilities at Parmenter Park, George Ingalls Equestrian Event Center and Shearer Sports Complex. **Recommended Action: Approve Lease Agreements between City of Norco and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless, to construct telecommunications facilities at Parmenter Park, George Ingalls Equestrian Event Center and Shearer Sports Complex.** (Deputy City Manager)

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

4. PUBLIC COMMENTS: *This is the time when persons in the audience wishing to address the City Council regarding matters not on the agenda may speak. Please complete the speaker card in the back of the room and present it to the City Clerk so that you may be recognized.*

5. DISCUSSION / ACTION ITEMS:

A. Review and Consideration of California Senate Bill 415, California Voter Participation Rights Act, as it Relates to City of Norco General Elections. (City Attorney)

*Senate Bill 415 (Hueso), which becomes effective on January 1, 2018, prohibits political subdivisions from holding an election on a date other than the date of Statewide primary and general elections if holding an election on a non-current date has previously resulted in a significant decrease in voter turnout. The Statute requires that the City take action to consolidate with the Statewide election prior to January 1, 2018, to be effective not later than the November 8, 2022 election. For Norco, the earliest consolidation date would be November, 2018.*

**Recommended Action: Review options and approve a Municipal Election consolidation date.**

B. Request by the Lake Norconian Club Foundation for Use of the Norco Community Center to Store Artifacts from the Norconian Hotel. (City Manager)

*Staff has received an email from the Lake Norconian Club Foundation (LNCF) requesting City Council approval to use a portion of the small auditorium room in the Community Center Building which currently houses historic records and materials to store various artifacts which LNCF is planning to remove from the Lake Norconian Club Hotel.*

**Recommended Action: Provide direction to staff.**

6. PUBLIC HEARING:

A. Amendments to the City's General Fee Schedule for Fiscal Year 2016-2017. (Finance Officer)

*The proposed Resolution recommends that the City Council approve adjustments to the City's General Fee Schedule for Fiscal Year 2016-2017 based the change in Consumer Price Index (CPI) of 2.40% from February, 2015 to February, 2016. The General Fee schedule also includes certain new fees which have been added to reflect new user fee services.*

**Recommended Action: Adopt Resolution No. 2016-26, updating and adjusting the City's General Fee Schedule.**

7. APPEAL HEARING:

- A. **Conditional Use Permit 2015-40** (Sandoval): A request to appeal the Planning Commission's denial to allow a detached accessory building consisting of a 1,750 square-foot barn/storage building at 219 Gulfstream Lane located within the A-1-20 (Agricultural Low Density) Zone. (Planning Director)

*The subject property is located in the A-1-20 Zone, consists of about 1.21 acres, and is developed with a single family residence. The property includes a recorded Primary Animal Keeping Area (PAKA) of 3,918 square feet located towards the south side of the property. The request for Conditional Use Permit 2015-40 was denied by the Planning Commission on April 13, 2016, but that decision has been appealed by the applicant to the City Council.*

8. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

**ADJOURNMENT**

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*In compliance with the Americans with Disabilities Act, any person with a disability who requires a modification or accommodation in order to participate in this meeting, please contact the City Clerk's office, (951) 270-5623, at least 48 hours prior to the meeting to make reasonable arrangements to ensure accessibility.*

*Staff reports are on file in the City Clerk's Office. Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be available for public inspection at the City Clerk's Counter in City Hall located at 2870 Clark Avenue during normal business hours. The meeting is recorded.*



**CITY OF NORCO  
CITY COUNCIL SPECIAL MEETING MINUTES**

**Wednesday, May 4, 2016  
City Council Chambers, 2820 Clark Avenue, Norco, CA 92860**

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**CALL TO ORDER:** 4:00 p.m.

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

**PLEDGE OF ALLEGIANCE:** Mayor Pro Tem Newton

**CITY COUNCIL BUSINESS ITEM AS FOLLOWS:**

1. Presentation of the Draft Fiscal Year 2016-2017 Operating Budget

City Manager Okoro commented that this budget maintains existing service levels. There are no new programs or employees. Mr. Okoro gave a brief overview of the workshop objectives. He proceeded with General Fund highlights. The total estimated General Fund revenues are \$17.3 million and total estimated expenditures are \$17.6 million. The projected General Fund expenditure budget is based on maintaining existing service levels; avoids use of one-time revenues or inter-fund borrowing; provides funding for estimated 7% increase and 4.6% increase in Sheriff and County Fire contracts respectively; continues to provide funding to pay down liability for post-retirement healthcare costs as well as pay-go retiree healthcare costs increases; provides funding to pay for pass-through pension rate increases; includes 3% salary increase and a 2% increase in employee contributions to retirement costs; and is reduced by one-time expenditure in FY 2015-2016 (Auto mall Sign and Crestview remediation). The General Fund is impacted by an anticipated 4.7% decrease in sales tax revenue from FY 2015-2016 estimated year-end amount due largely to one-time Triple Flip adjustment in FY 2015-2016; a projected 2.7% increase in property tax due to slight increase in projected assessed values and item tax increment sharing; a projected increase of 3% in Vehicle License Fees; an overall franchise fee projected to increase by 7.2% due to phase-in increase in refuse franchise; and a projected decrease of 17% to Community Development fees due to lower anticipated building activities.

Mr. Okoro reported on the Water Fund. The total projected Water Fund revenues are \$8.3 million and total projected expenditures are \$10 million. Total Water Fund revenues have significantly decreased from a high of \$9.7 million in FY 2014 to an estimated \$8.3 million in FY 2016-2017 due to less consumption/water conservation. Preliminary Water Fund revenues are estimated based on current reduced consumption levels driven by water conservation measures, and existing water rates structure.

Mr. Okoro reported on the Sewer Fund. The total projected Sewer Fund revenues are \$6.4 million and total projected expenditures are \$6.5 million. Sewer Fund revenues are based on the existing sewer rates structure. The Sewer Fund provides funding for an estimated increase in treatment plant pass-through costs, rate study, and GIS upgrade. It also includes a \$250,000 transfer to the Sewer capital Projects Fund.

Mr. Okoro provided a summary of the General Fund Revenues by source. Property Tax revenues include secured and unsecured levies, residual tax increment and pass-through distribution, and penalties and assume a 2.7% increase due to increase in assessed value and estimated tax increment distribution. Sales Tax revenues include a decrease of 4.72% based on one-time catch-up payment from the wind down of Triple Flip. Revenues are estimated conservatively using Sales Tax Consultant projections. Other tax revenues consist of Public Safety Sales Tax, Property Transfer Tax, TOT, and Business License Tax, and are projected to remain flat from FY 2015-2016. Franchise Fee revenues include cable television, electric, gas, and refuse. Franchise Fees are projected to have a net increase of 7.16% largely due to refuse franchise. Mr. Okoro also reported on Motor Vehicle License Fees, Interest and Lease Income, and other revenues.

Mr. Okoro also provided a summary of General Fund Expenditures, projected General Fund balance, and proposed budget year-end status.

In response to Council Member Hoffman, City Manager Okoro stated that for the Water Fund short-term balancing for FY 2016-2017, the additional sale of water is a one-time revenue.

Council Member Grundmeyer asked the City Manager if he foresees the TOT Tax increasing. City Manager Okoro indicated that hotels are currently doing very well. Staff is taking a conservative approach and will look at the figures again at mid-year.

In response to Council Member Grundmeyer, Director Blais stated that every commercial property has a potable meter and an irrigation meter, whereas residential irrigation meters are mostly out of service.

Mayor Pro Tem Newton commented on the Water Fund and Sewer Fund in regards to the use of recycled water. Director Blais stated that internal use of recycled water will be nominal. The hope is to sell water to the City of Corona, which will help supplement the fund. Mayor Pro Tem Newton commented that other cities are charging surcharges for other things such as water conservation. City Attorney Harper indicated that the City can only charge for the actual cost of service. Mayor Pro Tem Newton also commented on the possibility of turning off our own wells and using Arlington water. Director Blais stated that the City is not obligated to use well water. However, the more water the City uses from Arlington, the more our cost is reduced. The goal of additional partners is to bring up wells to full capacity as well water is less expensive.

Mr. Okoro turned the presentation over to the department managers to present their individual budgets.

Lieutenant Eric Briddick reported for the Sheriff's Department. The FY 2015-2016 estimated year-end expenditures are anticipated to be at or under the amended budget. The FY 2016-2017 preliminary budget amount is \$5,528,191. FY 2016-2017 budgeted expenditures are \$366,781 or 7.11% higher than the FY 2015-2016 budget due to the increase in the Sheriff's contract services. Additionally, appropriation of \$100,000 for traffic enforcement is included in the budget. The crossing guard program continues to have a position for Norco Elementary.

In response to Council Member Hanna, Lt. Briddick stated that the crossing guard cost is shared between the City and the Corona-Norco Unified School District.

In response to Council Member Hoffman, Lt. Briddick indicated that the \$100,000 for traffic enforcement is the maximum. Staff puts a spending cap each month for traffic enforcement in order to equally distribute the program throughout the year.

Battalion Chief Scott Lane reported for the Fire Department. The FY 2015-2016 estimated expenditures are higher than FY 2015-2016 budget due to increased calls for service as compared to prior estimates. The FY 2016-2017 preliminary budget amount is \$3,972,545. FY 2016-2017 budgeted expenditures are increasing by \$170,875 due to an estimated 4.6% increase in the CalFire contract. Additional funding of \$50,662 for fire engine replacement is provided through the Equipment Replacement Fund.

Mayor Pro Tem Newton commented that the City of Canyon Lake no longer wants to use CalFire services and would affect all participating city rates. Mayor Pro Tem Newton asked how much that attributed to the rate change. Battalion Chief Lane indicated that the rate is based on the number of partners in the contract. City Manager Okoro stated that the current rate structure is set up to only bill for those personnel that are assigned to the City of Norco. A small portion of the rate is associated with dispatching. Mayor Pro Tem Newton commented on the recent brush fire above Ingalls Park and inquired about the costs. Battalion Chief Lane stated that there is no additional charge for those resources.

Accounting Manager Olivia Hoyt reported for the Fiscal and Support Services Department. The FY 2015-2016 estimated expenditures are below amended budget amounts due to salary and benefit savings. The FY 2016-2017 Preliminary Budget is \$1,337,675. FY 2016-2017 budgeted expenditures are \$45,461 or 3.3% lower than FY 2015-2016 budget primarily due to moving Human Resources to Administration.

In response to Council Member Hanna, City Manager Okoro stated that there are 53 full-time employees.

City Manager Okoro reported his department budget. FY 2015-2016 estimated expenditures are relatively flat as compared to the amended budget. The FY 2016-2017 Preliminary Budget is \$337,086. FY 2016-2017 budgeted expenditures are \$23,329 or 7.44% higher primarily due to pension costs and salary adjustment.

City Clerk Cheryl Link reported for her department. FY 2015-2016 estimated expenditures are below budgeted amounts due to savings in salary and benefits. The FY 2016-2017 preliminary budget is \$280,238. FY 2016-2017 budgeted expenditures are \$29,021 or 9.38% less than FY 2015-2016 budget due to biannual costs related to election services.

Economic Development Consultant Roger Grody presented for his department. FY 2015-2016 estimated expenditures are below amended budgeted amounts because of deferred Historic Preservation consulting fees and conservative management of marketing resources. The FY 2016-2017 preliminary budget is \$220,627. FY 2016-2017 budgeted expenditures are \$131,855 or 37.41% lower than FY 2015-2016 budget largely because of one-time expenditures related to the Auto Mall Sign. The budget includes funding for continued attendance of ICSC Conference and additional marketing efforts.

City Manager Okoro presented the budget for Human Resources. In FY 2016-2017, Human Resources will move from Fiscal and Support Services to Administration. The FY 2016-2017 Preliminary Budget is \$116,801.

Director Steve King presented the budgets for the Planning Department, Building and Safety Division, and Code Enforcement. The Planning Department FY 2016-2017 budget is higher than FY 2015-2016 due to higher pension costs and salary adjustments. The FY 2016-2017 preliminary budget is \$360,104. The Code Enforcement Division budget for FY 2016-2017 is slightly higher due to higher pension costs, salary adjustments and contractual services. The FY 2016-2017 Preliminary Budget is \$97,490. The Building and Safety Division FY 2016-2017 budget is higher by \$66,884 or 24.76% than FY 2015-2016 due largely to the upgrade of a part-time position to full-time and the associated benefits costs.

Superintendent Michelle Anglin reported for the Parks, Recreation and Community Services Department as well as Animal Control. For Recreation Services, the FY 2015-2016 estimated expenditures are below amended budgeted amounts due to a decrease of actual full-time salaries expended because of a vacancy in the part-time Volunteer Coordinator position during the year and estimated lower utility expenses. The FY 2016-2017 Preliminary Budget is \$674,488. FY 2016-2017 budgeted expenditures are slightly higher due to higher pension costs and salary adjustment; however, they have offsetting revenue due to increase participation in leisure classes and rentals at the Community Center.

For Youth and Teen Services, the FY 2015-2016 estimated expenditures and revenues are in line with the amended budgeted amount. The FY 2016-2017 Preliminary Budget is \$318,246. FY 2016-2017 budgeted expenditures are 12% higher due to a full year of minimum wage increases along with merit increases for part-time personnel as well as increases in Computing and Communications Operations charges. FY 2016-2017 budgeted revenues are 11% higher due to an increase in program fees and Adult Sports revenue.

For Park Maintenance, the FY 2015-2016 year-end estimated expenditures are in line with amended budgeted amounts. The FY 2016-2017 Preliminary Budget is \$555,947. FY 2016-2017 budgeted expenditures are 5.23% higher than FY 2015-2016 budget due to CalPERS pension rate increase, increase in estimated Contractual Services, Vehicle Replacement Charges and Computing and Communications Operations.

For Senior Services, the FY 2015-2016 year-end budgeted expenditure increase is due to Party Partners expenses and facility improvement which are offset by revenues from

church and Horseweek donations and were not included in the mid-year budget adjustment. The FY 2016-2017 preliminary budget is \$228,227. FY 2016-2017 estimated expenditures and revenues are in line with the amended budget. However, this includes the elimination of the Party Partners Program for FY 2016-2017 until funding becomes available. FY 2016-2017 revenues are 14% less than FY 2015-2016 due to lower participation from seniors on excursions and elimination of Party Partners Program donation.

For Building Maintenance/George Ingalls Equestrian Event Center, the FY 2015-2016 estimated year-end expenditures are higher due to unforeseen contractual expenditures for building maintenance. The FY 2016-2017 Preliminary Budget is \$761,104. The FY 2016-2017 budgeted expenditures are less than 1% higher due to reclassification of full-time personnel. The FY 2016-2017 revenues are 23% lower due to elimination of Library Lease and decrease in stall rentals from cancellation of Arabian Show and Mustang Makeover.

For Animal Control, the FY 2015-2016 estimated year-end expenditures are slightly higher than amended budget due to increase in contractual services. The FY 2016-2017 preliminary budget is \$595,963. FY 2015-2016 revenues increase mainly due to increase revenue collected through dog licensing. There is no change in the FY 2016-2017 budget as a result of the reduction of Special Departmental, Contractual Services, and Building and Ground Maintenance to absorb the increase in CalPERS pension rates and annual overtime. FY 2016-2017 revenues decreased 13.40% mainly due to unknown State reimbursement for fines issued. This amount traditionally adjusts (increases) at mid-year.

In response to Council Member Hoffman, Superintendent Anglin stated that contractual building maintenance covers primarily City facilities.

Mayor Bash inquired if the Norco Library is officially moving. City Manager Okoro stated that he is working on the assumption that the library will not be in its current location, therefore, will not making lease payments to the City. Mayor Bash expressed his concern for the lack of funding for the Party Partners Program.

Director Chad Blais reported for the Public Works Department and Engineering Division. For Engineering, the FY 2015-2016 estimated expenditures are below amended budgeted amounts due to positions being partially filled or unfilled during the year. The FY 2016-2017 preliminary budget is \$521,115. FY 2016-2017 budgeted expenditures are \$75,685 or 12.54% lower than FY 2015-2016 mainly due to the elimination of one-time costs associated with Crestview Drive remediation efforts in FY 2015-2016.

For Public Works Inspection, FY 2015-2016 estimated expenditures were fairly consistent with amended budgeted amounts. The FY 2016-2017 preliminary budget is \$109,931. FY 2016-2017 budgeted expenditures are projected to remain the same.

For Parkway Maintenance, FY 2015-2016 estimated expenditures were fairly consistent with amended budgeted amounts. The FY 2016-2017 preliminary budget is \$71,801. FY 2016-2017 budgeted expenditures are expected to marginally increase primarily due to an increase in use of CRC crews for tail maintenance.

For Street Maintenance, FY 2015-2016 estimated expenditures are below amended budgeted amounts due to not implementing street striping contract, reduced contractual pavement patching, and salary savings. The FY 2016-2017 preliminary budget is \$680,727. FY 2016-2017 budgeted expenditures are \$43,936 or 6.06% lower than FY 2015-2016 budget due to reallocation of salaries and benefits.

For Sewer Operations, FY 2015-2016 estimated expenditures are below amended budgeted amounts due to less than anticipated use of contractual services and increase in loan repayment not yet taking effect. The FY 2016-2017 preliminary budget is \$6,012,627. FY 2016-2017 budgeted expenditures is \$155,702 or 2.66% higher than FY 2015-2016 budget because of increased costs related to WRCRWA operations, increase allocation of Public Works staff salaries and benefits to Sewer Funds, and implementation of new work order/asset management and GIS system.

For Water Operations, FY 2015-2016 estimated expenditures are below amended budgeted amounts due to less than anticipated purchased water costs. The FY 2016-2017 preliminary budget is \$9,503,191. The FY 2016-2017 budgeted expenditures are \$489,223 or 4.90% lower than FY 2015-2016 budget due to reduced allocation of Public Works staff salaries and benefits to the Water Fund and Reduction in electrical costs

For Storm Drain Operations, FY 2015-2016 estimated expenditures are on par with amended budgeted amounts. The FY 2016-2017 preliminary budget is \$127,066. The budget is subject to reduction due to limited revenues and projected fund balance deficit.

Council Member Hoffman commented on the increase in this fiscal year budget for fire hydrants and asked if it was included for next fiscal year. In response, Director Blais stated that inspections and repairs will continue this year and next year will begin regular maintenance.

There was some discussion between Council Member Hoffman and Director Blais regarding remediation efforts on Crestview Drive. Director Blais stated that staff is in regular contact with Riverside County Flood Control to stay updated on the progress of flood control projects in that area. Council Member Hoffman expressed that he does not want to see the budget cut short for the remediation efforts.

Mayor Pro Tem Newton asked why the street maintenance budget is reduced for contractual pavement patching. Director Blais indicated that the budget is not reduced; the entire budgeted amount will not be used. The paving contractor was brought in late in the fiscal year.

City Manager Okoro presented the budget for Non-Departmental. He also presented the proposed FY 2016-2017 supplemental requests, which are: adding a full-time maintenance worker in the Building Maintenance Division; converting a part-time administrative clerk to full-time in the Recreation and Community Services Division; replacement of City Hall air conditioning units; adding part-time personnel as well as supplies to the Party Partners Program; purchase of new playground equipment at Neil Snipes Park; painting of Moreno Arena; and converting a part-time position to full-time for the Economic Development and Administration departments.

Council Members Hanna and Hoffman thanked the City Manager for the request to add a full-time maintenance worker at Ingalls Parks as it is greatly needed.

Council Member Grundmeyer commented that turnover impacts the ability to retain volunteers and thanked the City Manager for the request to convert the part-time position to full-time in the Recreation and Community Services Division.

In regards to the request to install new playground equipment at Neil Snipes Park, Council Member Hoffman said it is a good use of funds. He asked if maintenance will be included. Superintendent Henk Koke stated that playground equipment receives maintenance on a weekly basis. Superintendent Anglin indicated that woodchip replacement is currently in the budget.

The Council discussed the painting of Moreno Arena and noted that maintenance is necessary to reduce future costs. The Council recommended including this supplemental request in the budget.

The City Council thanked staff for their work on the budget. City Manager Okoro thanked Finance Officer Gina Schuchard, Accounting Manager Olivia Hoyt, and Accountant Melinda Van.

## **ADJOURNMENT**

Mayor Bash adjourned the meeting at 6:03 p.m.

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Cheryl L. Link, CMC, City Clerk



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

**Wednesday, May 4, 2016  
City Council Chambers, 2820 Clark Avenue, Norco, CA 92860**

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**CALL TO ORDER:** 7:00 p.m.

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

**PLEDGE OF ALLEGIANCE:** Council Member Robin Grundmeyer

**INVOCATION:** Associate Pastor Pol Arciaga, Beacon Hill Assembly of God

**PROCLAMATIONS:** Poppy Week, May 9-15, 2016

Mayor Bash presented a proclamation to representatives from the Norco American Legion Auxiliary for Poppy Week honoring all veterans.

Mental Health Month

The representatives of Mental Health Month were unable to attend to receive the Proclamation.

Mayor's Monarch Pledge Month

Mayor Bash commented on the Mayor's Monarch Pledge Month requesting that all residents assist in creating habitats for the Monarch butterfly that will help protect the species.

**PRESENTATION:** Norco High School Agriculture Department Donation to Senior Center

Elizabeth Kavianian along with other members of the Norco High School Agriculture Department presented a donation to the City Council for the Norco Senior Center in the amount of \$233.30.

**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 subcommittee meeting last Monday. From May 2 – 7, the southbound Interstate 15 at the 91 freeway will be closed in the evening. Go to [www.rctc.org](http://www.rctc.org) or the app, ie511, for updates on traffic conditions.
- Attended a meeting today of the Riverside Transit Agency Finance Subcommittee.
- Is a member of the Ingalls Park Master Plan Committee. The Arts Subcommittee installed horse sculptures last year and the remaining artwork will be installed by July 1, 2016.
- Attended a National Day of the Cowboy meeting. The event will take place at Ingalls Park on Saturday, July 23, 2016.
- On April 27, he and Mayor Pro Tem Newton attended a breakfast meeting with Sheriff Stan Smith at Polly's Pies.

Council Member Grundmeyer:

- Attended the Norco Fair Negotiations Contract meeting on April 27.
- Attended a meeting with Council Member Hoffman and the City's Historic Preservation Consultant on April 28 regarding the history of the Navy Base and historic preservation of the property.
- On April 30, attended the funeral of Anna Harper, who was a long-time member of Norco Citizens Patrol.
- Attended the Norco UNLOAD meeting on May 2.
- On May 3, met with City staff regarding options for youth participation in local government.

Council Member Hoffman:

- Attended a Riverside County Local Agency Formation Commission meeting last week.
- Participated in the James B. Evans Memorial Scholarship interviews at Norco High School.
- Is a member of the Veterans Memorial Committee and reminded the public of the continuous salute and ceremony on Monday, May 30 from 9am – 1pm at the George Ingalls Veterans Memorial Plaza hosted by the Norco American Legion.

Mayor Pro Tem Newton:

- Attended a Western Riverside County Regional Wastewater Authority (WRCRWA) meeting on April 28. WCRWA hosts Community Chats at the plant with two dates left through May.

Mayor Bash:

- Attended a Western Riverside Council of Governments (WRCOG) meeting. Commented on legislation SB 1102, which would centralize all transient occupancy tax. AB 2320 would pass laws limiting the use of drones. Homelessness, transportation, and infrastructure are also key issues in the County. Commented that former Council Member Kathy Azevedo will be receiving the 2016 WRCOG Award for Community Service.
- Attended a STAR meeting today at the Senior Center. By the year 2020, 28% of the population will be senior citizens.

- Is a member of the Measure GG Oversight Board. Norco Elementary is undergoing renovation from April 2016 to December 2017.

2. CITY COUNCIL CONSENT ITEMS:

Council Member Hoffman pulled item 2.F. Mayor Pro Tem Newton pulled items 2.E., 2.G., and 2.H. Item 2.I. was pulled to allow for public comment.

**M/S HANNA/NEWTON to approve the remaining Consent Calendar items as presented. The motion was carried by the following roll call vote:**

**AYES: BASH, GRUNDMEYER, HANNA, HOFFMAN, NEWTON**

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

- A. City Council Regular Meeting Minutes of April 20, 2016. **Action: Approved the City Council regular meeting minutes.** (City Clerk)
- B. Procedural Step to Approve Ordinance after Reading of Title Only. **Action: Approved.** (City Clerk)
- C. Continuation of an Annual Special Tax for Community Facilities District No. 93-1 for Fiscal Year 2016-2017. **Action: Adopted Resolution No. 2016-18, continuing the Annual Special Tax for Community Facilities District No. 93-1 for Fiscal Year 2016-2017.** (Finance Officer)
- D. Acceptance of the Equestrian Trail Fencing Project for Landscape Maintenance District No. 4 and Various Other City Locations as Complete. **Action: Accepted the Equestrian Trail Fencing Project for Landscape Maintenance District No. 4 and Various Other City Locations as complete and authorized the City Clerk to file a Notice of Completion with the County Clerk's Office.** (Deputy City Manager/Director of Parks, Recreation, and Community Services)
- E. Authorizing Issuance of the Chino Basin Desalter Authority Revenue Refunding Bonds Series 2016A. **Action: Adopted Resolution No. 2016-19, authorizing the inclusion of certain information in an Official Statement relating to the issuance of the Chino Basin Desalter Authority Revenue Refunding Bonds Series 2016A.** (Finance Officer)
- F. Acceptance of the Public Improvements at SilverLakes Equestrian and Sports Park as Complete. **Pulled for discussion.** (Director of Public Works)
- G. Appropriation for Reimbursement of Costs Related to Onsite SilverLakes Equestrian and Sports Park Water and Sewer Improvements. **Pulled for discussion.** (City Manager)

- H. Approval of Amendment No. 1 to the Memorandum of Understanding with Balboa Management, LLC Regarding Reimbursement Repayment Schedule for SilverLakes Equestrian and Sports Park. **Pulled for discussion.** (City Manager)
  - I. Approval of City-Wide Tree Trimming Services Agreement with West Coast Arborist, Inc. (WCA) and the City of Norco. **Pulled for discussion.** (Director of Public Works)
  - J. Acceptance of Modifications to Trail Fence Standards. **Action: Accepted the new PVC Equestrian Trail Fence Standard 706 and proposed modifications to existing Wood Equestrian Trail Fence Standard 705 and other miscellaneous standards that needed to be updated to incorporate the new trail fence requirements.** (Director of Public Works)
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR
- 2.E. Authorizing Issuance of the Chino Basin Desalter Authority Revenue Refunding Bonds Series 2016A. (Finance Officer)

Mayor Pro Tem Newton thanked Finance Officer Gina Schuchard for her work on this item. The refunding bonds result in an annual savings of approximately \$37,000.

**M/S NEWTON/BASH to adopt Resolution No. 2016-19, authorizing the inclusion of certain information in an Official Statement relating to the issuance of the Chino Basin Desalter Authority Revenue Refunding Bonds Series 2016A. The motion was carried by the following roll call vote:**

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

- 2.F. Acceptance of the Public Improvements at SilverLakes Equestrian and Sports Park as Complete. (Director of Public Works)

Council Member Hoffman pulled this item to comment that in the Ground Lease Exhibit H requires Notices of Completion. Staff confirmed that the notices will be prepared and filed with the County Recorder's Office.

Mayor Pro Tem Newton expressed concern with the installation of storm drain improvements and paving as there appears to be a gap in the inspections. Director Blais indicated that staff has been a part of all inspections since 2013 taking reports and pictures. There has been some work that was considered temporary but will be finalized. Mayor Pro Tem Newton said that the burden is on the developer to contact the City for inspections as work progresses. Building and Safety Division staff continue to keep in contact with Balboa on a daily basis. Staff is also holds weekly meetings to review progress.

Mayor Pro Tem Newton also expressed concern about the maintenance building not being constructed although the Ground Lease states that Balboa is responsible for all maintenance on site. Director Blais said that the maintenance building is not being constructed at this time and his understanding is that the building is for landscaping maintenance.

The following speakers commented in favor of the SilverLakes project and for approval of the item:

Sunday Barreto  
Geoff Kahan  
Pat Overstreet  
Linda Dixon  
RJ Brandes  
Rosa Zuniga-Green

**M/S HOFFMAN/BASH to accept the onsite public improvements at SilverLakes Equestrian and Sports Park as complete. The motion was carried by the following roll call vote:**

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

2.G. Appropriation for Reimbursement of Costs Related to Onsite SilverLakes Equestrian and Sports Park Water and Sewer Improvements. (City Manager)

In response to Mayor Pro Tem Newton, City Manager Okoro indicated that the original \$5,575,884.17 was paid through the 2009 water and sewer revenue enterprise bond proceeds. The remaining amount of \$424,115.83 will come from the Sewer Capital Project Fund and the Water Capital Project Fund. Mayor Pro Tem Newton expressed his concern that in 2013, a request for reimbursement stopped and almost three years later, the request for the remaining \$400,000 comes forward. In response, City Attorney Harper stated that the City has adhered to the terms of the contract. The Funding and Acquisition Agreement provides that reimbursement comes when the facilities are complete. Staff has spent the time reviewing the invoices to ensure that the costs related to the facility were accurate. Director Blais stated that the work was performed in 2015, which the inspectors verified. The last draw was in 2013, when the majority of the utilities were installed. Since the last draw in 2013, the work has been completed and verified in the amount of \$2.5 million.

Mayor Pro Tem Newton asked if there is any other fund this request could come from since the Water Capital Project Fund and the Sewer Capital Project Fund are distressed. In response, City Manager Okoro stated that the request is best appropriated from these funds since the improvements are water and sewer related.

Council Member Grundmeyer stated that she read through the Funding, Construction and Acquisition Agreement from 2011. The reference to the \$6 million is in the agreement three different times. There are some references in the agreement regarding inspections within ten

days following receipt of notice from the tenant. In Section 5.05, the agreement states that the City will pay for and finance the actual costs that are incurred by the tenant as to the cap amount of \$6 million. Council Member Grundmeyer said that in what she has read, Balboa has met the obligations.

Council Member Hanna said that Balboa has made significant progress in a short period of time.

Council Member Hoffman said that the City must have a reputation of integrity if it wants to continue to attract hotels and other businesses. Council Member Hoffman said that that the Council must carry on the contract.

The following speakers commented in favor of the project and urged the Council to approve:

Geoff Kahan  
Pat Overstreet  
Sunday Barreto  
Corinne Holder  
Linda Dixon  
Su Bacon  
RJ Brandes  
Rosa Zuniga-Green

Lou Paltza read a letter on behalf of Lisa Campbell. Ms. Campbell's letter expressed concerns about the SilverLakes project.

**M/S BASH/HANNA to adopt Resolution No. 2016-20, appropriating funds for reimbursement of costs related to onsite SilverLakes Equestrian and Sports Park water and sewer improvements. The motion was carried by the following roll call vote:**

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

- 2.H. Approval of Amendment No. 1 to the Memorandum of Understanding with Balboa Management, LLC Regarding Reimbursement Repayment Schedule for SilverLakes Equestrian and Sports Park. (City Manager)

Mayor Pro Tem Newton said he pulled this item because it went along with item 2.G.

**M/S HANNA/BASH to approve Amendment No. 1 to the Memorandum of Understanding regarding the reimbursement repayment schedule for SilverLakes Equestrian and Sports Park. The motion was carried by the following roll call vote:**

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

2.I. Approval of City-Wide Tree Trimming Services Agreement with West Coast Arborist, Inc. (WCA) and the City of Norco. (Director of Public Works)

Pat Overstreet expressed her concern that trees in the City are cut far more than 50%. She suggested that West Coast Arborists trim trees with care. Ms. Overstreet said she hopes the City has a tree trimming policy that would support a true urban forest like the cities of Upland and Redlands. Ms. Overstreet also suggested that business also take care in trimming trees in parking lots to provide shade in the hot summer months.

Norvah Williams commented that she has 85 eucalyptus trees on her property and for the first 25 years, Southern California Edison came out every three years to top the trees off. Now they are coming every six months. Recently, she has denied SCE entry onto her property.

Mayor Bash said that he and Mayor Pro Tem Newton have had conversations with SCE regarding this issue. SCE takes the position that they have a right to cut the trees because of safety issues.

Council Member Hoffman said that this came about because of residential safety. Other cities are having problems with older trees and the drought has accelerated the issue of old, dead trees and limbs falling.

**M/S HOFFMAN/BASH to approve the Professional Maintenance Service Agreement with West Coast Arborist for the City's Annual Maintenance of its Urban Forest. The motion was carried by the following roll call vote:**

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

4. PUBLIC COMMENTS:

Pat Overstreet reminded the Council and public of the 10<sup>th</sup> Annual Ranch Tour this Saturday, May 14<sup>th</sup> from 11-4pm. More information can be found at [www.friendsofnorcohills.com](http://www.friendsofnorcohills.com).

Susan Smith and Betty Bullman, partners in Parkside Horseshows, which puts on shows at SilverLakes, has moved to a two-day, two-arena model. The shows have increased in popularity and commented on the upcoming schedule. Ms. Smith and Ms. Bullman expressed their excitement to be part of SilverLakes as they have received numerous positive comments.

5. PUBLIC HEARINGS:

A. Ordering Abatement of Weeds on Vacant Lots. (Battalion Chief)

Battalion Chief Lane reported that the proposed resolution orders the abatement of weeds and authorizes the Fire Department's weed abatement contractor to begin abating weeds on vacant properties whose owners did not comply with the Notice to Abate Spring weeds.

Mayor Pro Tem Newton asked how the list is determined and referenced a couple of properties that are currently under construction and/or do not have weeds. Battalion Chief Lane indicated that the list is a master list, 120 parcels, of all vacant properties in the City and each parcel received a letter in March. Inspections were completed as of April 23<sup>rd</sup>, 40 parcels are non-compliant. City Attorney Harper stated that this item is a public hearing to allow members of the public to object. If the property owners have abated, then the contractor removes the parcel from the list. For those properties that the contractor abates, they are sent an invoice.

Council Member Grundmeyer commented that the list was revised on April 14<sup>th</sup> and the inspections were completed on April 23<sup>rd</sup>. Council Member Grundmeyer expressed her concern of making the master list public as it can be confusing and misleading.

Council Member Hanna commented on a five-acre parcel located on Valley View Avenue between Fifth and Sixth Streets that is full of weeds. He questioned why the parcel didn't make the list. Battalion Chief Lane said he would follow up.

**Mayor Bash opened the public hearing.**

Sunday Barreto commented that her property was on the list but there are no weeds on her property. Ms. Barreto suggested that the City consider publishing a weed abatement list rather than a vacant parcel list.

**With no one else wishing to speak, Mayor Bash closed the public hearing and returned the discussion back to Council.**

Mayor Bash indicated that the City Manager and the Battalion Chief will revise how the weed abatement notification process is handled.

**M/S BASH/NEWTON to adopt Resolution No. 2016-21, declaring that weeds and hazardous vegetation, upon or in front of vacant property in the City of Norco, constitute a public nuisance and ordering the abatement. The motion was carried by the following roll call vote:**

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

- B. Resolution Approving, Authorizing, and Directing Execution of the Joint Exercise of Powers Agreement Relating to the California Public Finance Authority and Other Matters Pertaining Thereto. (City Manager)

City Manager Andy Okoro reported that Balboa Management, LLC. is in the process of securing additional financing for Phase II improvements on the SilverLakes Equestrian and

Sports Park property through the California Public Finance Authority (CalPFA), a Joint Exercise of Powers Authority (JPA). In order to meet state law and the policy requirements for the issuance of certain private activity bonds, CalPFA has adopted a policy to not issue bonds or other forms of indebtedness unless the governing body of a Member in which the proposed project is located approves issuance of bonds for the project. The SilverLakes Project is in the jurisdiction of the City of Norco and therefore, the City's approval is required before bonds can be issued on behalf of Balboa Management LLC by CalPFA.

In response to Mayor Pro Tem Newton, City Manager Okoro indicated that the bond amount is not to exceed \$6 million. The interest rate is not known until the bonds are sold. City Attorney Harper indicated that the City is not giving up any lien position and if Balboa were to default, the City's position is not affected. The CalPFA Bond Counsel indicated that there is no liability to the City regarding the bond issuance and no liability to the City to be a member of CalPFA.

Council Member Hoffman noted that the Joint Exercise of Powers Agreement formed just last year and there are already eight member agencies. City Manager gave a list of CalPFA member cities, including City of Compton, City of Inglewood, Marin County, Town of Los Altos Hills, Kings County, Housing Authority of Kings County, City of Santa Ana, City of Stockton, Contra Costa County, Alameda County, San Diego County, City of Fresno, and the City of Palmdale is expected to join.

**Mayor Bash opened the public hearing.**

Lance Gregory commented that his motives were questioned when he began to inquire about CalPFA bonds. He researched by reaching out to Council and staff as well as the director of CalPFA to get clarification. Mr. Gregory's research was done to ensure that the City would not be faces with technicalities or possible fines.

Geoff Kahan commended Mayor Pro Tem Newton for his due diligence on this matter to ensure the City is not liable. Mr. Kahan wants to see SilverLakes be successful and for Phase II to begin.

Lou Paltza read a letter on behalf of Lisa Campbell. Ms. Campbell expressed her concerns about the SilverLakes project. She commented on the deed restriction for the SilverLakes property and that a mixed use project is prohibited. City Attorney Harper indicated that Ms. Campbell's letter is factually incorrect and that uses listed in documents approved by the City are consistent with use of the property pursuant to the deed restriction.

Pat Overstreet indicated that she supports approval of this item.

Linda Dixon commented that she supports approval of this item as Phase II needs to be initiated.

Sunday Barreto requested that Council approve this item. As SilverLakes brings tax revenue to Norco and brings name recognition to the City.

RJ Brandes suggested that Ms. Campbell appear in person to make her comments.

Joanne Aikins urged support of this item.

Rosa Zuniga-Green thanked staff for their work and asked Council to support this item.

**With no one else wishing to speak, Mayor Bash closed the public hearing and returned the discussion back to Council.**

City Attorney Harper added that there is a misunderstanding of what the validation action accomplished. When the judge imposed the deed restriction, the definition of the uses was contained in half a sentence. The purpose of the validation action was to give some assurance that the proposed uses were consistent with that half-sentence definition. Even if there was no validation action, that doesn't change the ability for this project to meet the definition imposed by the deed restriction.

**M/S BASH/HOFFMAN to adopt Resolution No. 2016-22, approving, authorizing, and directing execution of Joint Exercise of Powers Agreement relating to the California Public Finance Authority and other matters pertaining thereto. The motion was carried by the following roll call vote:**

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

6. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

Lt. Eric Briddick gave a brief biography of Deputy James Evans.

Public Works Director Blais updated the Council on the traffic calming measures on North Avenue. Many of the measures have been implemented already. The rest on red at Crestview and North is active. Stop signs, speed limit signs, and no turn on red signs have been installed. The speed feedback signs have been ordered. In response to Mayor Pro Tem Newton, staff is working on viable options for additional innovative traffic calming measures on California and North.

In response to Council Member Hoffman, City Manager Okoro indicated that staff is working on providing an update regarding Emergency Response.

Council Member Hanna commented on several fire hydrants which are covered with black plastic bags and asked how long they would be out of service. Director Blais stated that staff is working with the contractor to get the repairs completed as soon as possible.

**ADJOURNMENT**

Mayor Bash adjourned the meeting at 9:28 p.m. in honor of Deputy James Evans.



**CITY OF NORCO  
PLANNING COMMISSION REGULAR MEETING  
RECAP OF ACTIONS TAKEN**

Wednesday, May 11, 2016  
City Council Chambers, 2820 Clark Avenue, Norco CA 92860

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**CALLED TO ORDER: 7:00 p.m.**

**ROLL CALL:**  
Patricia Hedges, **Chair**  
Robert Leonard, **Vice Chair**  
Danny Azevedo, **Commission Member**  
Phil Jaffarian, **Commission Member**  
John Rigler, **Commission Member**

**PLEDGE OF ALLEGIANCE: Commission Member Rigler**

**APPEAL NOTICE: Read by Director King**

1. **PUBLIC COMMENTS:** None

2. **APPROVAL OF MINUTES:**  
A. Minutes of Regular Meeting of April 13, 2016.  
Recommended Action: Continue to June 8, 2016 (Deputy City Clerk)  
**Action: Continued 5-0**

3. **PUBLIC HEARINGS:**

A. **Conditional Use Permit 2016-14 (Marguet):** A request to expand the uses allowed with a non-conforming use located at 1800-1830 Fifth Street (APN's 129-220-002, 129-220-008) in the C-G (Commercial General) zone. Recommended Action: Approval (Planning Director)  
**Action: Approved 5-0, this action is final unless appealed to the City Council within 10 days.**

B. **Conditional Use Permit 2016-10 (Campos):** A request for approval to allow a detached accessory building consisting of a 1,344 square-foot garage and workshop building at 1551 Longhorn Way located within the Norco Hills Specific Plan (NHSP) Amendment No.1 (Ito Farms). Recommended Action: Approval (Senior Planner)  
**Action: Denied 5-0, this action is final unless appealed to the City Council within 10 days.**

- C. **Conditional Use Permit 2016-15 (Wrye):** A request for approval to allow a detached accessory building consisting of a 2,000 square-foot workshop/storage building at 4760 Roundup Road located within the A-1-20 (Agricultural Low Density) Zone. Recommended Action: Approval (Senior Planner)  
**Action: Denied 5-0, this action is final unless appealed to the City Council within 10 days.**
- D. **Conditional Use Permit 2016-05 (Spates):** A request for approval to allow a detached accessory building consisting of a 2,430 square-foot Recreational Vehicle (RV) storage building at 4095 California Avenue located within the A-1-20 (Agricultural Low Density) Zone. Recommended Action: Approval (Senior Planner)  
**Action: Approved 4-1 (Rigler voted no), this action is final unless appealed to City Council within 10 days.**
- E. **Conditional Use Permit 2016-09 (Happoldt):** A request for approval to allow one additional dog above the four dog limit at 1599 Longhorn Way located within the Norco Hills Specific Plan (NHSP) Amendment No.1 (Ito Farms). Recommended Action: Approval (Senior Planner)  
**Action: Approved 5-0, this action is final unless appealed to the City Council within 10 days.**
- F. **Conditional Use Permit 2016-08 (Hyde):** A request for approval to allow a detached accessory building consisting of a 7,200 square-foot covered arena at 3659 Pedley Avenue located within the A-1-20 (Agricultural Low Density) Zone. Recommended Action: Approval (Senior Planner)  
**Action: Approved 5-0, this action is final unless appealed to the City Council within 10 days.**
- G. **Zone Code Amendment 2016-01 (DeKruyf Family Trust):** A request to add car wash as an allowed ancillary use to gas stations in all commercial zones. Recommended Action: Approval (Planning Director)  
**Action: Recommended approval 5-0, this action requires City Council approval and will be advertised for a public hearing at a future available City Council meeting.**
4. BUSINESS ITEMS:
- A. **Site Plan 2016-07 (Stanhoff):** A request for approval to allow a detached accessory building consisting of a 490 square-foot BBQ shade structure at 3400 Cutting Horse Road located within the Norco Ridge Ranch Specific Plan. Recommended Action: Approval (Senior Planner)  
**Action: Approved 5-0, this action is final unless appealed to the City Council within 10 days.**

Planning Commission Recap of Actions Taken

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May 11, 2016

B. **Site Plan 2016-08** (Seguin): A request for approval to allow a detached accessory building consisting of a 160 square-foot Garden Shed at 309 Latigo Court located within the Norco Ridge Ranch Specific Plan (NRRSP).  
Recommended Action: Approval (Senior Planner)

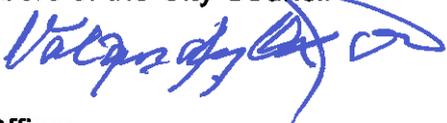
**Action: Approved 5-0, this action is final unless appealed to the City Council within 10 days.**

5. PLANNING COMMISSION / STAFF COMMUNICATIONS: **None**

ADJOURNMENT: **8:30 p.m.**

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Gina Schuchard, Finance Officer

DATE: May 18, 2016

SUBJECT: Approval and Adoption of the Annual Appropriation Limit for the Fiscal Year 2016-2017

RECOMMENDATION: **Adopt Resolution No. 2016-23**, approving the annual appropriation limit for Fiscal Year 2016-2017.

**SUMMARY:** The City is required by Article XIII of the State Constitution to adopt an annual appropriations limit which sets the maximum appropriation for the General Fund. Staff is recommending that Council adopt the attached resolution approving \$39,481,996 as the appropriation limit for Fiscal Year 2016-2017.

**BACKGROUND/ANALYSIS:** Attached is a resolution, as required by State law to approve the appropriation limit for the Fiscal Year 2016-2017 in the amount of \$39,481,996. Staff is still going through the budget process in order to establish General Fund's final appropriation for Fiscal Year 2016-2017. However, it is important to note that the FY 2016-2017 General Fund appropriations will be significantly less than the appropriations limit calculated under State law. The calculated appropriation amount is the maximum amount that the City Council can appropriate for the General Fund for FY 2016-2017.

The appropriations limit for FY 2016-2017 has been calculated using the change in City population of 0.69% and the State change in per capita personal income of 5.37% as provided by the State of California Department of Finance.

**FINANCIAL IMPACT:** None

Attachment: Resolution No. 2016-23  
Dept. of Finance – Price and Population Information

**Agenda Item: 2.D.**



May 2016

Dear Fiscal Officer:

**Subject: Price Factor and Population Information**

**Appropriations Limit**

The California Revenue and Taxation Code, section 2227, requires the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2016, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2016-17. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2016-17 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

**Population Percent Change for Special Districts**

Some special districts must establish an annual appropriations limit. The Revenue and Taxation Code, section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

**Population Certification**

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2016.**

**Please Note:** Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN  
Director  
By:

AMY COSTA  
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2016-17 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2016-17	5.37

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2016-17 appropriation limit.

**2016-17:**

Per Capita Cost of Living Change = 5.37 percent  
 Population Change = 0.90 percent

Per Capita Cost of Living converted to a ratio:  $\frac{5.37 + 100}{100} = 1.0537$

Population converted to a ratio:  $\frac{0.90 + 100}{100} = 1.0090$

Calculation of factor for FY 2016-17:  $1.0537 \times 1.0090 = 1.0632$

Fiscal Year 2016-17

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2015 to January 1, 2016 and Total Population, January 1, 2016**

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2015-2016	1-1-15	1-1-16	1-1-2016
<b>Riverside</b>				
Banning	0.57	30,659	30,834	30,834
Beaumont	3.48	43,601	45,118	45,118
Blythe	0.70	13,937	14,034	19,813
Calimesa	1.86	8,138	8,289	8,289
Canyon Lake	0.69	10,608	10,681	10,681
Cathedral City	0.75	53,810	54,212	54,261
Coachella	0.90	45,001	45,407	45,407
Corona	0.82	163,317	164,659	164,659
Desert Hot Springs	0.88	28,794	29,048	29,048
Eastvale	3.84	60,825	63,162	63,162
Hemet	0.66	79,548	80,070	80,070
Indian Wells	1.42	5,336	5,412	5,412
Indio	1.59	86,683	88,058	88,058
Jurupa Valley	1.32	96,898	98,177	98,177
Lake Elsinore	3.16	58,997	60,861	61,006
La Quinta	1.69	39,311	39,977	39,977
Menifee	1.97	87,286	89,004	89,004
Moreno Valley	0.83	203,696	205,383	205,383
Murrieta	1.08	112,576	113,795	113,795
Norco	0.69	23,919	24,085	26,896
Palm Desert	1.02	48,835	49,335	49,335
Palm Springs	0.97	46,204	46,654	46,654
Perris	1.72	72,476	73,722	73,722
Rancho Mirage	0.84	17,920	18,070	18,070
Riverside	0.95	321,596	324,637	324,696
San Jacinto	1.21	47,087	47,656	47,656
Temecula	1.18	107,794	109,064	109,064
Wildomar	1.18	34,758	35,168	35,168
Unincorporated	1.16	359,889	364,054	364,413
<b>County Total</b>	<b>1.26</b>	<b>2,309,499</b>	<b>2,338,626</b>	<b>2,347,828</b>

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

## **RESOLUTION NO. 2016-23**

### **A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL APPROPRIATION LIMIT FOR THE FISCAL YEAR 2016-2017**

WHEREAS, the voters of California, on November 6, 1979, added Article XIII-B to the State Constitution placing various limitations on the appropriation of the state and local governments; and

WHEREAS, Article XIII-B provides that the appropriation limit for the Fiscal Year 2016-2017 is calculated by adjusting the base year appropriation of the Fiscal Year 1978-1979 for changes in state per capita personal income statistics and population (see Exhibit "A"); and

WHEREAS, the City has selected the change in state per capita personal income and the annual percentage change in population for the City of Norco supplied by the State Department of Finance to set the appropriation limit; and

WHEREAS, the City of Norco has complied with all the provisions of Article XIII-B in determining the appropriation limit for Fiscal Year 2016-2017.

NOW, THEREFORE, BE IT RESOLVED that the appropriations limit in Fiscal Year 2016-2017 shall be \$39,481,996 for the City of Norco.

APPROVED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on May 18, 2016.

---

Kevin Bash, Mayor  
City of Norco, California

ATTEST:

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Cheryl L. Link, CMC, City Clerk  
City of Norco, California

Resolution No. 2016-23

Page 2

May 18, 2016

I, Cheryl L. Link, CMC, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on May 18, 2016, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on May 18, 2016.

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Cheryl L. Link, CMC, City Clerk  
City of Norco, California

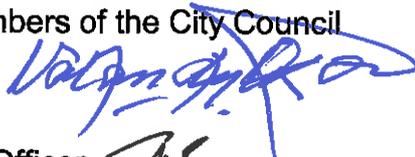
Attachment: Exhibit "A"

**City of Norco, California**  
**FY 2016 - 2017 Appropriations Limit Calculation**

FY 2015-2016 Appropriations Limit (Per Resolution 2015-14)	\$ 37,213,113
Change in Per Capita Personal Income	5.37%
Change in City Population	0.69%
Calculation Factor (1.0537 x 1.0069)	1.06097
FY 2016-2017 Appropriations Limit	<u>\$ 39,481,996</u>

**EXHIBIT "A"**

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council  
FROM: Andy Okoro, City Manager   
PREPARED BY: Gina Schuchard, Finance Officer   
DATE: May 18, 2016  
SUBJECT: Annual Adoption of the City Investment Policy  
RECOMMENDATION: Approve and adopt the City Investment Policy

**SUMMARY:** This report provides for an annual review and adoption of the policy governing investment of surplus funds for the City as required by the City of Norco Investment Policy.

**BACKGROUND/ANALYSIS:** Section 53646(a)(2) of the Government Code states that the Treasurer or Chief Fiscal Officer of the local agency may annually render to the legislative body of that local agency a Statement of Investment Policy. Attached is the City's Investment Policy. While State law no longer requires annual review and approval of the Investment Policy or quarterly investment report to the legislative body, staff is recommending that the current process of annual review and quarterly reporting of the investment portfolio continue to occur.

No changes have been recommended to this year's Investment Policy. Staff recommends approval of this Investment Policy.

**FINANCIAL IMPACT:** None.

Attachment: Investment Policy



## CITY OF NORCO ADMINISTRATIVE POLICY STATEMENT

**CATEGORY: FISCAL & SUPPORT SERVICES**

**POLICY NO. 8**

**SUBJECT: INVESTMENT POLICY**

**DATE ISSUED: June 7, 2000**

**LAST DATE MODIFIED: May 15, 2013**

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### **PURPOSE:**

The purpose of this policy is to provide guidelines to the City Treasurer for the investment of surplus funds not required for immediate necessities of the City of Norco. All investment of such surplus funds is governed by state law and by this policy.

### **INTRODUCTION:**

The City Treasurer is responsible for administering the City of Norco investments. State law and this policy shall determine the type of investments in which the City Treasurer may participate with idle City funds. The City Treasurer shall issue and administer detailed investment instructions which may change periodically and which will supplement, but conform to the provisions of, this Investment Policy. The investment of bond or Certificates of Participation (COP) proceeds will be further restricted by the provisions of relevant bond or COP documents.

### **POLICY:**

It is the policy of the City of Norco, and the Successor Agency to the former Norco Redevelopment Agency, (together, the "CITY") to meet the short and long term cash flow demands of the City in a manner which will provide for the safety of principal and sufficient liquidity, while providing a reasonable return on the City's investment. The purpose of the Statement of Investment Policy ("Investment Policy") is to outline a process for the investment of City funds in a prudent manner in order to meet City objectives. This Investment Policy will also govern all funds held in trust by the City.

This Investment Policy applies to all investment activities and financial assets of the City, hereinafter, the "funds." Bond and Certificates of Participation (COP) proceeds shall be invested in accordance with the requirements and restrictions outlined in the bond and COP documents and are not considered part of the funds nor subject to this Investment Policy. However, bond and COP proceeds will be included in the monthly report to the City Council per California Government Code Section 53646(b).

## **PROCEDURE:**

**I. DELEGATION OF AUTHORITY** The City Treasurer is authorized to invest the City's funds in accordance with City of Norco Resolution 79-25 and California Government Code Sections 53600, 16429.1 and 53684 et seq.

## **II. PRUDENCE**

Investments shall be made in the context of the "Prudent Investor Standard" which states:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, 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 City within the limitations of this section, and considering individual investments as authorized by law."

All investments purchased shall have daily liquidity or final stated maturity date, upon which the full principal value of the security will be received. Although the investment will mature at full principal value, it is recognized the market value will vary throughout the life of the security. In a diversified portfolio it must be further recognized that occasional measured losses are inevitable in a diversified portfolio due to economic, bond market, or individual security credit analysis. These occasional losses must be evaluated and considered within the context of the overall investment return.

The "Prudent Investor" standard shall be applied in the context of managing the funds. The Treasurer, acting within the intent and scope of the Investment Policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility 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.

## **III. INVESTMENT PORTFOLIO OBJECTIVES**

The objective of the investment portfolio is to meet the short and long-term cash flow demands of the City. To achieve this objective, the portfolio will be structured to provide safety of principal and liquidity, while providing a return on investments.

- A. Safety of Principal: Investments of the City shall be undertaken in a manner that seeks to ensure that capital losses are minimized, whether from institution default, broker-dealer default, or erosion of the market value of securities. The Treasurer shall seek to preserve principal by mitigating two types of risk: Credit Risk and Market Risk.

1. Credit Risk – Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by purchasing U.S. Treasury Securities, or high-grade securities. All investments beyond Treasury securities will be diversified so that the failure of any one issuer would not unduly harm the City's cash flow. Credit risk shall also be mitigated by pre-qualifying financial institutions, broker/dealers, intermediaries and advisors with which the City Conduct its business.
  
2. Market or Interest Rate Risk – Interest rate risk is the risk the market value of securities in the portfolio will decline due to changes in general interest rates. Interest rate risk may be mitigated by structuring the funds so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter-term securities. The cash flow is updated on a daily basis and will be considered prior to the investment of securities, which will reduce the necessity to sell investments for liquidity purposes.

Long-term securities shall not be purchased for the sole purpose of short-term speculation. Securities shall not be sold prior to maturity with the following exceptions: 1) a declining credit security should be sold early to minimize loss of principal; 2) a security swap would improve the quality, yield, or target duration in the portfolio; or 3) liquidity needs of the portfolio require that the security be sold.

- B. Liquidity: The funds shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the funds will maintain a liquidity buffer and invest primarily in securities with active secondary or resale markets (dynamic liquidity).
  
- C. Return on Investments (Yield): The funds shall be designed to attain a return on investment through budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk assumed.

#### **IV. ETHICS AND CONFLICTS OF INTEREST**

The Treasurer shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair his/her ability to make impartial investment decisions. The Treasurer shall disclose any material interests in financial institutions with which he/she conduct business. He/She shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio and shall refrain from undertaking personal investment transactions with the same individual or financial institution with whom business is conducted on behalf of the City.

The Treasurer is required to file an annual State of California Form 700 "Statement of Economic Interest Disclosure," as required by the Fair Political Practices Commission ("FPPC"). During the course of the year, if there is an event subject to disclosure that could impair the ability of the Treasurer to make impartial decisions, the City Manager will be notified in writing within 10 days of the event.

#### **V. SAFEKEEPING OF SECURITIES**

To protect against fraud, embezzlement, or losses caused by collapse of individual securities dealers, all securities owned by the City shall be held in safekeeping by the City's custodial bank or a third party bank trust department, acting as agent for the City under the terms of a custody agreement. This provision will not be applicable for certain investments held as a result of credit agreements entered into by the City. Such custodial bank must be a federal or state association (as defined by Section 5102 of the Financial Code), a trust company or a state or national bank located within this state or with the Federal Reserve Bank of San Francisco or any branch thereof within this state or with any Federal Reserve Bank or with any state or national bank located in any city designated as a reserve city by the Board of Governors of the Federal Reserve System.

All securities will be received and delivered using standard delivery versus payment ("DVP") procedures which ensures that securities are deposited with the third party custodian prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts. Investments in the State Pool or money market mutual funds are undeliverable and are not subject to delivery or third party safekeeping. The Treasurer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the Treasurer.

#### **VI. FINANCIAL REPORTING**

The Treasurer shall render a report (the "Report") to the City Council and the City Manager containing detailed information on all securities, investments, and monies of the City. The Report will be submitted on a quarterly basis and be provided to the City Manager and City Council within 30 days following the end of the quarter.

The Report will contain the following information on the funds that are subject to this Investment Policy: 1) the type of investment, name of the issuer, date of maturity, par and cost of each investment, 2) the market value and source of the valuation, 3) a description of the compliance with the statement of investment policy, 4) a statement denoting the City's ability to meet its expenditure requirements for the next six months, and 5) if any City monies are invested in the County Pool, the investment report provided by the County Treasurer pursuant to Government Code Section 53684.

## **VII. INTERNAL CONTROLS**

The Treasurer shall maintain a system of internal investment controls and a segregation of responsibilities of investment functions in order to assure an adequate system of internal control over the investment function. Internal control procedures shall address wire transfer controls, separation of duties, delivery of securities to a third party for custodial safekeeping, and written procedures for placing investment transactions.

## **VIII. EXTERNAL CONTROLS**

The independent City auditor will review and verify the City's investment activity, holdings and compliance with this Investment Policy as part of the City's annual independent audit and submit a report to the City Council relating thereto as part of their annual report on internal controls.

## **IX. QUALIFIED DEALERS AND INSTITUTIONS**

The City shall transact business only with banks, savings and loans, and registered investment securities dealers. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporation Code, who is a member of the National Association of Securities Dealers, or a member of a federally-regulated securities exchange, a national or state-chartered bank, a federal or state association (as defined by Section 5102 of the Financial Code), or a securities dealer designated as a Primary Government Dealer by the New York Federal Reserve Bank. Regional dealers may also qualify under the Securities and Exchange Commission Rule 15-3-1 (uniform net capital rule).

The Treasurer shall investigate all institutions that wish to do business with the City, in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the conditions set forth in this Investment Policy. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must provide a current audited financial statement. Public deposits shall be made in qualified public depositories as established by California Government Code. The purchase of an authorized investment subject to the limitations of this Policy can be purchased directly from issuers in compliance with California Government Code 53603 and 53635.5.

## **X. COLLATERAL REQUIREMENTS**

California Government Code Sections 53652 through 53667 require depositories to post certain types and levels of collateral for public funds above the Federal Deposit Insurance Corporation ("FDIC") insurance amounts. The collateral requirements apply to bank deposits, both active (checking and savings accounts) and inactive (non-negotiable time certificates of deposit).

## **XI. AUTHORIZED INVESTMENTS**

The investments set forth in this section are authorized investments pursuant to Section 53601 of the Government Code and are authorized investments for the City subject, however, to the prohibitions set forth in Section XII of this Investment Policy.

1. City Issued Debt: Bonds issued by the City, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the City or by a department, board, agency, or authority of the City.
2. United States Treasury Securities: United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
3. State of California or Municipal Debt: Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
4. United States Government Agency Securities: Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank Board, the Tennessee Valley Authority, or in obligations, participation, or other instruments of, or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in guaranteed portions of Small Business Administration notes; or in obligations, participation, or other instruments of, or issued by, a federal agency or a United States government-sponsored enterprise.
5. Bankers Acceptances: Bills of exchange or time drafts drawn on and accepted by major commercial banks in California. Purchases of bankers' acceptances may not exceed 180 days maturity or 40 percent of the agency's surplus money that may be invested pursuant to this section. However, no more than 30 percent of the City's surplus funds may be invested in the banker's acceptances of any one commercial bank pursuant to this section.

6. **Commercial Paper:** Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of \$500,000,000 and having an "A" or higher rating for the issuer's debt, other than commercial paper, if any, as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation.

Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 25 percent of the agency's' surplus money that may be invested pursuant to this section and must be of the highest rating (A-1 or P-1) as rated by Moody's or Standard and Poor's Investors Service.

7. **Negotiable Certificates of Deposit:** Negotiable certificates of deposits issued by a U.S. national or state-chartered bank or a state or federal association (as defined by Section 5102 of the Financial Code) or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the City's surplus money that may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. Investments in negotiable certificates of deposits shall include investments made under the Certificate of Deposit Account Registry Service (CDARS) Program as approved by State law.
8. **Medium Term Notes:** Medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service. Purchases of medium-term notes may not exceed 30 percent of the City's surplus money that may be invested pursuant to this section.
9. **Money Market Mutual Funds:** Shares of beneficial interest issued by diversified management companies investing in the securities and obligations as authorized by Government Code Section 53601 subdivisions (a) to (j) or (m) or (n), and that comply with the investment restrictions of Government Code Section 53600 and Section 53630. To be eligible for investment pursuant to this subdivision, these companies must carry the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services.

The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that these companies may charge and shall not exceed 20 percent of the City's surplus money that may be invested pursuant to this section. However, no more than 10 percent of the City's funds may be invested in shares of beneficial interest of any one mutual fund.

10. Receivable-Backed Securities: Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed 20 percent of the City's surplus money that may be invested pursuant to this section
11. Repurchase Agreements: Investments in repurchase agreements of any securities authorized by this section, so long as the agreements are subject to this subdivision, including, the delivery requirements specified in this section.

Investments in repurchase agreements may be made, on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement must be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly.

- A. "Repurchase agreement" means a purchase of securities by the City pursuant to an agreement by which the counter-party seller will repurchase the securities on or before a specified date and for a specified amount and the counter-party will deliver the underlying securities to the City by book entry, physical delivery, or by third party custodial agreement. The transfer of underlying securities to the counter-party bank's customer book-entry account may be used for book-entry delivery.
- B. "Securities," for purpose of repurchase securities of the same issuer, under this subdivision, means description, issue date, and maturity.
- C. Repurchase agreements shall only be made with primary dealers of the Federal Reserve Bank of New York.

12. Local Agency Investment Fund: The City may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by state law.
13. Riverside County Investment Fund: The City may invest in the Riverside County Investment Pool established by the County Treasurer for the benefit of cities.

## **XII. INVESTMENT RESTRICTIONS AND PROHIBITED TRANSACTIONS**

The following types of transactions are restricted or prohibited:

1. Reverse Repurchase Agreements, as defined by California Government Code Sections 53601(5)(c) and 53635(i) or otherwise are prohibited.
2. Instruments known as "Structured Notes" (e.g. inverse floaters, leveraged floaters, structured certificates of deposit, equity-linked securities) and "Derivatives" (e.g. options, futures, swaps, caps, floors, collars) are prohibited. For the purpose of identifying ineligible securities, the definition of prohibited Structured Notes and Derivatives includes all floating-rate, adjustable-rate or variable-rate securities in which a change in interest rates or other variables that can reasonably be foreseen to occur during their term would result in their market value not returning to par at the time of each interest rate adjustment as defined by California Government Code Section 53601.6.

Simple "floating rate notes," whose periodic coupon adjustment is based on a short-term (one-year or less) rate index (such as Treasury bills, federal funds, prime rate of LIBOR) and which have a reasonable expectation of maintaining a value of par at each interest rate adjustment through final maturity, are considered an eligible investment. Eligible floating rate notes (U.S. Government Agencies, Certificates of Deposit, Medium-Term Notes, etc.), must meet all quality, maturity and percent limitations assigned to their respective security category.

Callable securities, which otherwise meet the quality, maturity and percent limitations assigned to their respective security category, are considered to be an acceptable investment. U.S. Treasury zero-coupon bonds, U.S. Treasury strips and Resolution Funding Corporation (REFCORP) strips are considered to be an acceptable investment. No investment prohibited by California Government Code Sections 53601.6 or 53631.5 shall be permitted herein.

3. The average maturity of all instruments, on a dollar-weighted basis, will not exceed 365 days.

4. The maximum maturity of any portfolio instrument will be 5 years or less. The maturity of a variable-rate security may be considered to be its next interest rate reset date, if there is a reasonable expectation that the security will maintain an approximate value of par upon each adjustment of the security's interest rate at any time until final maturity.
5. All investments will be U.S. dollar denominated.
6. Any investment transactions, credit risk criterion, or market valuation that are not in compliance with this Investment Policy must be documented and approved by the Treasurer in writing. Thereafter, action shall be taken by the Treasurer to advise the City Manager.
7. Securities that are downgraded below the minimum acceptable rating levels must be reviewed for possible sale within a reasonable amount of time.

It is acknowledged that investment pools in which the City invests may invest funds in any of the securities set forth in Government Coded Section 53601.

### **XIII. POLICY REVIEW**

This Investment Policy shall be reviewed at least annually by the Treasurer, City Manager and City Council to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return, and its relevance to current law, financial and economic trends, and to meet the needs of the City. The Investment Policy shall be presented to and annually reviewed and approved by the City Council in an open session.

### **XIV. LEGISLATIVE CHANGES**

Any State of California legislative action that further restricts allowable maturities, investment type or percentage allocations will, upon effectiveness, be incorporated into the City's Investment Policy Statement and supersede any and all previous applicable language.

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Chad Blais, Director of Public Works 

DATE: May 18, 2016

SUBJECT: Exception to Allowable Construction Materials for Driveways in Parkway/Trail Setting

RECOMMENDATION: Allow specific variance for installation of asphalt strips within existing NexPave driveway ramps intersecting unimproved parkway.

**SUMMARY:** Public Works staff is seeking Council approval to allow modification to an existing steep sloped residential driveway approach that intersects an adjacent unimproved dirt parkway/unimproved trail.

**BACKGROUND/ANALYSIS:** The residential property at 1245 Corona Avenue had an asphalt driveway that was constructed matching the steep upward slope of the property from the street to the garage (see Figure 1). A few years ago a horse and rider using the unimproved dirt parkway as a trail slipped on the asphalt surface shortly after a rain event. This issue was brought to the City Council's attention and staff was instructed to remove the portion of the asphalt located in the parkway and replace it with a more horse friendly surface. Staff subsequently replaced the asphalt with NexPave which is a soil binder material that is currently an acceptable material for constructing driveways that intersect within trails settings (see Figure 2).

Initially the improvement made by the City appeared to be functioning as a successful solution for both the property owner and equestrians. However, the property owner has contacted the City seeking assistance indicating his vehicles and trailers are now slipping on the NexPave surface. Apparently, the NexPave surface is now beginning to be worn away due to the steep slope of the property and weight of vehicles and trailers attempting to go up the driveway. Staff has now developed an alternate surface and construction method that should resolve the issue but is also seeking Council's feedback and approval before proceeding (see Figure 3).

Please note the property owner will be responsible for any improvements or repairs of the driveway that may be required in the future.

**FINANCIAL IMPACT:** The recommended changes will result in an authorized estimated expenditure of \$1,000 from General Fund Parkway Maintenance Division budget.

Attachments: Figures 1, 2 and 3

**Original Asphalt Paved Driveway**  
**Figure 1**



**NexPave Driveway**  
**Figure 2**



**NexPave/Asphalt Strips Driveway  
Figure 3**



## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Sam Nelson, Associate Engineer

DATE: May 18, 2016

SUBJECT: Acceptance of Vine Street and Sagetree Lane Water Improvements

RECOMMENDATION: Accept the Vine Street and Sagetree Lane Water Improvement Project as complete and direct the City Clerk to file the Notice of Completion with the County of Riverside.

**SUMMARY:** The Vine Street and Sagetree Lane Water Improvement Project consisted of the installation of 8" & 12" water mains within Vine Street, Sagetree Lane and Corydon Avenue. These improvements have been completed to the satisfaction of the City Engineer and a Notice of Completion has been prepared for recordation.

**BACKGROUND/ANALYSIS:** On February 4, 2015 Council awarded a contract to CP Construction, Inc. of Upland, California in the amount of \$538,495 for the construction of the Vine Street and Sagetree Lane Water Improvement Project. Being that the 2014-2015 Capital Improvement Project (CIP) budget allotted \$250,000 for the project an appropriation of \$342,345 was requested and approved by Resolution No. 2015-03 to completely fund the project including the 10% contingency.

The project scope was expanded to replace a portion of an existing 10" water main located at the intersection of Corydon Avenue and Vine Street due to two (2) recent water main breaks. The additional fund appropriation of \$72,555 (includes 10% contingency) was approved by City Council on July 15, 2015 by Resolution No. 2015-46 resulting in an overall budget amount of \$664,900. The final contract amount paid to CP Construction was \$615,298.06.

CP Construction completed all the work required within the work days provided to the satisfaction of the City Engineer and a Notice of Completion has been prepared. Staff is recommending that the City Council accept the work performed by CP Construction as complete and authorize the City Clerk to record the Notice of Completion with the County Recorder's Office.

**FINANCIAL IMPACT:** None.

**Attachments:** Notice of Completion

RECORDING REQUESTED BY:  
CITY OF NORCO  
WHEN RECORDED MAIL TO:  
2870 CLARK AVENUE  
NORCO, CA 92860  
ATTN: CITY CLERK

THIS DOCUMENT IS FILED AT THE REQUEST  
OF THE CITY OF NORCO PURSUANT TO  
SECTION 6103 OF THE GOVERNMENT  
CODE. NO FEE IS CHARGED THEREFORE.

## NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN BY THE CITY OF NORCO, A MUNICIPAL CORPORATION, STATE OF CALIFORNIA THAT THE WORK DESCRIBED AS **VINE STREET AND SAGETREE LANE WATER IMPROVEMENT PROJECT** IN THE CITY OF NORCO IN ACCORDANCE WITH THE TERMS AND WRITTEN CONTRACT DATED BETWEEN THE CITY OF NORCO AND **CP CONSTRUCTION, INC.** WAS COMPLETED AND ACCEPTED BY THE CITY OF NORCO ON THE **18<sup>TH</sup> DAY OF MAY, 2016.**

THAT THE CITY OF NORCO, A PUBLIC BODY, CORPORATE AND POLITIC, WHOSE ADDRESS IS 2870 CLARK AVENUE, NORCO, CALIFORNIA, 92860 IS THE OWNER OF SAID IMPROVEMENT WORK; AND THAT SAID WORK WAS PERFORMED BEGINNING **FEBRUARY 4, 2015** IN THE CITY OF NORCO. THE NATURE OF INTEREST IS VENDEE UNDER CONTRACT.

THAT SAID WORK OF IMPROVEMENT WAS SO PERFORMED BY **CP CONSTRUCTION, INC.** IN ACCORDANCE WITH SAID WRITTEN AGREEMENT DATED **FEBRUARY 4, 2015** AND THE DRAWINGS AND SPECIFICATIONS WHICH WERE A PART OF SAID CONTRACT.

THAT THE CORPORATE SURETY ON THE CONTRACTOR'S BOND, FAITHFUL PERFORMANCE AND LABOR AND MATERIALS BOND IS **FIDELITY AND DEPOSIT COMPANY OF MARYLAND.** THIS NOTICE OF COMPLETION IS GIVEN BY THE CITY OF NORCO PURSUANT TO THE APPROPRIATE PROVISIONS OF TITLE XV, PART IV, DIVISION 1 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA, AND UPON ORDER OF THE CITY OF NORCO.

May 18, 2016

DATED:

**CITY OF NORCO**  
A MUNICIPAL CORPORATION

BY: \_\_\_\_\_  
CHERYL L. LINK, CMC  
CITY CLERK

VERIFICATION FOR NON-INDIVIDUAL OWNER:

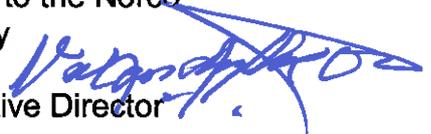
I, THE UNDERSIGNED, DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT I AM THE CITY CLERK OF THE CITY OF NORCO; THAT I HAVE SIGNED THE SAID NOTICE, THAT I KNOW AND UNDERSTAND THE CONTENTS THEREOF, AND THAT THE FACTS STATED THEREIN ARE TRUE AND CORRECT.

05/18/16  
DATE

\_\_\_\_\_  
CHERYL L. LINK, CMC  
CITY CLERK  
CITY OF NORCO

**CITY OF NORCO / SUCCESSOR AGENCY TO THE NORCO  
COMMUNITY REDEVELOPMENT AGENCY  
STAFF REPORT**

**TO:** Honorable Mayor and Members of the City Council /  
Members of the Successor Agency to the Norco  
Community Redevelopment Agency

**FROM:** Andy Okoro, City Manager / Executive Director 

**PREPARED BY:** John R. Harper, City Attorney / Counsel

**DATE:** May 18, 2016

**SUBJECT:** Termination of Disposition and Development Agreements,  
Grant Deed Restrictions and Covenants, Conditions and  
Restrictions; Blanco (Norco Hamner Holdings LLC)

**RECOMMENDATION:** Approval of Agreement terminating Disposition and Development  
Agreements, Grant Deed Restrictions and Covenants, Conditions  
and Restrictions; Blanco (Norco Hamner Holdings LLC), attached  
hereto as Exhibit "A"

**SUMMARY:** In the process of conveying the Successor Agency property to the City and from the City to Hamner Holdings LLC, the title insurer indicates that certain expired documents related to Mitsubishi Motor Sales and Sperber Motor Sales remain on record and must be removed in order to issue a clean title insurance policy. While all have expired and are no longer effective, they still serve to cloud title. This is simply a housekeeping matter. Attached is a termination approved by the title insurer to accomplish the removals from title.

**BACKGROUND:** In the process of conveying the 1.63 acres of property known as APN 126-120-0385-5 from the Successor Agency to the City and the City from Norco Hamner Holdings, LLC (Blanco) the title insurer indicates that certain expired documents exist of record and need to be removed. Specifically, the Disposition and Development Agreement between the Redevelopment Agency and Mitsubishi Motor Sales recorded November 29, 1990, a Disposition Development Agreement between the Redevelopment Agency and the Sperbers, recorded March 6, 1996 as Instrument Number 80667, the Grant Deed associated with the Sperber sale which includes certain deed restrictions in favor of the Redevelopment Agency recorded May 14, 1996, Instrument No. 177899, and a Declaration of Covenants and Restrictions dated April 10, 1996, Instrument No. 177900 likewise, in favor of the Redevelopment Agency and pertaining to Sperber. As a housekeeping matter, attached is an agreement terminating of record the foregoing documents.

**FISCAL IMPACT:** None.

**Attachment:** Termination Agreement

**Agenda Item: 2.H.**

Recording Requested By  
and When Recorded Return to:

City of Norco  
2870 Clark Avenue  
Norco, California 92780  
Attention: Cheryl Link, City Clerk

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Space Above for Recorder's Use

**TERMINATION OF DISPOSITION AND DEVELOPMENT AGREEMENTS,  
GRANT DEED RESTRICTIONS, AND COVENANTS, CONDITIONS  
AND RESTRICTIONS**

This Termination of Disposition and Development Agreements, Grant Deed Restrictions, and Covenants, Conditions and Restrictions ("Termination Agreement") is entered into as of May 18, 2016 ("Effective Date") by and between Norco Community Redevelopment Agency ("Redevelopment Agency") acting through The Successor Agency to the Norco Community Redevelopment Agency ("Successor Agency") and the City of Norco, a municipal corporation ("City").

**RECITALS**

A. The Redevelopment Agency entered into that certain Disposition and Development Agreement by and between the Redevelopment Agency and Mitsubishi Motor Sales of America, Inc. recorded November 29, 1990 as Instrument No. 433759 of the Official Records ("1990 DDA") related to restrictions on the real property with an APN of 126-120-0385-5 consisting of 1.63 acres of vacant land in Norco, California ("Property").

B. The Redevelopment Agency entered into that certain Disposition and Development Agreement by and between the Redevelopment Agency and Darrell L. Sperber and Pamela L. Sperber, husband and wife, recorded March 6, 1996, as Instrument No. 80667 of the Official Records ("1996 DDA") relating to the Property.

C. The Redevelopment Agency granted the Property to Darrell L. Sperber and Pamela L. Sperber, husband and wife, pursuant to a Grant Deed recorded May 14, 1996 as Instrument No. 177899 of the Official Records ("1996 Grant Deed") that includes certain easements, restrictions and covenants identified within the Grant Deed as items 1 through 8 ("1996 Grant Deed Restrictions").

D. The Redevelopment Agency entered into the Declaration of Covenants, Conditions and Restrictions dated April 10<sup>th</sup>, 1996 by and between the Redevelopment

Agency, and Darrell L. Sperber and Pamela L. Sperber, husband and wife, as declarant, recorded May 14, 1996, as Instrument No. 177900 of the Official Records ("1996 CC&Rs").

E. The Successor Agency desires to sell to the City and City desires to sell, transfer and convey the property to Norco Hamner Holdings, LLC ("NHH") free of any covenants and restrictions set forth in the 1990 DDA, 1996 DDA, the 1996 Grant Deed Restrictions and the 1996 CC&Rs.

## AGREEMENT

1. 1990 DDA. The Successor Agency hereby terminates the 1990 DDA including, but not limited to, all rights, obligations and/or restrictions placed on the Property under the 1990 DDA.

2. 1996 DDA. The Successor Agency hereby terminates the 1996 DDA including, but not limited to, all rights, obligations and/or restrictions placed on the Property under the 1996 DDA.

3. 1996 Grant Deed Restrictions. The Successor Agency hereby removes and terminates the 1996 Grant Deed Restrictions including, but not limited to, any covenants or restrictions regarding the use of the Property.

4. 1996 CC&Rs. The Successor Agency is the only owner of the Property. The Successor Agency hereby terminates the 1996 CC&Rs including, but not limited to, any and all rights, restrictions and covenants set forth in the 1996 CC&Rs. The Successor Agency represents and warrants to NHH and the title company that there are no other owners or parties of additional parcels or other subject properties subject to the 1996 CC&Rs, and the Successor Agency has authority including, but not limited to, under Section 11.11 of the 1996 CC&Rs to terminate the 1996 CC&Rs.

5. Authority to Act on Behalf of The Redevelopment Agency. The Successor Agency and the City hereby represent and warrant to NHH and the title company that the Successor Agency has the right and authority to execute documents on behalf on the Redevelopment Agency including, without limitation, the termination of the 1990 DDA, 1996 DDA, the 1996 CC&RS, and to remove the 1996 Grant Deed Restrictions.

6. Further Assurances. The parties agree to execute such other documents and to take such other action as necessary to effectuate the purposes of this Agreement.

7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

8. Severability. If any term, provision or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless an essential purpose of this Agreement is defeated by such invalidity or unenforceability.

City of Norco, a Municipal Corporation

---

By: Kevin Bash

Its: Mayor

The Successor Agency to the Norco Community Redevelopment Agency

---

By: Kevin Bash

Its: Chairman

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

State of California )  
County of Riverside )

On \_\_\_\_\_, before me, \_\_\_\_\_  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

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

State of California )  
County of Riverside )

On \_\_\_\_\_, before me, \_\_\_\_\_  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

**CITY OF NORCO  
STAFF REPORT**

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Andy Okoro, City Manager 

**PREPARED BY:** Chad Blais, Director of Public Works 

**DATE:** May 18, 2016

**SUBJECT:** Scheduling of a Public Hearing for the Adoption of the City of Norco 2015 Urban Water Management Plan

**RECOMMENDATION:** Approve the Scheduling of a Public Hearing at the June 15, 2016 City Council meeting to adopt the City of Norco 2015 Urban Water Management Plan.

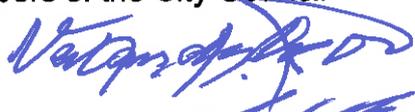
**SUMMARY:** The California Water Code requires urban water suppliers within the state to prepare and adopt Urban Water Management Plans (UWMPs) for submission to the California Department of Water Resources (DWR). The 2015 UWMP is due to the DWR July 1, 2016. Prior to submission of a plan, a water supplier shall make available for review a copy of their plan and schedule a noticed public hearing of the time and place pursuant to Section 6066 of the Government Code. The public hearing notice shall be published in a newspaper once a week for two successive weeks, with at least five days between publications. Staff is recommending a public hearing be scheduled for June 15, 2016.

**BACKGROUND/ANALYSIS:** The California Water Code requires urban water suppliers within the state to prepare and adopt UWMPs for submission to the DWR. The UWMPs, which must be filed every five (5) years, must satisfy the requirements of the Urban Water Management Planning Act (UWMPA) of 1983 including amendments that have been made to the Act. The UWMPA requires urban water suppliers servicing 3,000 or more connections, or supplying more than 3,000 acre-feet of water annually, to prepare an UWMP

**FINANCIAL IMPACT:** N/A

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Chad Blais, Director of Public Works 

DATE: May 18, 2016

SUBJECT: Ratification to Increase the Fiscal Year 2015-2016 Western Riverside County Regional Wastewater Authority Operating Budget

RECOMMENDATION: Adopt **Resolution No. 2016-24**, amending the Fiscal Year 2015-2016 Western Riverside County Regional Wastewater Authority Operating Budget in the amount of \$487,714.

**SUMMARY:** The City of Norco is a member agency of the Western Riverside County Regional Wastewater Authority (WRCRWA). Each member agency is required by Section 6.A of the Joint Exercise of Powers Agreement to present any budget or rate increase to their governing body for approval. The fiscal year 2015-16 operating budget requires an increase in the amount of \$487,714, and it is appropriate for City Council to ratify the additional appropriation.

**BACKGROUND/ANALYSIS:** According to Section 6.A. of the Joint Exercise of Powers creating the Western Riverside County Regional Wastewater Authority (WRCRWA), any adjustment to a budget document that may increase rates must be ratified by each member's governing body. The fiscal year 2015-16 operating budget increase was approved by the WRCRWA Board at their April 28, 2016 meeting.

This fiscal year 2015-16 operating budget would be amended as follows:

Account	Description	Adopted Budget	Budget Increase	Amended Budget
1	Treatment Plant	\$ 5,448,000	\$ 313,305	\$ 5,761,305
2	Pretreatment	\$ 77,600	\$ 19,300	\$ 96,900
3	Conveyance System	\$ 182,100	\$ 123,500	\$ 305,600
4	General Admin.	\$ 585,200	\$ 31,609	\$ 616,809
Total:		\$ 6,292,900	\$ 487,714	\$ 6,780,614

The requested amendment to the budget covers cost increases in all four major categories of treatment plant operations, pretreatment, conveyance system and administration.

Utilities increased by \$155,500 due to UV system operations, digester aeration, and increased oxidation ditch blower usage. Odor violations and mandatory minimum penalties for coliform violations require an amendment of \$76,500 to the permit and fees category. Pretreatment labor increased in the amount of \$28,400 to develop the new Ordinance and Emergency Response Plan. Facility maintenance increased by \$15,800 due to cost associated with maintenance of aging equipment. Conveyance system labor increased by \$40,000 and facility maintenance increased by \$45,000. Vehicles and equipment increased \$22,800. Legal costs increased \$50,000 due to additional work needed to complete the "Change of Use Petition" for recycled water.

Staff is recommending City Council ratify the WRCRWA Board approval of the fiscal year 2015-16 budget amendment. The City of Norco share of \$134,318.35 is based on 27.5 % capacity plant ownership.

<b>Agency</b>	<b>Treatment</b>	<b>Conveyance System</b>	<b>General &amp; Admin</b>	<b>Total</b>
WMWD	\$80,240.96	\$75,717.26	\$4,357.53	\$160,315.74
JCSD	\$135,120.78	\$0.0	\$13,546.71	\$148,667.50
<b>NORCO</b>	<b>\$91,466.89</b>	<b>\$36,755.95</b>	<b>\$6,096.02</b>	<b>\$134,318.35</b>
HGSD	\$25,776.89	\$11,026.79	\$2,257.79	\$39,061.46
CORONA	\$0.00	\$0.00	\$5,350.95	\$5,350.95
	\$332,605.00	\$123,500.00	\$31,609.00	\$487,714.00

**FINANCIAL IMPACT:** Increase of approximately \$134,318.35 to the City of Norco Fiscal Year 2015-16 Sewer Operations Budget (126-809). Upon the Council's favorable consideration and approval of the WRCRWA fiscal year 2015-16 budget amendment, staff will provide the Authority a copy of the resolution and a minute excerpt of Council's action to satisfy the ratification requirement.

Attachment: Resolution No. 2016-24

## **RESOLUTION NO. 2016-24**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROPRIATING ADDITIONAL FUNDS IN THE AMOUNT OF \$134,318.35 FROM THE SEWER OPERATION FUND (809) TO RATIFY THE WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY BUDGET AMENDMENT, LOCATED IN NORCO CALIFORNIA**

WHEREAS, the Western Riverside County Regional Wastewater Authority ("WRCRWA") owns and operates a wastewater conveyance, treatment and disposal system; and

WHEREAS, the agencies having the right to discharge to the WRCRWA treatment facility and collection system are the Member Agencies: the Home Gardens Sanitary District, the Jurupa Community Services District, Western Municipal Water District, the Santa Ana Watershed Project Authority, the City of Corona and the City of Norco; and

WHEREAS, the City of Norco owns and operates a public sanitary sewer collection system that discharges directly to the WRCRWA treatment facility; and

WHEREAS, the City of Norco currently owns 2.2 million gallons per day of wastewater treatment capacity and 2.5 million gallons per day of conveyance capacity; and

WHEREAS, the City of Norco and each member agency is required pursuant to Section 6.A. of the Joint Exercise of Powers to have their governing bodies approve budget amendments.

NOW THEREFORE, BE IT RESOLVED the City of Norco City Council approve the Western Riverside County Regional Wastewater Authority Fiscal Year 2015-16 Budget Amendment in the amount of \$134,318.35.

Resolution No. 2016-24  
Page 2  
May 18, 2016

PASSED AND ADOPTED by the City Council at a regular meeting held on May 18, 2016.

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Kevin Bash, Mayor  
City of Norco, California

ATTEST:

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Cheryl L. Link, City Clerk  
City of Norco, California

I, Cheryl L. Link, City Clerk of the City of Norco, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California at a regular meeting thereof held on May 18, 2016 by the following vote of the City Council:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on May 18, 2016.

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Cheryl L. Link, City Clerk  
City of Norco, California

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Chad Blais, Director of Public Works 

DATE: May 18, 2016

SUBJECT: Ratification of Fiscal Year 2016-17 Western Riverside County Regional Wastewater Authority Budget

RECOMMENDATION: Adopt **Resolution No. 2016-25**, approving the Fiscal Year 2016-17 Western Riverside County Regional Wastewater Authority Budget, establishing rates to be charged for conveyance, treatment and disposal of wastewater.

**SUMMARY:** The City of Norco is a member agency of the Western Riverside County Regional Wastewater Authority (WRCRWA). Each member agency is required to present the adopted fiscal year budget document to their governing body for approval. The budget details are attached for review and it is appropriate for City Council to ratify the document.

**BACKGROUND/ANALYSIS:** According to Section 6.A. of the Joint Exercise of Powers creating the Western Riverside County Regional Wastewater Authority (WRCRWA), each year the Board approved budget must be ratified by each member's governing body.

Attached is a copy of the WRCRWA FY 2016-17 Operating and Capital Improvement Budget, establishing rates and charges effective July 1, 2016. The budget document was approved by the WRCRWA Board at their April 28, 2016 meeting.

The budget data was first reviewed by the Executive Committee with a unanimous recommendation for approval by the Board of Directors. The Fiscal Year 2016-17 Budget shows an increase of \$948,660 over the FY 2015-16 (14.8%) adopted budget. Treatment plant labor costs are proposed to increase \$376,000 due to the addition staffing needed to perform preventative maintenance on electrical and mechanical equipment. Electrical costs are projected to increase approximately \$139,200, due to increased ultra violet (UV disinfection) light demands. Chemical costs are projected to increase in the amount of \$53,800 in a concerted effort to maintain regulatory compliance. Additional treatment chemicals for odor control, administrative, increased filter cleaning and equipment rentals, account for the remaining increases. Permits and fees are estimated to increase approximately \$22,500.

**Agenda Item 2.K.**

Compared to FY 2015-16 rates, the fixed charge component per million gallons a day treated (MGD) per month is increasing \$7,031 from \$30,189 to \$37,220 or 19% and the variable charge per million gallons will increased \$154 from \$1,277 to \$1,431 or 11%. This data is described in more detail on Page 10 of the FY 2016-17 WRCRWA budget document. The budget document describes the wastewater treatment capacity and conveyance system costs as well as the member agency bond debt and Capital Improvement responsibilities. The City of Norco will contribute \$270,857 to the Capital Improvement component during FY 2016-17.

During the treatment plant upgrade and expansion project the Consultant reviewed the existing fixed and variable cost allocation costs. Upon presentation of a modification to the cost allocation methodology the Executive Committee recommended the WRCRWA Board of Directors approve the new cost strategy. The proposed FY 2016-17 budget further defines costs that are fixed costs versus variable, and is reflected in the FY 2016-17 adopted budget. The proposed budget document includes the additional sewage flow from the City of Norco due to the inclusion of the California Rehabilitation Center (CRC) and the Navy.

**FINANCIAL IMPACT:** City staff has included the cost for treatment and collection as well as outstanding debt service requirements in our preparation of the City's FY 2016-17 sewer operations budget (126-809). Capital Improvements outlined in the WRCRWA budget have been included in the City's FY 2016-17 Sewer Capital Improvement fund budget (149). Upon the Council's favorable consideration and approval of the WRCRWA FY 2016-17 budget, staff will provide the Authority with a copy of the resolution and a minute excerpt of Council's action to satisfy the ratification requirement.

Attachments: Resolution No. 2016-25  
WRCRWA FY 2016-17 Budget

## **RESOLUTION NO. 2016-25**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA TO ADOPT THE FISCAL YEAR 2016-2017 WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY BUDGET, ESTABLISHING RATES TO BE CHARGED FOR CONVEYANCE, TREATMENT AND DISPOSAL OF WASTEWATER, LOCATED IN NORCO CALIFORNIA**

WHEREAS, the Western Riverside County Regional Wastewater Authority ("WRCRWA") owns and operates a wastewater conveyance, treatment and disposal system; and

WHEREAS, the agencies having the right to discharge to the WRCRWA treatment facility and collection system are the Member Agencies: the Home Gardens Sanitary District, the Jurupa Community Services District, Western Municipal Water District, the Santa Ana Watershed Project Authority, the City of Corona and the City of Norco; and

WHEREAS, the City of Norco owns and operates a public sanitary sewer collection system that discharges directly to the WRCRWA treatment facility; and

WHEREAS, the City of Norco currently owns 2.2 million gallons per day of wastewater treatment capacity and 2.5 million gallons per day of conveyance capacity; and

WHEREAS, the City of Norco and each member agency is required pursuant to Section 6.A. of the Joint Exercise of Powers to approve the annual budget establishing rates.

NOW THEREFORE, BE IT RESOLVED the City of Norco City Council adopt the Western Riverside County Regional Wastewater Authority Fiscal Year 2016-17 Budget.

Resolution No. 2016-25  
Page 2  
May 18, 2016

PASSED AND ADOPTED by the City Council at a regular meeting held on May 18, 2016.

---

Kevin Bash, Mayor  
City of Norco, California

ATTEST:

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Cheryl L. Link, City Clerk  
City of Norco, California

I, Cheryl L. Link, City Clerk of the City of Norco, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California at a regular meeting thereof held on May 18, 2016 by the following vote of the City Council:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on May 18, 2016.

---

Cheryl L. Link, City Clerk  
City of Norco, California

**WESTERN RIVERSIDE  
COUNTY REGIONAL  
WASTEWATER  
AUTHORITY**

**Fiscal Year 2016-  
2017 Budget**

**ADOPTED**

**WESTERN RIVERSIDE COUNTY REGIONAL  
WASTEWATER AUTHORITY**

**Fiscal Year 2016-2017 Budget**

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# **SUMMARY BY FUND**

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY**  
**Fiscal Year 2016-2017 Budget**

**Sources and Uses Summary by Fund**

	<b>Operations</b>	<b>Debt Service</b>	<b>Capital</b>	<b>Total</b>
<b>Estimated Beginning Balances 7-1-16</b>	-	-	627,329	627,329
<b>Sources</b>				
Agency Contributions from Rates	7,241,560		100,000	7,341,560
Agency Debt Service Contributions		746,505		746,505
Agency Capital Contributions			980,000	980,000
SRF Funding			23,600,000	23,600,000
Darco Construction Lease	7,300			7,300
<b>Total Sources</b>	<b>7,248,860</b>	<b>746,505</b>	<b>24,680,000</b>	<b>32,675,365</b>
<b>Uses</b>				
Treatment Operations	6,395,830			6,395,830
Conveyance System	221,440			221,440
Administration & General	624,290			624,290
Debt Service		746,505		746,505
Capital Expenditures			24,580,000	24,580,000
<b>Total Uses</b>	<b>7,241,560</b>	<b>746,505</b>	<b>24,580,000</b>	<b>32,568,065</b>
<b>Projected Ending Balances 6-30-17</b>	<b>\$ 7,300</b>	<b>\$ -</b>	<b>\$ 727,329</b>	<b>\$ 734,629</b>

**MEMBER AGENCY  
FUNDING BY  
CATEGORY**

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY**  
**Fiscal Year 2016-2017 Budget**

**Member Contribution Summary**

Expenditure Category	SAWPA	WMWD	JCSD	Norco	HGSD	Corona	Total
<b>Operations:</b>							
Treatment Plant	-	1,084,227	2,949,972	1,846,499	515,132	-	6,395,830
Conveyance System	-	100,016	-	95,202	26,223	-	221,441
General & Administration	-	86,063	267,553	120,399	44,592	105,682	624,289
<b>Total Operating Contributions</b>	<b>-</b>	<b>1,270,306</b>	<b>3,217,525</b>	<b>2,062,100</b>	<b>585,947</b>	<b>105,682</b>	<b>7,241,560</b>
<b>Reserves:</b>							
Reserve for Asset Replacement	-	24,125	40,625	27,500	7,750	-	100,000
<b>Total Reserve Contributions</b>	<b>-</b>	<b>24,125</b>	<b>40,625</b>	<b>27,500</b>	<b>7,750</b>	<b>-</b>	<b>100,000</b>
<b>Debt Service:</b>							
SRF Loans	533,924	33,834	-	146,694	32,053	-	746,505
<b>Total Debt Service Contributions</b>	<b>533,924</b>	<b>33,834</b>	<b>-</b>	<b>146,694</b>	<b>32,053</b>	<b>-</b>	<b>746,505</b>
<b>Total Capital Expenditures</b>	<b>-</b>	<b>258,734</b>	<b>373,751</b>	<b>270,857</b>	<b>76,658</b>	<b>-</b>	<b>980,000</b>
<b>Total Proposed Member Contributions</b>	<b>\$ -</b>	<b>\$ 1,586,999</b>	<b>\$ 3,631,901</b>	<b>\$ 2,507,151</b>	<b>\$ 702,408</b>	<b>\$ 105,682</b>	<b>\$ 9,068,065</b>

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY**  
**Fiscal Year 2016-2017 Budget**  
**Calculation of Operating Expenses By Member**

<u>Proposed Rates</u>	<u>Amount Per MGD Per Month</u>	<u>Estimated Flows</u>	<u>Treatment MGD</u>	<u>Conveyance MGD</u>
<b>Fixed</b>		WMWD	0.730	0.730
Treatment (8 MGD Capacity)	\$ 31,141	JCSD	3.490	-
Conveyance (8.4 MGD Cap)	1,321	NORCO	2.060	2.210
Res for Asset Replacement (8 MGD Capacity)	1,042	HGSD	0.570	0.570
<b>Total</b>	<b>\$ 33,504</b>	Corona	-	-
		<b>Total</b>	<b>6.850</b>	<b>3.510</b>
<b>Fixed</b>				
G & A (14.0 MGD Capacity)	3,716			
<b>Grand Total Fixed</b>	<b>\$ 37,220</b>			
	<u>Amount Per MG</u>			
<b>Variable</b>				
Treatment	\$ 1,362			
Conveyance	69			
<b>Total</b>	<b>\$ 1,431</b>			

**Estimated Member Contributions to Operating Expenses for FY 2016-2017**

	<u>Capacity</u>		<u>Treatment</u>		<u>Conveyance</u>		<u>G &amp; A</u>		<u>Reserve for Replacement</u>	<u>Total</u>
	<u>Treatment</u>	<u>Conveyance</u>	<u>Fixed</u>	<u>Variable</u>	<u>Fixed</u>	<u>Variable</u>	<u>Capacity</u>	<u>Fixed</u>	<u>Fixed</u>	
WMWD	1.930	5.150	721,217	363,010	81,664	18,352	1.930	86,063	24,125	1,294,431
JCSD	3.250	-	1,214,484	1,735,488	-	-	6.000	267,553	40,625	3,258,150
NORCO	2.200	2.500	822,113	1,024,386	39,643	55,559	2.700	120,399	27,500	2,089,600
HGSD	0.620	0.750	231,686	283,446	11,893	14,330	1.000	44,592	7,750	593,697
CORONA	-	-	-	-	-	-	2.370	105,682	-	105,682
<b>Total</b>	<b>8.000</b>	<b>8.400</b>	<b>\$ 2,989,500</b>	<b>\$ 3,406,330</b>	<b>\$ 133,200</b>	<b>\$ 88,241</b>	<b>14.000</b>	<b>\$ 624,289</b>	<b>\$ 100,000</b>	<b>\$ 7,341,560</b>

**OPERATIONS  
FUND  
EXPENDITURES**

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY  
Fiscal Year 2016-2017 Operations Fund Budget**

**Operating Fund Summary**

<u>Budget Element</u>	<u>Amount</u>
Treatment Operations	
Treatment Plant	6,285,630
Pre-treatment	110,200
Total Treatment Operations	<u>6,395,830</u>
Conveyance System	221,440
General and Administrative	624,290
<b>Total Operating Costs</b>	<b><u><u>7,241,560</u></u></b>

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY  
Fiscal Year 2016-2017 Operations Fund Budget**

**Treatment Operations**

**Treatment Plant**

**Description:**

Staff under the WMWD contract shall manage, operate, and maintain the wastewater treatment facilities and implement quality assurance procedures in accordance with legal and regulatory requirements; including performance of necessary laboratory analysis as required by the NPDES issued by the Santa Ana Regional Water Quality Control Board.

**Labor Cost**

Labor and Overhead		2,136,000
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**Laboratory**

Laboratory - Outside Services	144,000	
Total Laboratory	144,000	144,000

**Facility Maintenance**

Maintenance - System Repairs (Facility Maint.)		646,500
--	--	---------

**Other Direct Costs**

Vehicles/Equipment Usage	125,900	
Utilities (Electric, Gas, Water, Phone)	1,264,200	
Chemicals	653,800	
U.V. Bulbs & Ballasts	266,480	
Disposal Charges - Solids/Sludge	873,600	
Permits, Licenses and Fees	96,000	
Maintenance - Buildings and Yard	54,150	
Material, Supplies	25,000	
Total Other Direct Costs	3,359,130	3,359,130

**Total Treatment Plant**

**6,285,630**

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY  
Fiscal Year 2016-2017 Operations Fund Budget**

**Treatment Operations - continued**

**Pre-treatment**

**Description:**

Staff under the WMWD contract shall implement, administer, and enforce an industrial wastewater pretreatment program, to include the sampling, laboratory testing, and monitoring of wastewater discharge at connection sites to the West Riverside conveyance system as mandated by discharge permits.

**Labor Cost**

Labor and Overhead	87,800
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**Laboratory**

Laboratory - Outside Services	6,000
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**Other Direct Expenses**

Vehicles/Equipment Usage	9,200	
Material, Supplies	7,200	
Total Other Direct Expenses	16,400	

<b>Total Pre-treatment</b>	<b>110,200</b>
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<b>Total Treatment Operations</b>	<b>6,395,830</b>
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**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY  
Fiscal Year 2016-2017 Operations Fund Budget**

**Conveyance System Operations**

**Description:**

Staff under WMWD's contract will perform work associated with the routine maintenance, monitoring, and repairs of the South Regional Interceptor including meter readings, meter calibration and repair, line locations, inspection, siphon cleaning, bleach injection, sampling, and will maintain records and generate reports as required. In addition, staff will provide for 24 hour per day remote monitoring of system alarms and need to response; as well as conduct on-site routine facility inspections of pump station and force main three times per week to verify and maintain proper operation of wet well, pumps, motors, instrumentation, communication, and control equipment. Staff will also maintain records and generate reports as related to various meter readings taken and both predictive and preventative maintenance performed.

**Labor Cost**

Labor and Overhead	77,400
--------------------	--------

**Facility Maintenance**

Maintenance - System Repairs (Facility Maint.)	55,000
--	--------

**Other Direct Expenses**

Vehicle/Equipment Usage	26,000	
Utilities (Electric, Gas, Water, Phone)	59,740	
Maintenance - Buildings and Yard	2,300	
Material, Supplies	1,000	
	<hr/>	
Total Other Direct Expenses		89,040

**TOTAL CONVEYANCE SYSTEM**

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**221,440**

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**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY  
Fiscal Year 2016-2017 Operations Fund Budget**

**General and Administrative**

**Description:**

**G & A Expenses Charged Directly to WRCRWA**

Budgeted G & A expenses include anticipated expenditures for engineering and other professional or technical services, liability and property insurance, audit services, general legal services, and dues and subscriptions.

**G & A Expenses Absorbed by Western and Included in the Overhead Multiplier**

**Administration**

All tasks related to support of JPA Executive Committee and Board. These items include coordinating all aspects of agenda planning for both Executive Committee and Board. Coordinate production of administrative resolutions and ordinances as needed for approval by JPA Board. Oversee contract administration and handle all administrative tasks related to Board Meetings including recording secretary duties, tracking of agenda items, records management for JPA, and noticing meetings. Coordination with JPA legal staff on policy items, resolutions, FPPC filings, etc. Maintain contact as a required with regulatory agencies. Coordinate with the media and JPA agencies on public affairs issues, including emergency response and crisis communication.

**Finance**

Western's Finance staff provides the processing, monitoring, reporting, and analysis required to maintain all financial activities of the authority. Specific functions include accounts payable, billing, accounts receivable, budget, cash and investment management, audit coordination, debt service maintenance, general ledger maintenance, and all reporting for internal and external users. In addition, Western staff coordinates the Authority's functions related to risk management needs, rate analysis and implementation, and other tasks as required.

**Consulting Cost**

Outside Services	258,000
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**Other Indirect Costs**

Insurance Expense	81,000	
Audit Expense	13,905	
Mercury Monitoring - SARDA	3,000	
Basin Monitoring Program	21,000	
Cyanide Sampling	2,000	
EC Monitoring Program	7,500	
Bank Charges	1,000	
General Supplies	500	
	500	
Total Other Indirect Costs		129,905

**Legal Cost**

General	236,385
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**TOTAL GENERAL ADMINISTRATION**

	624,290
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**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY**  
**Fiscal Year 2016-2017 Operations Fund Budget**  
**Comparison to Prior Year**

	2015-2016 Budget	2016-2017 Budget	2016 Budget Over (Under) 2015 Budget	
			Amount	% Change
<b>Treatment Plant</b>				
Labor Costs	1,780,000	2,136,000	376,000	21.4%
In-house Laboratory	-	-	-	
Outside Services (Laboratory)	137,000	144,000	7,000	5.1%
Facility Maintenance	423,500	646,500	223,000	52.7%
Vehicles/Equipment Rental	51,000	125,900	74,900	146.9%
Utilities (Electric, Gas, Water)	1,125,000	1,264,200	139,200	12.4%
Chemicals	600,000	653,800	53,800	9.0%
U.V. Bulbs & Ballasts	230,000	266,480	36,480	15.9%
Solids Disposal/Sludge	973,000	873,600	(99,400)	-10.2%
Permits and Fees	73,500	96,000	22,500	30.6%
Facility Maintenance - Bldg & Yard	50,000	54,150	4,150	8.3%
Supplies	25,000	25,000	-	0.0%
<b>Total Treatment Costs</b>	<b>5,448,000</b>	<b>6,285,630</b>	<b>837,630</b>	<b>15.4%</b>
<b>Pre-treatment</b>				
Labor Costs	62,000	87,800	25,800	41.6%
Equipment Rental	1,000	9,200	8,200	820.0%
Laboratory - Quality Testing	5,500	6,000	500	9.1%
Supplies	9,100	7,200	(1,900)	-20.9%
<b>Total Pre-treatment Costs</b>	<b>77,600</b>	<b>110,200</b>	<b>32,600</b>	<b>42.0%</b>
<b>Total Treatment Operations</b>	<b>5,525,600</b>	<b>6,395,830</b>	<b>870,230</b>	<b>15.7%</b>
<b>Conveyance System</b>				
Labor Costs	66,000	77,400	11,400	17.3%
Facility Maintenance	30,000	55,000	25,000	83.3%
Vehicle/Equipment Rental	25,000	26,000	1,000	4.0%
Utilities	58,000	59,740	1,740	3.0%
Outside Services - Landscape	2,100	2,300	200	9.5%
Misc. Supplies/Operating Expenses	1,000	1,000	-	0.0%
<b>Total Conveyance System Costs</b>	<b>182,100</b>	<b>221,440</b>	<b>39,340</b>	<b>21.6%</b>
<b>General and Administration</b>				
Outside Services (Consulting)	175,000	258,000	83,000	47.4%
Insurance Expense	81,000	81,000	-	0.0%
Audit Expense	13,500	13,905	405	3.0%
Mercury Monitoring - SARDA	3,000	3,000	-	0.0%
Basin Monitoring Program	16,500	21,000	4,500	27.3%
Cyanide Sampling	2,000	2,000	-	0.0%
EC Sampling	7,500	7,500	-	0.0%
Bank Charges	1,000	1,000	-	0.0%
General Supplies	500	500	-	0.0%
Legal Costs - General	285,200	236,385	(48,815)	-17.1%
<b>Total General and Administration</b>	<b>585,200</b>	<b>624,290</b>	<b>39,090</b>	<b>6.7%</b>
<b>Reserve for Asset Replacement</b>	<b>100,000</b>	<b>100,000</b>	<b>-</b>	<b>0.0%</b>
<b>Reserve for Capital Improve. &amp; Special Studies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Operating Costs</b>	<b>6,392,900</b>	<b>7,341,560</b>	<b>948,660</b>	<b>14.8%</b>

# **RATE CALCULATION**

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY**  
**Fiscal Year 2016-2017 Operations Fund Budget**  
**Allocation of Fixed and Variable Costs and Calculation of Wastewater Rates**  
**Per Carollo Cost Allocation Report Dated September 2010**

	2016-2017 Budget		
	Total	Fixed Costs	Variable Costs
<b>Treatment Operations</b>			
<u>Treatment Plant</u>			
Labor	2,136,000	2,136,000	-
Laboratory	144,000	144,000	-
Facility Maintenance	646,500	323,250	323,250
Vehicle/Equipment Rental	125,900	125,900	-
Utilities	1,264,200	-	1,264,200
Chemicals	653,800	-	653,800
U.V. Bulbs & Ballasts	266,480	-	266,480
Solids Disposal/Sludge	873,600	-	873,600
Permits and Fees	96,000	96,000	-
Landscape	54,150	54,150	-
Supplies	25,000	-	25,000
Subtotal Treatment Plant	6,285,630	2,879,300	3,406,330
Pre-treatment	110,200	110,200	-
Total Treatment Operations	6,395,830	2,989,500	3,406,330
<b>Conveyance System</b>			
Labor	77,400	77,400	-
Facility Maintenance	55,000	27,500	27,500
Vehicle/Equipment Rental	26,000	26,000	-
Utilities	59,740	-	59,740
Outside Services-Landscape	2,300	2,300	-
Supplies	1,000	-	1,000
Total Conveyance System	221,440	133,200	88,240
<b>General and Administrative</b>	624,290	624,290	-
<b>Reserve for Asset Replacement</b>	100,000	100,000	-
<b>Total Operating Budget used for Rate Calculation</b>	7,341,560	3,846,990	3,494,570
<u>Fixed and Variable Rates per MGD</u>			
	<u>Fixed Per MGD</u>	<u>Variable</u>	
	Per Month	Per MG	
<b>Proposed 2016-2017 Rates</b>			
Treatment	31,141	1,362	
Conveyance	1,321	69	
Administrative	3,716	-	
Reserve for Asset Replacement	1,042	-	
Total	37,220	1,431	
<b>Existing Rates From Fiscal Year 2015-2016 Budget</b>			
Treatment	24,592	1,219	
Conveyance	1,072	58	
Administrative	3,483	-	
Reserve for Asset Replacement	1,042	-	
Total	30,189	1,277	
<b>Amount of Increase/(Decrease) From 2015-2016 Rates</b>			
Treatment	6,549	143	
Conveyance	249	11	
Administrative	233	-	
Reserve for Asset Replacement	-	-	
Total	7,031	154	
Percent Increase/(Decrease)	23.3%	12.1%	

**DEBT SERVICE  
FUND  
EXPENDITURES**

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY**  
**Fiscal Year 2016-2017 Debt Service Fund Budget**  
**Debt Service Expenditures**

		<u>Due</u>	<u>Member</u>	<u>Res. 95-20 Allocation Percentage</u>	<u>Balance 6/30/2016</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance 6-30-2017</u>
<b>SRF LOANS</b>									
Loan #2	Non-Reclaimable Sewer	2/13/17	SAWPA	100.0%	607,814	316,730	17,019	299,711	308,103
Loan #3									
	So. Regional Force Main								
Section 1	(Conveyance)	6/1/17	HGSD	8.9%	40,714	21,106	1,678	19,428	21,286
			NORCO	29.8%	136,346	70,645	5,615	65,030	71,315
			WMWD	9.4%	43,020	22,272	1,770	20,502	22,518
			SAWPA	51.9%	237,503	122,991	9,776	113,216	124,287
	Subtotal Section 1			100.0%	457,582	237,014	18,838	218,176	239,406
Section 2	Corona Trunk Sewer		SAWPA	100.0%	57,390	30,364	2,413	27,951	29,439
	Norco Trunk Sewer &								
Section 3	Pumping Station		NORCO	100.0%	73,461	39,394	3,131	36,263	37,198
	<b>TOTAL LOAN #3</b>				<b>588,433</b>	<b>306,773</b>	<b>24,383</b>	<b>282,390</b>	<b>306,043</b>
Loan #4									
	So. Regional Pumping								
Loan #4	Station (Conveyance)	6/1/17	HGSD	8.9%	20,998	10,947	588	10,359	10,639
			NORCO	29.8%	70,309	36,655	1,969	34,686	35,623
			WMWD	9.4%	22,178	11,562	621	10,941	11,237
			SAWPA	51.9%	122,450	63,838	3,429	60,409	62,041
	<b>TOTAL LOAN #4</b>			100.0%	<b>235,935</b>	<b>123,002</b>	<b>6,606</b>	<b>116,396</b>	<b>119,539</b>
<b>TOTAL SRF LOANS</b>						<b>\$746,505</b>	<b>\$ 48,008</b>	<b>\$698,497</b>	<b>\$ 733,685</b>

**TOTAL LONG TERM DEBT**

**\$ 733,685**

<u>MEMBER</u>	<u>AMOUNT</u>	<u>Loan#</u>	<u>Final Payment Due</u>
HGSD	32,053	SRF #2	2/13/2018
NORCO	146,694	SRF #3	6/1/2018
SAWPA	533,924	SRF #4	6/1/2018
WMWD	33,834		
JCSD	-		
	<b>\$746,505</b>		

# **CAPITAL FUND EXPENDITURES**

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY**  
**Fiscal Year 2016-2017 Capital Fund Budget**  
**Capital Expenditures**

Description	Agency Amounts to be Expended in 2016-2017						
	Total	SAWPA	WMWD	JCSD	Norco	HGSD	Corona
<b>Repair and Replacement</b>							
<u><b>Treatment Plant</b></u>							
<u><b>General</b></u>							
Level Control	10,000		2,412	4,063	2,750	775	
Roof Repair	20,000		4,825	8,125	5,500	1,550	
Low Voltage Switch Gear	700,000		168,875	284,375	192,500	54,250	
Blower Replacement	100,000		24,125	40,625	27,500	7,750	
<u><b>Tertiary Treatment</b></u>							
In Plant Water Pump Replacement	60,000		14,475	24,375	16,500	4,650	
Solids Loading Conveyor Replacement Covers	15,000		3,618	6,094	4,125	1,163	
Solids Handling Building Lighting Retrofit	15,000		3,618	6,094	4,125	1,163	
<u><b>South Regional Pump Station</b></u>							
SRPS Pneumatic Valve Actuator Replacement	60,000		36,786	-	17,857	5,357	-
<b>Plant Expansion</b>							
Construction Phase	23,600,000			10,816,667	1,966,667	1,494,667	9,322,000
<b>Total Capital Expenditures</b>	<b>\$ 24,580,000</b>	<b>\$ -</b>	<b>\$ 258,734</b>	<b>\$ 11,190,418</b>	<b>\$ 2,237,524</b>	<b>\$ 1,571,325</b>	<b>\$ 9,322,000</b>
Less SRF Construction Financing	23,600,000			10,816,667	1,966,667	1,494,667	9,322,000
<b>Net Capital Expenditures</b>	<b>\$ 980,000</b>	<b>\$ -</b>	<b>\$ 258,734</b>	<b>\$ 373,751</b>	<b>\$ 270,857</b>	<b>\$ 76,658</b>	<b>\$ -</b>

**Western Riverside County Regional Wastewater Authority  
Fiscal Year 2016-2017 Capital Fund Budget  
Capital Project Descriptions**

**Total Equipment Replacement/Rehabilitation Cost**

This funding is being requested to purchase new equipment or for mechanical rehabilitation that extends the life of a piece of equipment due to mechanical wear or equipment age. These items include the following:

***General Items***

**Level Control**

Existing level control systems in the Tertiary and Centrate wet wells are past their useful life and require replacement. Existing float switches will be replaced with transducers and associated control panels. Replacing these control components will reduce repair frequency, and improve reliability, thus reducing spill potential.

\$10,000

**Roof Repair**

The garage portion of the administrative building roof has developed a leak. This request is to repair that leak and the associated water damage.

\$20,000

**Low Voltage Switch Gear**

The Low Voltage Switchgear is the power distribution center to all Motor Control Centers within the treatment process. The switchgear is beyond its life cycle, is no longer supported and requires replacement. The switchgear was assessed by manufacture field technicians and was deemed unsafe and unreliable. This project will demo the existing switchgear and provide and install the new switchgear. Temporary power will be provided for the duration of the project along with field testing and verification.

\$700,000

**Blower Replacement**

Mechanical Services has inspected and determined that the rotating element on unit #3 requires replacement.

\$100,000

***Tertiary Treatment***

**In Plant Water Pump Replacement**

The in plant water pumps are past their useful life and require replacement or rebuild. Vibration analysis is excessive on all units save one which required rebuild in 2015. A high number of operational hours and subsequent wear leave reliability questionable. New pumping equipment would improve efficiencies and energy savings over the life of the unit.

(Staff will pump test and peruse any energy incentives prior to purchase).

\$60,000

**Solids Loading Conveyor Replacement Covers**

The lids and latches covering the conveyor screws are badly corroded and need to be replaced.

\$15,000

**Solids Handling Building Lighting Retrofit**

The existing lighting in this building is inadequate from a safety perspective. This replacement request is for LED lighting. (Staff will peruse any energy incentives prior to purchase).

\$15,000

***South Regional Pump Station***

**SRPS Pneumatic Valve Actuator Replacement**

The existing valve actuators at the South Regional Pump Station (SRPS) are past their useful life, and require replacement. The actuators have been in use for double the life expectancy resulting in repeated maintenance repair. Replacing these critical isolation control components will reduce repair frequency, and improve reliability thus reducing spill potential.

\$60,000

**Subtotal Capital Projects**

**\$980,000**

**Plant Expansion**

This project will expand the existing treatment plant from a capacity of 8.0 Million Gallons per Day (MGD) to 14 MGD. The expanded capacity will be allocated as follows: 2.75 MGD for Jurupa Community Service District; 2.37 MGD for the City of Corona; 0.5 MGD for the City of Norco; and 0.38 MGD for the Home Gardens Sanitation District. The project will construct: a new flow channel in the headworks, new primary clarifiers, modifications to the equalization basin, new bio-reactors, a new secondary clarifier, new tertiary filtration, new chlorine contact basin, conversion of digesters from aerobic to anaerobic, new solar drying solids handling facilities, new odor control, aesthetic improvements<sup>(1)</sup>, and electrical and instrumentation upgrades. Construction started on March 9, 2015. The majority of structures are completed. Construction focuses on mechanical and electrical now.

*(1) Includes \$52,200 for planting of trees and groundcover along perimeter and revision to irrigation.*

**\$23,600,000**

**Grand Total Capital Expenditures**

**\$24,580,000**

**Western Riverside County Regional Wastewater Authority**  
**Schedule of Designated Reserve Balances**  
**Fiscal Year 2016-2017 Budget**

<b>Asset Replacement</b>	<b>JCSD</b>	<b>WMWD</b>	<b>HGSD</b>	<b>Norco</b>	<b>Asset Replacement Total</b>
<b>Beginning Balance 07/01/16</b>	260,342	142,404	47,677	176,907	<b>627,329</b>
Addition per FY16 Budget	41,500	22,700	7,600	28,200	100,000
<b>6/30/16 Projected Ending Balance</b>	<b>301,842</b>	<b>165,104</b>	<b>55,277</b>	<b>205,107</b>	<b>727,329</b>
Addition per FY17 Budget	41,500	22,700	7,600	28,200	100,000
<b>6/30/17 Projected Ending Balance</b>	<b>343,342</b>	<b>187,804</b>	<b>62,877</b>	<b>233,307</b>	<b>827,329</b>
Percent Allocation	41.5%	22.7%	7.6%	28.2%	100.0%

Note: Reserves are based on capacity.

## CITY OF NORCO STAFF REPORT

**TO:** Honorable Mayor and Members of City Council

**FROM:** Andy Okoro, City Manager 

**PREPARED BY:** Brian K. Petree, Deputy City Manager/Director  
Parks, Recreation and Community Services Department

**DATE:** May 18, 2016

**SUBJECT:** Approval of Lease Agreements between the City of Norco and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless, to Construct a Telecommunications Facility at the Following Locations:

- Parmenter Park
- George Ingalls Equestrian Event Center
- Shearer Sports Complex

**RECOMMENDATION:** Approve Lease Agreements between City of Norco and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless, to construct telecommunications facilities at Parmenter Park, George Ingalls Equestrian Event Center and Shearer Sports Complex.

**SUMMARY:** Over the past several months, staff has been working with representatives of Verizon Wireless, to discuss leasing property at three locations within the City of Norco park facilities: Parmenter Park, George Ingalls Equestrian Event Center and Shearer Sports Complex. Staff is recommending approval of the lease agreements with Verizon to lease all three sites for construction of wireless cell sites.

**BACKGROUND ANALYSIS:** GTE Mobilnet (Verizon Wireless) offers mobile phone services to consumers and businesses. Verizon proposes to construct an antenna facility commonly referred to in the industry as a communication tower. The city is requiring the tower to be a "light standard" type of facility (the "Light Standard"). They may install, place, use and operate on the property such antennas, radio transmitting and receiving equipment, conduits, wires, batteries, back-up generators, utility lines and facilities, supporting structures, storage facilities, telephone facilities, microwave equipment, and related equipment as they deem necessary for the operation of its wireless communications site on the property. The Light Standard, constructed for the purpose of concealing the cables and wires, and for attaching the antenna fixtures, shall be constructed by Verizon Wireless, but shall be owned and maintained by the City of Norco. Additionally, Verizon Wireless will construct a storage unit for City use for each site.

Conditions for site development are identified in the General Regulations and Development Standards for Commercial Telecommunications Facilities (Exhibit "A"). Project site plans for development are identified at the three proposed park facilities (Exhibit "B").

## Verizon Wireless License Agreements

Page 2

May 18, 2016

The License Agreements (Exhibit "C") between the City and Verizon Wireless would provide valuable revenue to offset costs of park operations as well as provide a capital contribution to each facility and construct a park storage unit.

The proposed License Agreement contains the standard industry language for these types of installations. The term of this Lease Agreement ("Term") shall be for five (5) years beginning on the "Commencement Date" of the agreement and offers the wireless mobile carrier the option to automatically extend for three (3) additional terms of five (5) years each. During the option period, and at the expense of the Tenant, Tenant shall obtain all licenses and permits or authorizations required, including a Conditional Use Permit (CUP), for Tenant's use of the premises.

The City shall receive rent on the Commencement Date or twelve (12) months from the last date of execution by a party to this Agreement, whichever occurs first. Tenant shall have the right to extend the Term of this Lease Agreement for three (3) additional terms of five (5) years each. The monthly rental rate will be \$2,500 with a 3% annual increase beginning with the first anniversary of the Commencement Date with the exception of the George Ingalls Equestrian Event Center where the monthly rental rate will be \$3,000 per month. Additionally, Tenant shall pay City a one-time Capital Contribution Fee of \$20,000 for each facility to be deposited to the Parks and Recreation Capital Improvement Development Fund to be used as the City sees fit.

On December 9, 2015, the Planning Commission reviewed the application for a Conditional Use Permit (CUP). Upon review the Commission approved CUP Resolutions for three wireless cell sites, one at each facility; Parmenter Park, Resolution No. 2015-73, Shearer Soccer Complex Resolution No. 2015-75, and George Ingalls Equestrian Event Center Resolution No. 2015-76. The Parks and Recreation Commission has reviewed the application by Verizon and the three sites for location of wireless cell communication systems and standards for light towers and approves recommendation for approval by City Council.

Verizon Wireless is required to maintain insurance for bodily injury and property damage of at least one million dollars per occurrence, with the City of Norco named as additionally insured. The City, acting as the Licensor, will be responsible to maintain the area around the facility. Verizon Wireless acting as the Licensee, will retain ownership of cell site equipment it places on the premises except for the light tower athletic field light standards and lights and the storage unit, when and if the License Agreement expires or is terminated.

**FINANCIAL IMPACT:** The revenue stream associated with the License Agreement is estimated to be \$30,000 annually for Parmenter and Shearer Soccer Complex and \$36,000 annually for the George Ingalls Equestrian Event Center. Total Revenue generated annually is \$96,000 and will be deposited into the General Fund and will assist to offset costs associated with park operations within in the City.

**Attachments:** General Regulations and Development Standards for Commercial Telecommunication Facilities – Exhibit "A"  
Project Site Plan – Exhibit "B"  
License Agreements – Exhibit "C"

**Section 18.57.10 GENERAL REGULATIONS AND DEVELOPMENT STANDARDS  
FOR COMMERCIAL TELECOMMUNICATION FACILITIES.**

The following regulations and development standards apply to commercial telecommunication facilities, normally installed by companies providing wireless telecommunication services to a wide range of customers.

1). On each commercial wireless antenna, space shall be made available at no cost to the City, if needed as determined by the City in its sound discretion, for emergency communication purposes, such as, but not limited to repeaters, boosters, antennas, etc. Any necessary ancillary equipment and/or utilities shall also be made available at no cost to the City, to ensure the viability of the communication site.

**2). Freestanding Antennas and Associated Equipment Rooms**

a) Freestanding antennas, and associated equipment rooms, shall be permitted in all zones, except residential and agricultural zones, subject to the approval of a conditional use permit provided that both the antennas and the equipment rooms comply with the regulations of this chapter and the underlying zone.

b) Co-location on an existing freestanding antenna structure is encouraged and may be subject to staff review.

c) Freestanding antennas shall not be allowed within front yard or street side yard setbacks for the underlying zone.

d) The maximum height of any wireless telecommunication antenna shall be 50 feet; an increase in height exceeding 50 feet shall require the approval of a variance. Freestanding antennas, which are designed for co-location, shall be given special consideration for an increase in maximum height allowed.

e) All freestanding antennas shall be sited on property to minimize visual impacts to adjacent properties and adjacent public right-of-way, and designed to blend into the surrounding environment. Designs used to blend in with the surrounding environment shall include: clock/bell towers, signs, light poles, or other structures. Landscaping may be required adjacent to the antenna for screening, to include trees and/or shrubs.

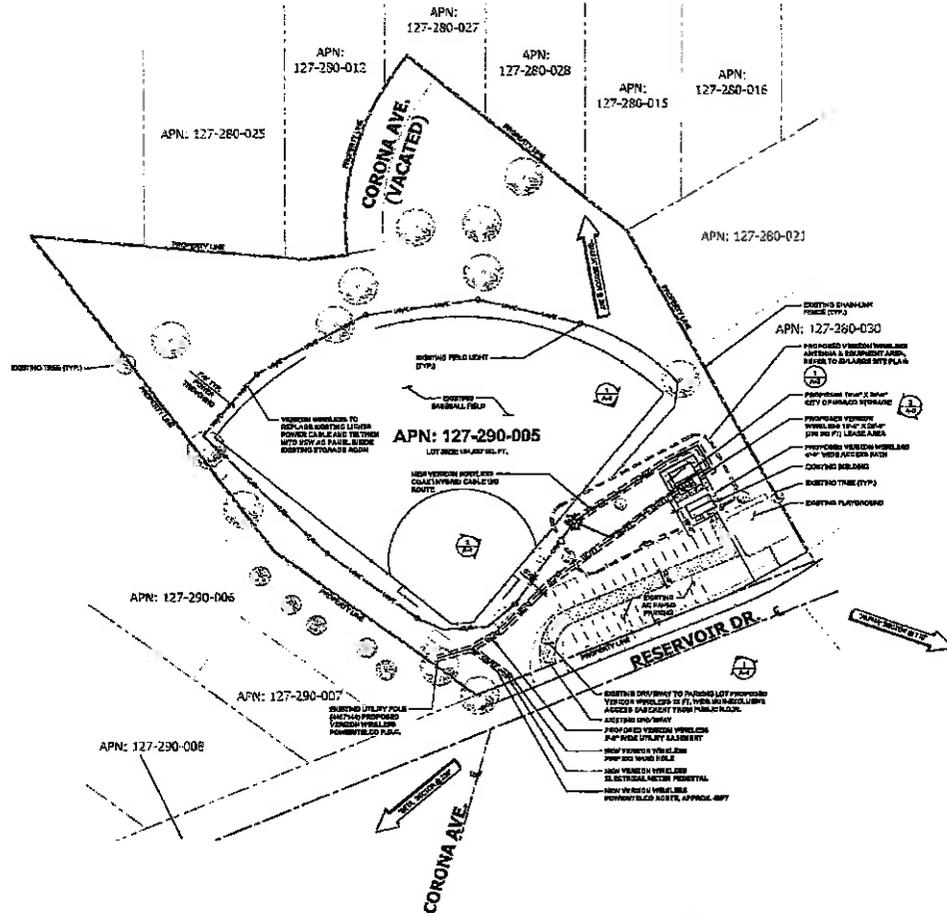
f) Wherever possible, antennas shall be integrated into other existing structures, such as light poles, utility poles, signs or other communication towers.

g) All antenna sites shall be enclosed with a six (6) foot high fence and posted with warning signs alerting people to keep their distance from the antenna site. The design and material of the fence must be compatible with the site. All wireless communication providers shall abide by ANSI standards.

h) Antennas shall not be allowed to have any type of advertising sign copy, unless signage is for on-site business and meets all code regulations.

i) The owner of the antenna shall pay an annual business license fee, in an amount as specified by resolution of the City Council.

NOTE:  
 THE PROPOSED UTILITY SERVICE DUCTS & PIPES  
 ARE PROPOSED AND NOT TO BE CONSIDERED AT THE  
 TIME OF FINAL UTILITY SERVICE DESIGN  
 SUBSTANTIALLY IDENTICAL PROVIDED.



**ISSUE STATUS**

NO.	DATE	DESCRIPTION	BY
1	1/15/18	15% ZONING	BN
1	1/15/18	APPROVED (REVISED)	BN
2	1/15/18	10% ZONING	BN
3	1/15/18	10% ZONING	BN



PROPRIETARY INFORMATION  
 THE INFORMATION CONTAINED HEREIN IS  
 UNCLASSIFIED AND NOT SUBJECT TO  
 FEDERAL LAWS REGULATING THE  
 INFORMATION CONTAINED IN THIS DOCUMENT



**PINTO**  
 2780 RESERVOIR DR.  
 NORCO, CA 92860

SHEET TITLE

**SITE PLAN**

**A-1**

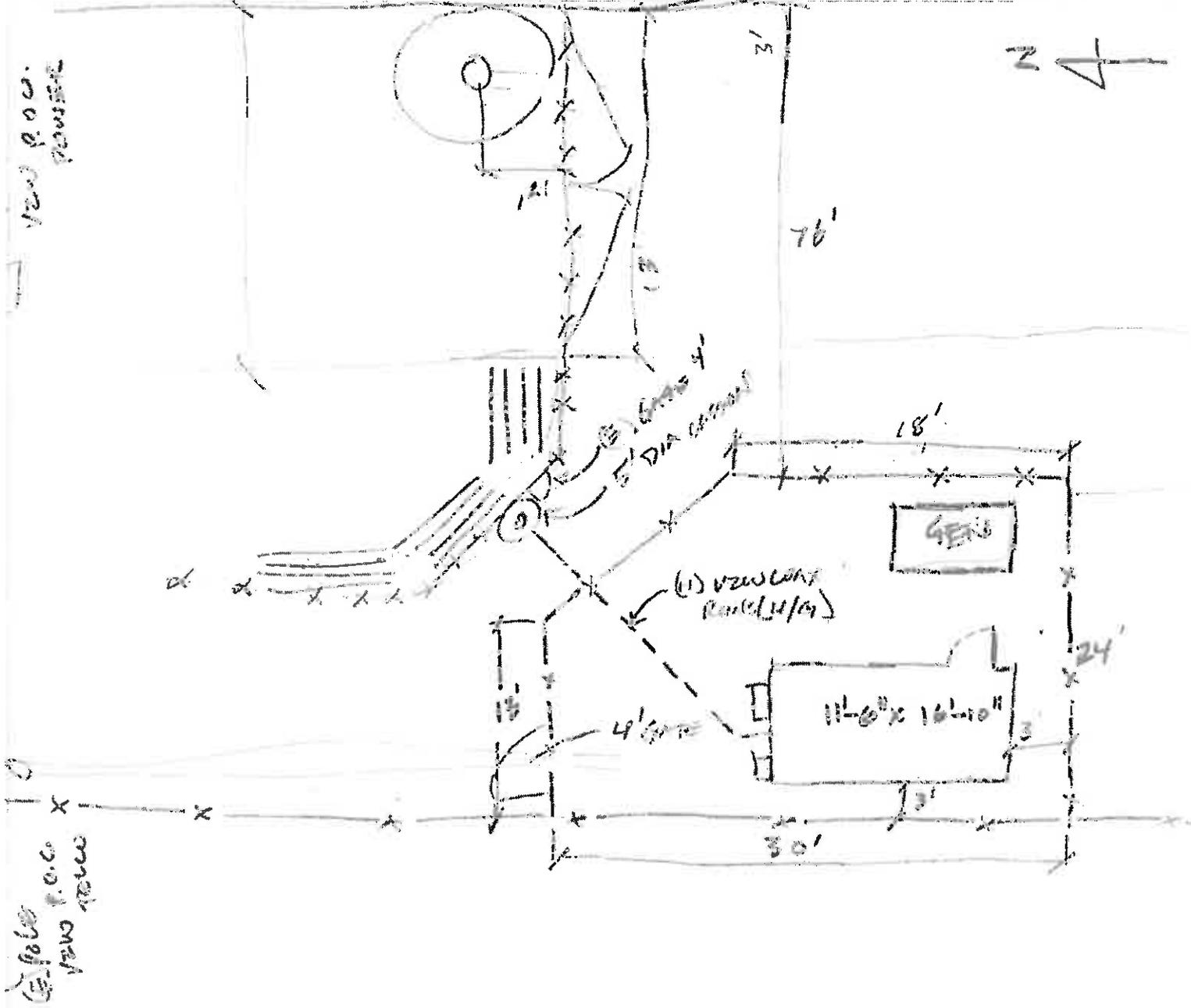
**SITE PLAN**



SCALE: 1" = 40'-0" (PLANS)  
 1" = 80'-0" (SECTION)

EXHIBIT "B"

VERIZON WIRELESS NSB

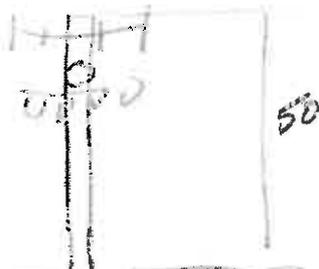


SITE PLAN

APPROVAL:

RF [Signature]  
 PE [Signature]  
 SA [Signature]  
 AE [Signature]  
 ME [Signature]  
 MW [Signature]

- 110 230, 350 @ 47' RAD, (4) PER SECTOR, 3 SECTORS
- 50' STADIUM LIGHT (R)
- 2' MW, 270°, 42' RAD



ANTENNA PLAN  MONOPOLE  TOWER  ROOFTOP



## TOWER LEASE AGREEMENT

This Tower Lease Agreement ("Agreement") is made as of the date of last execution below by and between City of Norco, a public corporation, with its principal offices located at 2870 Clark Avenue, Norco, California, hereinafter designated LESSOR, and Los Angeles SMSA Limited Partnership, d/b/a Verizon Wireless, with its principal offices located at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920, hereinafter designated LESSEE. LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

1. PREMISES. LESSOR hereby leases to LESSEE a portion of that certain space (the "Tower Space") on LESSOR's light standard, hereinafter referred to as the "Tower", and leases to LESSEE a portion of those unaddressed parcels of property currently identified as APN 129-020-011-2, 129-020-016-7, 129-020-017-8, 129-020-018-9, 129-020-019-0, 129-020-020-0 and 129-020-038-7 in the tax records of Riverside County and legally described on Exhibit "A" attached hereto (the entirety of LESSOR's property is referred to hereinafter as the "Property"), said portion being described as an approximate ten foot (10') by eighteen foot (18') parcel containing approximately one hundred eighty (180) square feet (the "Land Space"), together with the non-exclusive right (the "Rights of Way") for ingress and egress, seven (7) days a week twenty-four (24) hours a day, on foot or motor vehicle, including trucks over or along a twelve (12') foot wide right-of-way extending from the nearest public right-of-way, Corydon Avenue, to the Land Space and the Tower Space, and together with any further rights of way (the "Further Rights of Way") over and through the Property, between the Land Space and a utility point of connection on the Property, and between the Land Space and Tower Space, for the installation and maintenance of utility wires, poles, cables, conduits, and pipes. The Tower Space, Land Space, Rights of Way and Further Rights of Way (hereinafter collectively referred to as the "Premises") being substantially as described herein in Exhibit "B" attached hereto and made a part hereof. In the event any public utility is unable to use the Rights of Way and/or Further Rights of Way, LESSOR hereby agrees to grant an additional right-of-way either to LESSEE or to the public utility at no cost to LESSEE.

2. SURVEY. LESSOR also hereby grants to LESSEE the right to survey the Property and the Premises, and said survey shall then become Exhibit "C" which shall be attached hereto and made a part hereof, and shall control in the event of boundary and access discrepancies between it and Exhibit "B". Cost for such work shall be borne by LESSEE.

3. TERM; RENTAL; CAPITAL CONTRIBUTION; ELECTRICAL.

a. This Agreement shall be effective as of the date of execution by both Parties, provided, however, the initial term shall be for five (5) years and shall commence on the Commencement Date (as hereinafter defined) at which time rental payments shall commence and be due at a total annual rental of Thirty Thousand Dollars (\$30,000.00) to be paid in equal monthly installments on the first day of the month, in advance, to LESSOR or to such other person, firm or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice given in accordance with Paragraph 25 below. Upon agreement of the Parties, LESSEE may pay rent by electronic funds transfer and in

such event, LESSOR agrees to provide to LESSEE bank routing information for such purpose upon request of LESSEE. The Agreement shall commence based upon the date LESSEE commences installation of the equipment on the Premises. In the event the date LESSEE commences installation of the equipment on the Premises falls between the 1<sup>st</sup> and 15<sup>th</sup> of the month, the Agreement shall commence on the 1<sup>st</sup> of that month and if the date installation commences falls between the 16<sup>th</sup> and 31<sup>st</sup> of the month, then the Agreement shall commence on the 1<sup>st</sup> day of the following month (either the "Commencement Date"). LESSOR and LESSEE agree that they shall acknowledge in writing the Commencement Date. LESSOR and LESSEE acknowledge and agree that initial rental payment(s) shall not actually be sent by LESSEE until thirty (30) days after a written acknowledgement confirming the Commencement Date.

b. Within forty-five (45) days after the Commencement Date, LESSEE shall make a one-time payment to LESSOR in the amount of Twenty Thousand Dollars (\$20,000.00) for improvements to the Property.

c. LESSOR hereby agrees to provide to LESSEE certain documentation (the "Rental Documentation") evidencing LESSOR's interest in, and right to receive payments under, this Agreement, including without limitation: (i) documentation, acceptable to LESSEE in LESSEE's reasonable discretion, evidencing LESSOR's good and sufficient title to and/or interest in the Property and right to receive rental payments and other benefits hereunder; (ii) a complete and fully executed Internal Revenue Service Form W-9, or equivalent, in a form acceptable to LESSEE, for any party to whom rental payments are to be made pursuant to this Agreement; and (iii) other documentation requested by LESSEE in LESSEE's reasonable discretion. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. The Rental Documentation shall be provided to LESSEE in accordance with the provisions of and at the address given in Paragraph 25. Delivery of Rental Documentation to LESSEE shall be a prerequisite for the payment of any rent by LESSEE and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments until Rental Documentation has been supplied to LESSEE as provided herein. Within fifteen (15) days of obtaining an interest in the Property or this Agreement, any assignee(s) or transferee(s) of LESSOR shall provide to LESSEE Rental Documentation in the manner set forth in the preceding paragraph. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, any assignee(s) or transferee(s) of LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. Delivery of Rental Documentation to LESSEE by any assignee(s) or transferee(s) of LESSOR shall be a prerequisite for the payment of any rent by LESSEE to such party and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments to any assignee(s) or transferee(s) of LESSOR until Rental Documentation has been supplied to LESSEE as provided herein.

d. LESSOR shall, at all times during the Term, provide electrical service and telephone service access within the Premises. If permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the alternative, if permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an

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electrical sub-meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the event such sub-meter is installed, the LESSEE shall pay the utility directly for its power consumption, if billed by the utility, and if not billed by the utility, then the LESSEE shall pay the LESSOR thirty (30) days after receipt of an invoice from LESSOR indicating the usage amount based upon LESSOR's reading of the sub-meter. All invoices for power consumption shall be sent by LESSOR to LESSEE at c/o Verizon Wireless, M/S 3846, P.O. Box 2375, Spokane, Washington 99210-2375 (Re: Norconian). LESSEE shall be permitted at any time during the Term, to install, maintain and/or provide access to and use of, as necessary (during any power interruption at the Premises), a temporary power source, and all related equipment and appurtenances within the Premises, or elsewhere on the Property in such locations as reasonably approved by LESSOR. LESSEE shall have the right to install conduits connecting the temporary power source and related appurtenances to the Premises.

4. EXTENSIONS. This Agreement shall automatically be extended for three (3) additional five (5) year terms unless LESSEE terminates it at the end of the then current term by giving LESSOR written notice of the intent to terminate at least six (6) months prior to the end of the then current term.

5. ANNUAL RENT INCREASE. Beginning on the first annual anniversary of the Commencement Date, and continuing on each annual anniversary of the Commencement Date thereafter, the annual rental shall increase by an amount equal to three percent (3%) of the annual rent in effect for the immediately preceding year.

6. ADDITIONAL EXTENSIONS. If at the end of the fourth (4th) five (5) year extension term this Agreement has not been terminated by either Party by giving to the other written notice of an intention to terminate it at least three (3) months prior to the end of such term, this Agreement shall continue in force upon the same covenants, terms and conditions for a further term of five (5) years and for five (5) year terms thereafter until terminated by either Party by giving to the other written notice of its intention to so terminate at least three (3) months prior to the end of such term. Annual rental for each such additional five (5) year term shall be equal to the annual rental payable with respect to the immediately preceding five (5) year term, subject to the annual increase set forth in Paragraph 5 above. The initial term and all extensions shall be collectively referred to herein as the "Term".

7. TAXES. LESSEE shall have the responsibility to pay any personal property, real estate taxes, assessments, or charges owed on the Property which LESSOR demonstrates is the result of LESSEE's use of the Premises and/or the installation, maintenance, and operation of LESSEE's improvements, and any sales tax imposed on the rent (except to the extent that LESSEE is or may become exempt from the payment of sales tax in the jurisdiction in which the Property is located), including any increase in real estate taxes at the Property which LESSOR demonstrates arises from LESSEE's improvements and/or LESSEE's use of the Premises. LESSOR and LESSEE shall each be responsible for the payment of any taxes, levies, assessments and other charges imposed including franchise and similar taxes imposed upon the business conducted by LESSOR or LESSEE at the Property. Notwithstanding the foregoing, LESSEE shall not have the obligation to pay any tax, assessment, or charge that LESSEE is

disputing in good faith in appropriate proceedings prior to a final determination that such tax is properly assessed provided that no lien attaches to the Property. Nothing in this Paragraph shall be construed as making LESSEE liable for any portion of LESSOR's income taxes in connection with any Property or otherwise. Except as set forth in this Paragraph, LESSOR shall have the responsibility to pay any personal property, real estate taxes, assessments, or charges owed on the Property and shall do so prior to the imposition of any lien on the Property.

LESSEE shall have the right, at its sole option and at its sole cost and expense, to appeal, challenge or seek modification of any tax assessment or billing for which LESSEE is wholly or partly responsible for payment. LESSOR shall reasonably cooperate with LESSEE at LESSEE's expense in filing, prosecuting and perfecting any appeal or challenge to taxes as set forth in the preceding sentence, including but not limited to, executing any consent, appeal or other similar document. In the event that as a result of any appeal or challenge by LESSEE, there is a reduction, credit or repayment received by LESSOR for any taxes previously paid by LESSEE, LESSOR agrees to promptly reimburse to LESSEE the amount of said reduction, credit or repayment. In the event that LESSEE does not have the standing rights to pursue a good faith and reasonable dispute of any taxes under this paragraph, LESSOR will pursue such dispute at LESSEE's sole cost and expense upon written request of LESSEE.

#### 8. USE; GOVERNMENTAL APPROVALS.

a. LESSEE, at its own expense, shall purchase and install the Tower. Once LESSEE has installed the Tower in a good and workmanlike manner, ownership of the Tower shall automatically transfer to LESSOR without any representations or warranties whatsoever by LESSEE, and thereafter LESSOR shall be responsible for maintaining the Tower pursuant to Paragraph 14 below. In addition, LESSEE shall connect the new light to be installed on the Tower to the existing lighting system, such that the new light will operate in conjunction with the existing lights (the "Electrical Work"). Once LESSEE has completed the Electrical Work in a good and workmanlike manner, ownership of all related infrastructure shall automatically transfer to LESSOR without any representations, warranties, or ongoing maintenance responsibilities whatsoever by LESSEE.

b. LESSEE, at its own expense, shall purchase and install a storage building (the "Storage Building") on behalf of LESSOR, as depicted on Exhibit "B." Once LESSEE has installed the Storage Building in a good and workmanlike manner, ownership of the Storage Building shall automatically transfer to LESSOR without any representations, warranties, or ongoing maintenance responsibilities whatsoever by LESSEE.

c. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto. A security fence consisting of chain link construction or similar but comparable construction may be placed around the perimeter of the Premises at the discretion of LESSEE (not including the access easement). All improvements, equipment, antennas and conduits shall be at LESSEE's expense and their installation shall be at the discretion and option of LESSEE. LESSEE shall have the right to replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any

portion thereof and the frequencies over which the equipment operates, whether the equipment, antennas, conduits or frequencies are specified or not on any exhibit attached hereto, during the Term. It is understood and agreed that LESSEE's ability to use the Premises is contingent upon its obtaining after the execution date of this Agreement all of the certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities as well as satisfactory soil boring tests and structural analysis which will permit LESSEE use of the Premises as set forth above. LESSOR shall cooperate with LESSEE in its effort to obtain such approvals and shall take no action which would adversely affect the status of the Property with respect to the proposed use thereof by LESSEE. In the event that (i) any of such applications for such Governmental Approvals should be finally rejected; (ii) any Governmental Approval issued to LESSEE is canceled, expires, lapses, or is otherwise withdrawn or terminated by governmental authority; (iii) LESSEE determines that such Governmental Approvals may not be obtained in a timely manner; (iv) LESSEE determines that any soil boring tests or structural analysis is unsatisfactory; (v) LESSEE determines that the Premises is no longer technically or structurally compatible for its use, or (vi) LESSEE, in its sole discretion, determines that the use the Premises is obsolete or unnecessary, LESSEE shall have the right to terminate this Agreement. Notice of LESSEE's exercise of its right to terminate shall be given to LESSOR in writing by certified mail, return receipt requested, and shall be effective upon the mailing of such notice by LESSEE, or upon such later date as designated by LESSEE. All rentals paid to said termination date shall be retained by LESSOR. Upon such termination, this Agreement shall be of no further force or effect except to the extent of the representations, warranties and indemnities made by each Party to the other hereunder. Otherwise, LESSEE shall have no further obligations for the payment of rent to LESSOR.

9. INDEMNIFICATION. Subject to Paragraph 10 below, each Party shall indemnify and hold the other harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of the indemnifying Party, its employees, contractors or agents, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of the other Party, or its employees, contractors or agents.

10. INSURANCE.

a. The Parties hereby waive and release any and all rights of action for negligence against the other which may hereafter arise on account of damage to the Premises or to the Property, resulting from any fire, or other casualty of the kind covered by standard fire insurance policies with extended coverage, regardless of whether or not, or in what amounts, such insurance is now or hereafter carried by the Parties, or either of them. These waivers and releases shall apply between the Parties and they shall also apply to any claims under or through either Party as a result of any asserted right of subrogation. All such policies of insurance obtained by either Party concerning the Premises or the Property shall waive the insurer's right of subrogation against the other Party.

b. LESSEE will maintain at its own cost;

- i. Commercial General Liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$500,000 for damage or destruction to property in any one occurrence .
- ii. Commercial Auto Liability insurance on all owned, non-owned and hired automobiles with a minimum combined limit of not less than one million (\$1,000,000) per occurrence
- iii. Workers Compensation insurance providing the statutory benefits and not less than one million (\$1,000,000) of Employers Liability coverage.

LESSEE will include LESSOR as an additional insured on the Commercial General Liability and Auto Liability policies.

c. LESSOR will maintain at its own cost commercial general liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$500,000 for damage or destruction to property in any one occurrence. LESSOR will include LESSEE as an additional insured.

d. In addition, LESSOR shall obtain and keep in force during the Term a policy or policies insuring against loss or damage to the Tower at full replacement cost, as the same shall exist from time to time without a coinsurance feature. LESSOR's policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and earthquake unless required by a lender or included in the base premium), including coverage for any additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Tower required to be demolished or removed by reason of the enforcement of any building, zoning, safety or land use laws as the result of a covered loss, but not including plate glass insurance.

11. LIMITATION OF LIABILITY. Except for indemnification pursuant to paragraphs 9 and 31, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

12. ANNUAL TERMINATION. Notwithstanding anything to the contrary contained herein, provided LESSEE is not in default hereunder beyond applicable notice and cure periods, LESSEE shall have the right to terminate this Agreement upon the annual anniversary of the Commencement Date provided that three (3) months prior notice is given to LESSOR.

13. ACCESS TO TOWER. LESSOR agrees LESSEE shall have free access to the Tower at all times for the purpose of installing and maintaining the said equipment. LESSOR

shall furnish LESSEE with necessary means of access for the purpose of ingress and egress to this site and Tower location. It is agreed, however, that only authorized engineers, employees or properly authorized contractors of LESSEE or persons under their direct supervision will be permitted to enter said premises.

14. TOWER COMPLIANCE. LESSOR covenants that it will keep the Tower in good repair as required by all Laws (as defined in Paragraph 35 below). LESSOR shall also comply with all rules and regulations enforced by the Federal Communications Commission with regard to the lighting, marking and painting of towers. If LESSOR fails to make such repairs including maintenance LESSEE may make the repairs and the costs thereof shall be payable to LESSEE by LESSOR on demand together with interest thereon from the date of payment at the greater of (i) ten percent (10%) per annum, or (ii) the highest rate permitted by applicable Laws. If the LESSOR does not make payment to the LESSEE within ten (10) days after such demand, the LESSEE shall have the right to deduct the costs of the repairs from the succeeding monthly rental amounts normally due from the LESSEE to the LESSOR. No materials may be used in the installation of the antennas or transmission lines that will cause corrosion or rust or deterioration of the Tower structure or its appurtenances. All antenna(s) on the Tower must be identified by a marking fastened securely to its bracket on the Tower and all transmission lines are to be tagged at the conduit opening where it enters any user's equipment space.

15. INTERFERENCE. LESSEE agrees to install equipment of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to any equipment of LESSOR or other lessees of the Property which existed on the Property prior to the date this Agreement is executed by the Parties. In the event any after-installed LESSEE's equipment causes such interference, and after LESSOR has notified LESSEE in writing of such interference, LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference, including but not limited to, at LESSEE's option, powering down such equipment and later powering up such equipment for intermittent testing. In no event will LESSOR be entitled to terminate this Agreement or relocate the equipment as long as LESSEE is making a good faith effort to remedy the interference issue. LESSOR agrees that LESSOR and/or any other tenants of the Property who currently have or in the future take possession of the Property will be permitted to install only such equipment that is of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to the then existing equipment of LESSEE. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and therefore, either Party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.

16. REMOVAL AT END OF TERM. LESSEE shall, upon expiration of the Term, or within ninety (90) days after any earlier termination of the Agreement, remove its building(s), equipment, conduits, fixtures and all personal property and restore the Premises to its original condition, reasonable wear and tear and casualty damage excepted. LESSOR agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of LESSEE shall remain the personal property of LESSEE and LESSEE shall have the right to remove the same at any time during the Term, whether or not said items are considered fixtures and attachments to real property under applicable Laws (as defined in Paragraph 35 below). If such

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time for removal causes LESSEE to remain on the Premises after termination of this Agreement, LESSEE shall pay rent at the then existing monthly rate or on the existing monthly pro-rata basis if based upon a longer payment term, until such time as the removal of the building, antenna structure, fixtures and all personal property are completed.

17. HOLDOVER. LESSEE has no right to retain possession of the Premises or any part thereof beyond the expiration of that removal period set forth in Paragraph 16 herein, unless the Parties are negotiating a new lease or lease extension in good faith. In the event that the Parties are not in the process of negotiating a new lease or lease extension in good faith, LESSEE holds over in violation of Paragraph 16 and this Paragraph 17, then the rent then in effect payable from and after the time of the expiration or earlier removal period set forth in Paragraph 16 shall be equal to the rent applicable during the month immediately preceding such expiration or earlier termination.

18. RIGHT OF FIRST REFUSAL. If LESSOR elects, during the Term (i) to sell or otherwise transfer all or any portion of the Property, whether separately or as part of a larger parcel of which the Property is a part, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, with or without an assignment of this Agreement to such third party, LESSEE shall have the right of first refusal to meet any bona fide offer of sale or transfer on the same terms and conditions of such offer. If LESSEE fails to meet such bona fide offer within thirty (30) days after written notice thereof from LESSOR, LESSOR may sell or grant the easement or interest in the Property or portion thereof to such third person in accordance with the terms and conditions of such third party offer.

19. RIGHTS UPON SALE. Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property or the Tower thereon to a purchaser other than LESSEE, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, such sale or grant of an easement or interest therein shall be under and subject to this Agreement and any such purchaser or transferee shall recognize LESSEE's rights hereunder under the terms of this Agreement. To the extent that LESSOR grants to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE for the purpose of operating and maintaining communications facilities or the management thereof and in conjunction therewith, assigns this Agreement to said third party, LESSOR shall not be released from its obligations to LESSEE under this Agreement, and LESSEE shall have the right to look to LESSOR and the third party for the full performance of this Agreement.

20. QUIET ENJOYMENT. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Premises.

21. TITLE. LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, and covenants during the Term that LESSOR is seized of good and sufficient

title and interest to the Property and has full authority to enter into and execute this Agreement. LESSOR further covenants during the Term that there are no liens, judgments or impediments of title on the Property, or affecting LESSOR's title to the same and that there are no covenants, easements or restrictions which prevent or adversely affect the use or occupancy of the Premises by LESSEE as set forth above.

22. INTEGRATION. It is agreed and understood that this Agreement contains all agreements, promises and understandings between LESSOR and LESSEE and that no verbal or oral agreements, promises or understandings shall be binding upon either LESSOR or LESSEE in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing signed by the Parties. In the event any provision of the Agreement is found to be invalid or unenforceable, such finding shall not affect the validity and enforceability of the remaining provisions of this Agreement. The failure of either Party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such Party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity.

23. GOVERNING LAW. This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the Laws of the State in which the Property is located.

24. ASSIGNMENT. This Agreement may be sold, assigned or transferred by LESSEE without any approval or consent of LESSOR to LESSEE's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger, acquisition or other business reorganization. As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder. LESSEE may not sublet the Premises, nor allow any additional user on the Premises, without the prior written consent of LESSOR.

25. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: City of Norco  
2870 Clark Avenue  
Norco, California 92860  
Attn: Department of Parks and Recreation and City Clerk's Office

LESSEE: GTE Mobilnet of California Limited Partnership,  
d/b/a Verizon Wireless  
180 Washington Valley Road  
Bedminster, New Jersey 07921  
Attention: Network Real Estate  
(Site: Norconian)

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

26. SUCCESSORS. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.

27. Intentionally Deleted.

28. RECORDING. LESSOR agrees to execute a Memorandum of this Agreement which LESSEE may record with the appropriate recording officer. The date set forth in the Memorandum is for recording purposes only and bears no reference to commencement of either the Term or rent payments.

29. DEFAULT.

a. In the event there is a breach by LESSEE with respect to any of the provisions of this Agreement or its obligations under it, including the payment of rent, LESSOR shall give LESSEE written notice of such breach. After receipt of such written notice, LESSEE shall have fifteen (15) days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach, provided LESSEE shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSEE commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSOR may not maintain any action or effect any remedies for default against LESSEE unless and until LESSEE has failed to cure the breach within the time periods provided in this Paragraph.

b. In the event there is a breach by LESSOR with respect to any of the provisions of this Agreement or its obligations under it, LESSEE shall give LESSOR written notice of such breach. After receipt of such written notice, LESSOR shall have thirty (30) days in which to cure any such breach, provided LESSOR shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSOR commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSEE may not maintain any action or effect any remedies for default against LESSOR unless and until LESSOR has failed to cure the breach within the time periods provided in this Paragraph. Notwithstanding the foregoing to the contrary, it shall be a default under this Agreement if LESSOR fails, within five (5) days after receipt of written notice of such breach, to perform an obligation required to be performed by LESSOR if the failure to perform such an obligation interferes with LESSEE's ability to conduct its business on the Property; provided, however, that if the nature of  
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LESSOR's obligation is such that more than five (5) days after such notice is reasonably required for its performance, then it shall not be a default under this Agreement if performance is commenced within such five (5) day period and thereafter diligently pursued to completion.

30. REMEDIES. Upon a default, the non-defaulting Party may at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefor. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Premises are located; provided, however, LESSOR shall use reasonable efforts to mitigate its damages in connection with a default by LESSEE. If LESSEE so performs any of LESSOR's obligations hereunder, the full amount of the reasonable and actual cost and expense incurred by LESSEE shall immediately be owing by LESSOR to LESSEE, and LESSOR shall pay to LESSEE upon demand the full undisputed amount thereof with interest thereon from the date of payment at the greater of (i) ten percent (10%) per annum, or (ii) the highest rate permitted by applicable Laws. Notwithstanding the foregoing, if LESSOR does not pay LESSEE the full undisputed amount within thirty (30) days of its receipt of an invoice setting forth the amount due from LESSOR, LESSEE may offset the full undisputed amount, including all accrued interest, due against all fees due and owing to LESSOR until the full undisputed amount, including all accrued interest, is fully reimbursed to LESSEE.

31. Intentionally Deleted.

32. CASUALTY. In the event of damage by fire or other casualty to the Tower or Premises that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if the Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, then LESSEE may, at any time following such fire or other casualty, provided LESSOR has not completed the restoration required to permit LESSEE to resume its operation at the Premises, terminate this Agreement upon fifteen (15) days prior written notice to LESSOR. Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Agreement. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which LESSEE's use of the Premises is impaired.

33. CONDEMNATION. In the event of any condemnation of all or any portion of the Property, this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If as a result of a partial condemnation of the Premises or Tower, LESSEE, in LESSEE's sole discretion, is unable to use the Premises

for the purposes intended hereunder, or if such condemnation may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, LESSEE may, at LESSEE's option, to be exercised in writing within fifteen (15) days after LESSOR shall have given LESSEE written notice of such taking (or in the absence of such notice, within fifteen (15) days after the condemning authority shall have taken possession) terminate this Agreement as of the date the condemning authority takes such possession. LESSEE may on its own behalf make a claim in any condemnation proceeding involving the Premises for losses related to the equipment, conduits, fixtures, its relocation costs and its damages and losses (but not for the loss of its leasehold interest). Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment as of such termination date with respect to payments due to the other under this Agreement. If LESSEE does not terminate this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion as the rentable area of the Premises taken bears to the total rentable area of the Premises. In the event that this Agreement is not terminated by reason of such condemnation, LESSOR shall promptly repair any damage to the Premises caused by such condemning authority.

34. SUBMISSION OF AGREEMENT/PARTIAL INVALIDITY/AUTHORITY. The submission of this Agreement for examination does not constitute an offer to lease the Premises and this Agreement becomes effective only upon the full execution of this Agreement by the Parties. If any provision herein is invalid, it shall be considered deleted from this Agreement and shall not invalidate the remaining provisions of this Agreement. Each of the Parties hereto warrants to the other that the person or persons executing this Agreement on behalf of such Party has the full right, power and authority to enter into and execute this Agreement on such Party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement.

35. APPLICABLE LAWS. During the Term, LESSOR shall maintain the Property and all the structural elements of the Premises in compliance with all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect (including, without limitation, the Americans with Disabilities Act and laws regulating hazardous substances) (collectively "Laws"). LESSEE shall, in respect to the condition of the Premises and at LESSEE's sole cost and expense, comply with (a) all Laws relating solely to LESSEE's specific and unique nature of use of the Premises (other than general office use); and (b) all building codes requiring modifications to the Premises due to the improvements being made by LESSEE in the Premises.

36. SURVIVAL. The provisions of the Agreement relating to indemnification from one Party to the other Party shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration.

37. CAPTIONS. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year last written below.

**LESSOR:**

City of Norco,  
a public corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**LESSEE:**

Los Angeles SMSA Limited Partnership,  
dba Verizon Wireless

By: AirTouch Cellular  
Its: General Partner

By: Harold W. Navarre  
Name: 3/21/16  
Title: Executive Director- Network  
Date: \_\_\_\_\_

**Exhibit "A"**

**(Legal Description of Property)**

**All that certain real property situated in the County of Riverside, State of California, described as follows:**

**Lots 14 through 22, inclusive, in Block 72 of Norco Farms Tract No. 5, in the City of Norco, County of Riverside, State of California, as shown on a map recorded in Book 14, Pages 60, 61 and 62 of Maps, in the office of the County Recorder of said county.**

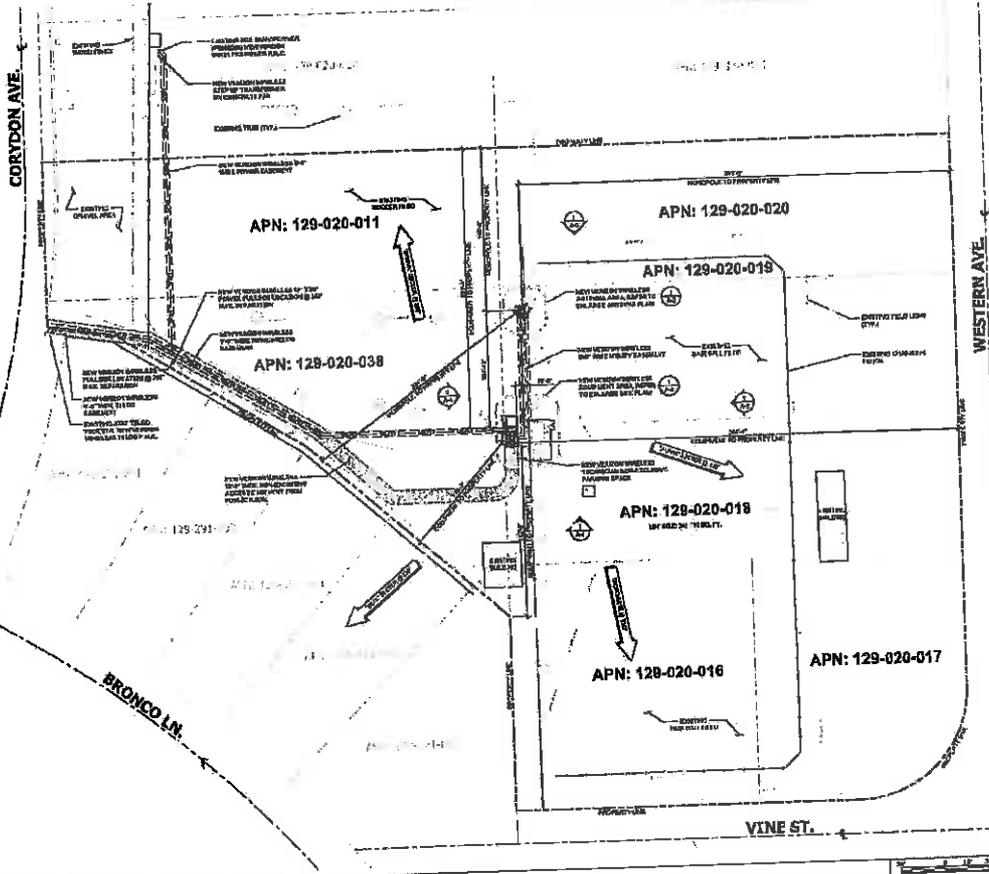
**Except therefrom said Lots 16, 19 and 22, that portion lying within the boundaries of Tract No. 5005-2, as shown on a map recorded in Book 82, Pages 42, 43 and 44 of Maps, in the office of the County Recorder of said county.**

**Assessor's Parcel Number: 129-020-011-2, 016-7, 017-8; 018-9; 019-0; 020-0; 038-7**

**Exhibit "B"**

**(Sketch of Premises within Property)**

NOTE: THE APN'S IN THIS MAP ARE APPROXIMATE AND SHOULD BE VERIFIED BY THE USER. THE APN'S ARE NOT TO BE USED AS A BASIS FOR ANY LEGAL ACTION.



SITE PLAN

ISSUE STATUS

NO.	DATE	DESCRIPTION	BY
1	1/15/22	ISSUE FOR PERMIT	EC

**SC WIRELESS**  
 12345 W. BROADWAY  
 SUITE 100  
 DENVER, CO 80202  
 (303) 555-1234

**verizon**  
 1000 SHAW BLVD  
 SUITE 100  
 DENVER, CO 80202

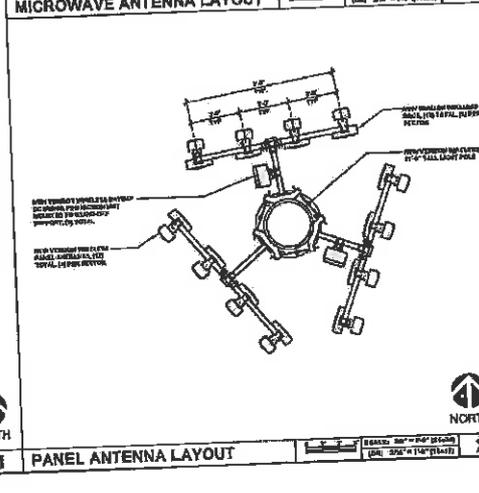
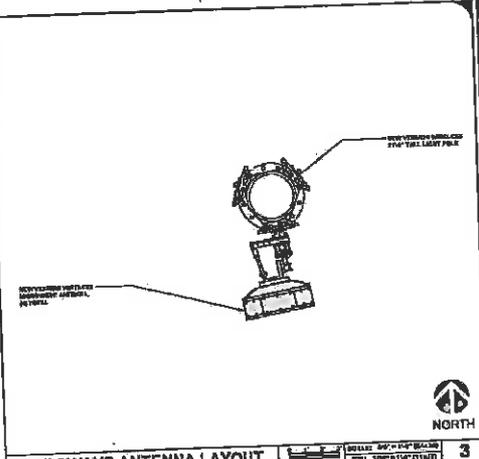
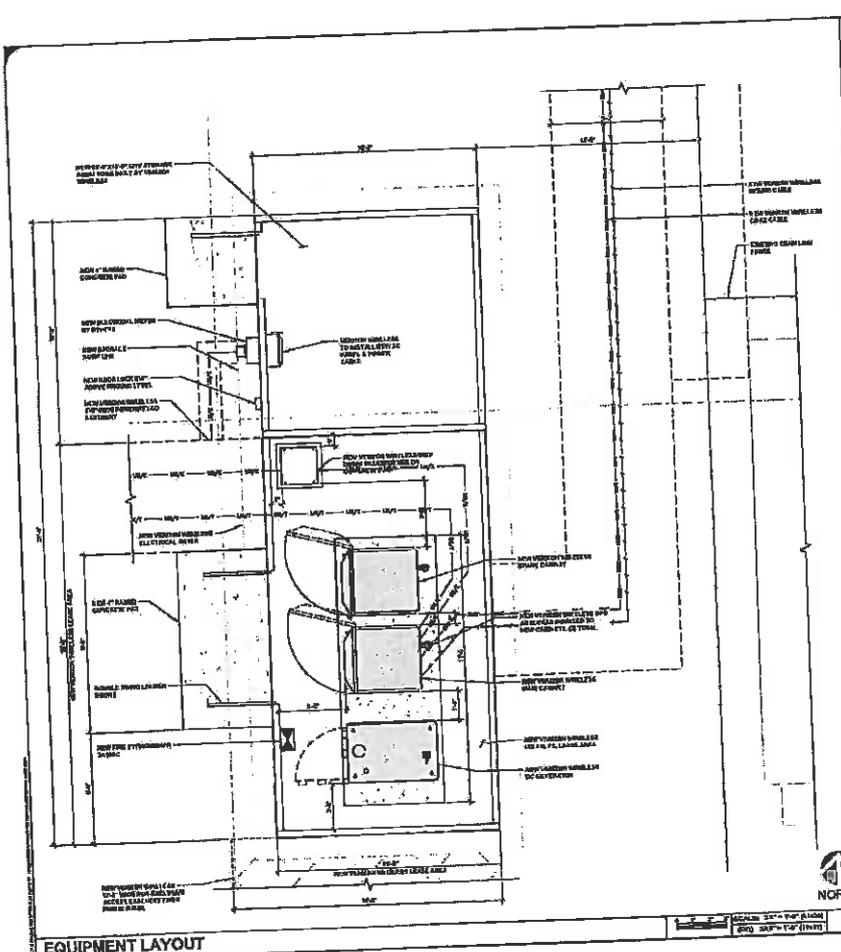
**NORCONIAN**  
 12345 W. BROADWAY  
 SUITE 100  
 DENVER, CO 80202

SHEET TITLE  
 SITE PLAN  
**A-1**



SCALE: 1" = 30' (8130)  
 (SEE 129-020-011) 1





ISSUE STATUS			
NO.	DATE	DESCRIPTION	BY
1	05/20/09	ISSUED	SC

**SD WIRELESS**  
 PROXY INFORMATION  
 ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE TO BE OTHERWISE

**verizon**  
 1500 BAY STREET, SUITE 100  
 RIVERSIDE, CA 92501

**NORCONIAN**  
 COMPANY AND BETH ST.  
 NORCO, CA 92660

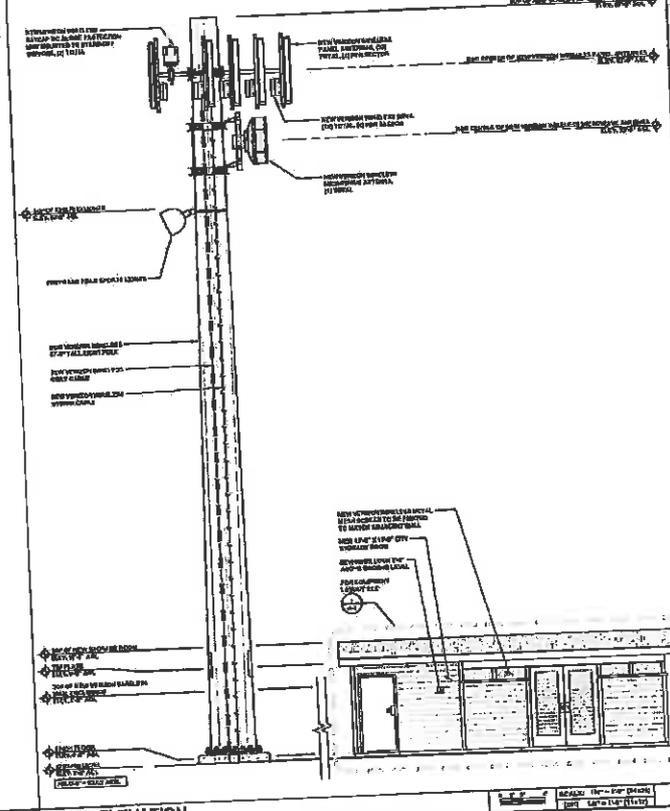
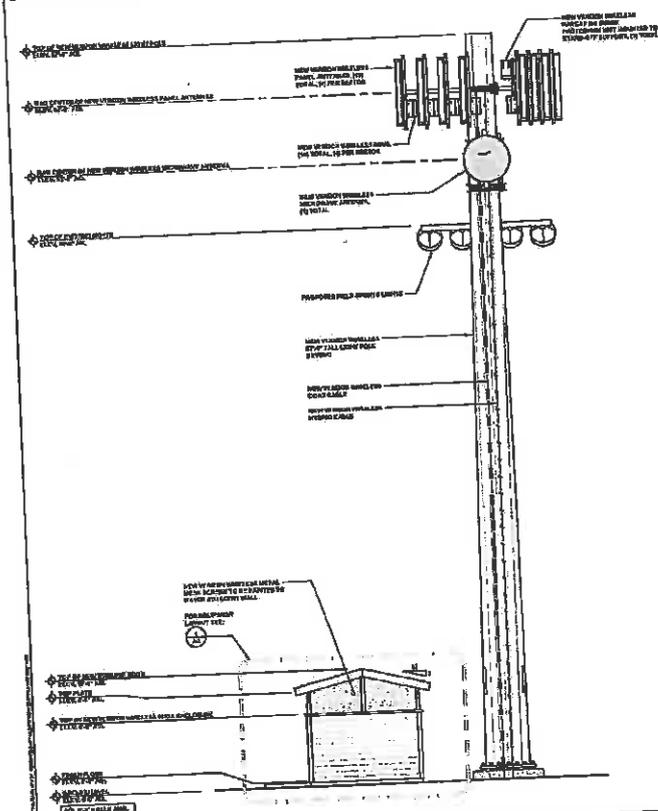
SHEET TITLE:  
**EQUIPMENT & ANTENNA LAYOUT**  
**A-3**

EQUIPMENT LAYOUT

PANEL ANTENNA LAYOUT

MICROWAVE ANTENNA LAYOUT

NOTE: ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.



ISSUE STATUS	
NO.	DATE
1	10/15/10
2	10/15/10
3	10/15/10
4	10/15/10
5	10/15/10
6	10/15/10
7	10/15/10
8	10/15/10
9	10/15/10
10	10/15/10

**SC**  
SIRELEC  
SIRELEC SYSTEMS  
10000 W. 10TH AVE.  
DENVER, CO 80202

PROPRIETARY INFORMATION  
THIS DOCUMENT IS THE PROPERTY OF SIRELEC SYSTEMS, INC. AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM.

**verizon**  
VERIZON COMMUNICATIONS  
INTELLECTUAL PROPERTY

**NORCONIAN**  
CORTYON AND 7TH ST.  
NORCO, CA 95966

SHEET TITLE:  
SOUTH & WEST  
ELEVATIONS  
**A-4**



## TOWER LEASE AGREEMENT

This Tower Lease Agreement ("Agreement") is made as of the date of last execution below by and between City of Norco, a public corporation, with its principal offices located at 2870 Clark Avenue, Norco, California, hereinafter designated LESSOR, and Los Angeles SMSA Limited Partnership, d/b/a Verizon Wireless, with its principal offices located at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920, hereinafter designated LESSEE. LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

1. PREMISES. LESSOR hereby leases to LESSEE a portion of that certain space (the "Tower Space") on LESSOR's light standard, hereinafter referred to as the "Tower", and leases to LESSEE a portion of that certain parcel of property located at 3737 Crestview Drive, Riverside County, California, currently identified as APN 168-040-010-8 and APN 168-040-011-9 in the tax records of Riverside County and legally described on Exhibit "A" attached hereto (the entirety of LESSOR's property is referred to hereinafter as the "Property"), said portion being described as an approximate ten foot (10') by twenty foot (20') parcel containing approximately two hundred (200) square feet (the "Land Space"), together with the non-exclusive right (the "Rights of Way") for ingress and egress, seven (7) days a week twenty-four (24) hours a day, on foot or motor vehicle, including trucks over or along a twelve (12') foot wide right-of-way extending from the nearest public right-of-way, 6<sup>th</sup> Street, to the Land Space and the Tower Space, and together with any further rights of way (the "Further Rights of Way") over and through the Property, between the Land Space and a utility point of connection on the Property, and between the Land Space and Tower Space, for the installation and maintenance of utility wires, poles, cables, conduits, and pipes. The Tower Space, Land Space, Rights of Way and Further Rights of Way (hereinafter collectively referred to as the "Premises") being substantially as described herein in Exhibit "B" attached hereto and made a part hereof. In the event any public utility is unable to use the Rights of Way and/or Further Rights of Way, LESSOR hereby agrees to grant an additional right-of-way either to LESSEE or to the public utility at no cost to LESSEE.

2. SURVEY. LESSOR also hereby grants to LESSEE the right to survey the Property and the Premises, and said survey shall then become Exhibit "C" which shall be attached hereto and made a part hereof, and shall control in the event of boundary and access discrepancies between it and Exhibit "B". Cost for such work shall be borne by LESSEE.

3. TERM; RENTAL; CAPITAL CONTRIBUTION; ELECTRICAL.

a. This Agreement shall be effective as of the date of execution by both Parties, provided, however, the initial term shall be for five (5) years and shall commence on the Commencement Date (as hereinafter defined) at which time rental payments shall commence and be due at a total annual rental of Thirty-Six Thousand Hundred Dollars (\$36,000.00) to be paid in equal monthly installments on the first day of the month, in advance, to LESSOR or to such other person, firm or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice given in accordance with Paragraph 25 below. Upon agreement of the Parties, LESSEE may pay rent by electronic funds transfer and in

such event, LESSOR agrees to provide to LESSEE bank routing information for such purpose upon request of LESSEE. The Agreement shall commence based upon the date LESSEE commences installation of the equipment on the Premises. In the event the date LESSEE commences installation of the equipment on the Premises falls between the 1<sup>st</sup> and 15<sup>th</sup> of the month, the Agreement shall commence on the 1<sup>st</sup> of that month and if the date installation commences falls between the 16<sup>th</sup> and 31<sup>st</sup> of the month, then the Agreement shall commence on the 1<sup>st</sup> day of the following month (either the "Commencement Date"). LESSOR and LESSEE agree that they shall acknowledge in writing the Commencement Date. LESSOR and LESSEE acknowledge and agree that initial rental payment(s) shall not actually be sent by LESSEE until thirty (30) days after a written acknowledgement confirming the Commencement Date.

b. Within forty-five (45) days after the Commencement Date, LESSEE shall make a one-time payment to LESSOR in the amount of Twenty Thousand Dollars (\$20,000.00) for improvements to infrastructure on the Property.

c. LESSOR hereby agrees to provide to LESSEE certain documentation (the "Rental Documentation") evidencing LESSOR's interest in, and right to receive payments under, this Agreement, including without limitation: (i) documentation, acceptable to LESSEE in LESSEE's reasonable discretion, evidencing LESSOR's good and sufficient title to and/or interest in the Property and right to receive rental payments and other benefits hereunder; (ii) a complete and fully executed Internal Revenue Service Form W-9, or equivalent, in a form acceptable to LESSEE, for any party to whom rental payments are to be made pursuant to this Agreement; and (iii) other documentation requested by LESSEE in LESSEE's reasonable discretion. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. The Rental Documentation shall be provided to LESSEE in accordance with the provisions of and at the address given in Paragraph 25. Delivery of Rental Documentation to LESSEE shall be a prerequisite for the payment of any rent by LESSEE and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments until Rental Documentation has been supplied to LESSEE as provided herein. Within fifteen (15) days of obtaining an interest in the Property or this Agreement, any assignee(s) or transferee(s) of LESSOR shall provide to LESSEE Rental Documentation in the manner set forth in the preceding paragraph. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, any assignee(s) or transferee(s) of LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. Delivery of Rental Documentation to LESSEE by any assignee(s) or transferee(s) of LESSOR shall be a prerequisite for the payment of any rent by LESSEE to such party and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments to any assignee(s) or transferee(s) of LESSOR until Rental Documentation has been supplied to LESSEE as provided herein.

d. LESSOR shall, at all times during the Term, provide electrical service and telephone service access within the Premises. If permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the alternative, if permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an

Ingalls Park  
76900775.2

electrical sub-meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the event such sub-meter is installed, the LESSEE shall pay the utility directly for its power consumption, if billed by the utility, and if not billed by the utility, then the LESSEE shall pay the LESSOR thirty (30) days after receipt of an invoice from LESSOR indicating the usage amount based upon LESSOR's reading of the sub-meter. All invoices for power consumption shall be sent by LESSOR to LESSEE at c/o Verizon Wireless, M/S 3846, P.O. Box 2375, Spokane, Washington 99210-2375 (Re: Ingalls Park). LESSEE shall be permitted at any time during the Term, to install, maintain and/or provide access to and use of, as necessary (during any power interruption at the Premises), a temporary power source, and all related equipment and appurtenances within the Premises, or elsewhere on the Property in such locations as reasonably approved by LESSOR. LESSEE shall have the right to install conduits connecting the temporary power source and related appurtenances to the Premises.

4. EXTENSIONS. This Agreement shall automatically be extended for three (3) additional five (5) year terms unless LESSEE terminates it at the end of the then current term by giving LESSOR written notice of the intent to terminate at least six (6) months prior to the end of the then current term.

5. ANNUAL RENT INCREASE. Beginning on the first annual anniversary of the Commencement Date, and continuing on each annual anniversary of the Commencement Date thereafter, the annual rental shall increase by an amount equal to three percent (3%) of the annual rent in effect for the immediately preceding year.

6. ADDITIONAL EXTENSIONS. If at the end of the fourth (4th) five (5) year extension term this Agreement has not been terminated by either Party by giving to the other written notice of an intention to terminate it at least three (3) months prior to the end of such term, this Agreement shall continue in force upon the same covenants, terms and conditions for a further term of five (5) years and for five (5) year terms thereafter until terminated by either Party by giving to the other written notice of its intention to so terminate at least three (3) months prior to the end of such term. Annual rental for each such additional five (5) year term shall be equal to the annual rental payable with respect to the immediately preceding five (5) year term, subject to the annual increase set forth in Paragraph 5 above. The initial term and all extensions shall be collectively referred to herein as the "Term".

7. TAXES. LESSEE shall have the responsibility to pay any personal property, real estate taxes, assessments, or charges owed on the Property which LESSOR demonstrates is the result of LESSEE's use of the Premises and/or the installation, maintenance, and operation of LESSEE's improvements, and any sales tax imposed on the rent (except to the extent that LESSEE is or may become exempt from the payment of sales tax in the jurisdiction in which the Property is located), including any increase in real estate taxes at the Property which LESSOR demonstrates arises from LESSEE's improvements and/or LESSEE's use of the Premises. LESSOR and LESSEE shall each be responsible for the payment of any taxes, levies, assessments and other charges imposed including franchise and similar taxes imposed upon the business conducted by LESSOR or LESSEE at the Property. Notwithstanding the foregoing, LESSEE shall not have the obligation to pay any tax, assessment, or charge that LESSEE is

disputing in good faith in appropriate proceedings prior to a final determination that such tax is properly assessed provided that no lien attaches to the Property. Nothing in this Paragraph shall be construed as making LESSEE liable for any portion of LESSOR's income taxes in connection with any Property or otherwise. Except as set forth in this Paragraph, LESSOR shall have the responsibility to pay any personal property, real estate taxes, assessments, or charges owed on the Property and shall do so prior to the imposition of any lien on the Property.

LESSEE shall have the right, at its sole option and at its sole cost and expense, to appeal, challenge or seek modification of any tax assessment or billing for which LESSEE is wholly or partly responsible for payment. LESSOR shall reasonably cooperate with LESSEE at LESSEE's expense in filing, prosecuting and perfecting any appeal or challenge to taxes as set forth in the preceding sentence, including but not limited to, executing any consent, appeal or other similar document. In the event that as a result of any appeal or challenge by LESSEE, there is a reduction, credit or repayment received by LESSOR for any taxes previously paid by LESSEE, LESSOR agrees to promptly reimburse to LESSEE the amount of said reduction, credit or repayment. In the event that LESSEE does not have the standing rights to pursue a good faith and reasonable dispute of any taxes under this paragraph, LESSOR will pursue such dispute at LESSEE's sole cost and expense upon written request of LESSEE.

#### 8. USE: GOVERNMENTAL APPROVALS.

a. LESSEE, at its own expense, shall purchase and install the Tower. Once LESSEE has installed the Tower in a good and workmanlike manner, ownership of the Tower shall automatically transfer to LESSOR without any representations or warranties whatsoever by LESSEE, and thereafter LESSOR shall be responsible for maintaining the Tower pursuant to Paragraph 14 below.

b. LESSEE, at its own expense, shall purchase and install a storage building (the "Storage Building") on behalf of LESSOR, as depicted on Exhibit "B." In addition, LESSEE shall install certain infrastructure to provide electrical power from an existing transformer to the Storage Building and the lighting system on the Tower, as generally depicted on Exhibit "B" (the "Electrical Work"). Once LESSEE has installed the Storage Building and completed the Electrical Work in a good and workmanlike manner, ownership of the Storage Building and all infrastructure installed pursuant to the Electrical Work shall automatically transfer to LESSOR without any representations, warranties, or ongoing maintenance responsibilities whatsoever by LESSEE.

c. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto. A security fence consisting of chain link construction or similar but comparable construction may be placed around the perimeter of the Premises at the discretion of LESSEE (not including the access easement). All improvements, equipment, antennas and conduits shall be at LESSEE's expense and their installation shall be at the discretion and option of LESSEE. LESSEE shall have the right to replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any portion thereof and the frequencies over which the equipment operates, whether the equipment, antennas, conduits or frequencies are specified or not on any exhibit attached hereto, during the

Term. It is understood and agreed that LESSEE's ability to use the Premises is contingent upon its obtaining after the execution date of this Agreement all of the certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities as well as satisfactory soil boring tests and structural analysis which will permit LESSEE use of the Premises as set forth above. LESSOR shall cooperate with LESSEE in its effort to obtain such approvals and shall take no action which would adversely affect the status of the Property with respect to the proposed use thereof by LESSEE. In the event that (i) any of such applications for such Governmental Approvals should be finally rejected; (ii) any Governmental Approval issued to LESSEE is canceled, expires, lapses, or is otherwise withdrawn or terminated by governmental authority; (iii) LESSEE determines that such Governmental Approvals may not be obtained in a timely manner; (iv) LESSEE determines that any soil boring tests or structural analysis is unsatisfactory; (v) LESSEE determines that the Premises is no longer technically or structurally compatible for its use, or (vi) LESSEE, in its sole discretion, determines that the use the Premises is obsolete or unnecessary, LESSEE shall have the right to terminate this Agreement. Notice of LESSEE's exercise of its right to terminate shall be given to LESSOR in writing by certified mail, return receipt requested, and shall be effective upon the mailing of such notice by LESSEE, or upon such later date as designated by LESSEE. All rentals paid to said termination date shall be retained by LESSOR. Upon such termination, this Agreement shall be of no further force or effect except to the extent of the representations, warranties and indemnities made by each Party to the other hereunder. Otherwise, LESSEE shall have no further obligations for the payment of rent to LESSOR.

9. INDEMNIFICATION. Subject to Paragraph 10 below, each Party shall indemnify and hold the other harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of the indemnifying Party, its employees, contractors or agents, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of the other Party, or its employees, contractors or agents.

10. INSURANCE.

a. The Parties hereby waive and release any and all rights of action for negligence against the other which may hereafter arise on account of damage to the Premises or to the Property, resulting from any fire, or other casualty of the kind covered by standard fire insurance policies with extended coverage, regardless of whether or not, or in what amounts, such insurance is now or hereafter carried by the Parties, or either of them. These waivers and releases shall apply between the Parties and they shall also apply to any claims under or through either Party as a result of any asserted right of subrogation. All such policies of insurance obtained by either Party concerning the Premises or the Property shall waive the insurer's right of subrogation against the other Party.

b. LESSEE will maintain at its own cost;

i. Commercial General Liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one

occurrence and \$500,000 for damage or destruction to property in any one occurrence

- ii. Commercial Auto Liability insurance on all owned, non-owned and hired automobiles with a minimum combined limit of not less than one million (\$1,000,000) per occurrence
- iii. Workers Compensation insurance providing the statutory benefits and not less than one million (\$1,000,000) of Employers Liability coverage.

LESSEE will include LESSOR as an additional insured on the Commercial General Liability and Auto Liability policies.

c. LESSOR will maintain at its own cost commercial general liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$500,000 for damage or destruction to property in any one occurrence. LESSOR will include LESSEE as an additional insured.

d. In addition, LESSOR shall obtain and keep in force during the Term a policy or policies insuring against loss or damage to the Tower at full replacement cost, as the same shall exist from time to time without a coinsurance feature. LESSOR's policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and earthquake unless required by a lender or included in the base premium), including coverage for any additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Tower required to be demolished or removed by reason of the enforcement of any building, zoning, safety or land use laws as the result of a covered loss, but not including plate glass insurance.

11. LIMITATION OF LIABILITY. Except for indemnification pursuant to paragraphs 9 and 31, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

12. ANNUAL TERMINATION. Notwithstanding anything to the contrary contained herein, provided LESSEE is not in default hereunder beyond applicable notice and cure periods, LESSEE shall have the right to terminate this Agreement upon the annual anniversary of the Commencement Date provided that three (3) months prior notice is given to LESSOR.

13. ACCESS TO TOWER. LESSOR agrees LESSEE shall have free access to the Tower at all times for the purpose of installing and maintaining the said equipment. LESSOR shall furnish LESSEE with necessary means of access for the purpose of ingress and egress to this site and Tower location. It is agreed, however, that only authorized engineers, employees or

properly authorized contractors of LESSEE or persons under their direct supervision will be permitted to enter said premises.

14. TOWER COMPLIANCE. LESSOR covenants that it will keep the Tower in good repair as required by all Laws (as defined in Paragraph 35 below). LESSOR shall also comply with all rules and regulations enforced by the Federal Communications Commission with regard to the lighting, marking and painting of towers. If LESSOR fails to make such repairs including maintenance LESSEE may make the repairs and the costs thereof shall be payable to LESSEE by LESSOR on demand together with interest thereon from the date of payment at the greater of (i) ten percent (10%) per annum, or (ii) the highest rate permitted by applicable Laws. If the LESSOR does not make payment to the LESSEE within ten (10) days after such demand, the LESSEE shall have the right to deduct the costs of the repairs from the succeeding monthly rental amounts normally due from the LESSEE to the LESSOR. No materials may be used in the installation of the antennas or transmission lines that will cause corrosion or rust or deterioration of the Tower structure or its appurtenances. All antenna(s) on the Tower must be identified by a marking fastened securely to its bracket on the Tower and all transmission lines are to be tagged at the conduit opening where it enters any user's equipment space.

15. INTERFERENCE. LESSEE agrees to install equipment of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to any equipment of LESSOR or other lessees of the Property which existed on the Property prior to the date this Agreement is executed by the Parties. In the event any after-installed LESSEE's equipment causes such interference, and after LESSOR has notified LESSEE in writing of such interference, LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference, including but not limited to, at LESSEE's option, powering down such equipment and later powering up such equipment for intermittent testing. In no event will LESSOR be entitled to terminate this Agreement or relocate the equipment as long as LESSEE is making a good faith effort to remedy the interference issue. LESSOR agrees that LESSOR and/or any other tenants of the Property who currently have or in the future take possession of the Property will be permitted to install only such equipment that is of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to the then existing equipment of LESSEE. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and therefore, either Party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.

16. REMOVAL AT END OF TERM. LESSEE shall, upon expiration of the Term, or within ninety (90) days after any earlier termination of the Agreement, remove its building(s), equipment, conduits, fixtures and all personal property and restore the Premises to its original condition, reasonable wear and tear and casualty damage excepted. LESSOR agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of LESSEE shall remain the personal property of LESSEE and LESSEE shall have the right to remove the same at any time during the Term, whether or not said items are considered fixtures and attachments to real property under applicable Laws (as defined in Paragraph 35 below). If such time for removal causes LESSEE to remain on the Premises after termination of this Agreement, LESSEE shall pay rent at the then existing monthly rate or on the existing monthly pro-rata basis

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if based upon a longer payment term, until such time as the removal of the building, antenna structure, fixtures and all personal property are completed.

17. HOLDOVER. LESSEE has no right to retain possession of the Premises or any part thereof beyond the expiration of that removal period set forth in Paragraph 16 herein, unless the Parties are negotiating a new lease or lease extension in good faith. In the event that the Parties are not in the process of negotiating a new lease or lease extension in good faith, LESSEE holds over in violation of Paragraph 16 and this Paragraph 17, then the rent then in effect payable from and after the time of the expiration or earlier removal period set forth in Paragraph 16 shall be equal to the rent applicable during the month immediately preceding such expiration or earlier termination.

18. RIGHT OF FIRST REFUSAL. If LESSOR elects, during the Term (i) to sell or otherwise transfer all or any portion of the Property, whether separately or as part of a larger parcel of which the Property is a part, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, with or without an assignment of this Agreement to such third party, LESSEE shall have the right of first refusal to meet any bona fide offer of sale or transfer on the same terms and conditions of such offer. If LESSEE fails to meet such bona fide offer within thirty (30) days after written notice thereof from LESSOR, LESSOR may sell or grant the easement or interest in the Property or portion thereof to such third person in accordance with the terms and conditions of such third party offer.

19. RIGHTS UPON SALE. Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property or the Tower thereon to a purchaser other than LESSEE, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, such sale or grant of an easement or interest therein shall be under and subject to this Agreement and any such purchaser or transferee shall recognize LESSEE's rights hereunder under the terms of this Agreement. To the extent that LESSOR grants to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE for the purpose of operating and maintaining communications facilities or the management thereof and in conjunction therewith, assigns this Agreement to said third party, LESSOR shall not be released from its obligations to LESSEE under this Agreement, and LESSEE shall have the right to look to LESSOR and the third party for the full performance of this Agreement.

20. QUIET ENJOYMENT. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Premises.

21. TITLE. LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, and covenants during the Term that LESSOR is seized of good and sufficient title and interest to the Property and has full authority to enter into and execute this Agreement. LESSOR further covenants during the Term that there are no liens, judgments or impediments of

title on the Property, or affecting LESSOR's title to the same and that there are no covenants, easements or restrictions which prevent or adversely affect the use or occupancy of the Premises by LESSEE as set forth above.

22. INTEGRATION. It is agreed and understood that this Agreement contains all agreements, promises and understandings between LESSOR and LESSEE and that no verbal or oral agreements, promises or understandings shall be binding upon either LESSOR or LESSEE in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing signed by the Parties. In the event any provision of the Agreement is found to be invalid or unenforceable, such finding shall not affect the validity and enforceability of the remaining provisions of this Agreement. The failure of either Party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such Party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity.

23. GOVERNING LAW. This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the Laws of the State in which the Property is located.

24. ASSIGNMENT. This Agreement may be sold, assigned or transferred by LESSEE without any approval or consent of LESSOR to LESSEE's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger, acquisition or other business reorganization. As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder. LESSEE may not sublet the Premises, nor allow any additional user on the Premises, without the prior written consent of LESSOR.

25. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: City of Norco  
2870 Clark Avenue  
Norco, California 92860  
Attn: Department of Parks and Recreation and City Clerk's Office

LESSEE: GTE Mobilnet of California Limited Partnership,  
d/b/a Verizon Wireless  
180 Washington Valley Road  
Bedminster, New Jersey 07921  
Attention: Network Real Estate  
(Site: Ingalls Park)

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

26. SUCCESSORS. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.

27. Intentionally Deleted.

28. RECORDING. LESSOR agrees to execute a Memorandum of this Agreement which LESSEE may record with the appropriate recording officer. The date set forth in the Memorandum is for recording purposes only and bears no reference to commencement of either the Term or rent payments.

29. DEFAULT.

a. In the event there is a breach by LESSEE with respect to any of the provisions of this Agreement or its obligations under it, including the payment of rent, LESSOR shall give LESSEE written notice of such breach. After receipt of such written notice, LESSEE shall have fifteen (15) days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach, provided LESSEE shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSEE commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSOR may not maintain any action or effect any remedies for default against LESSEE unless and until LESSEE has failed to cure the breach within the time periods provided in this Paragraph.

b. In the event there is a breach by LESSOR with respect to any of the provisions of this Agreement or its obligations under it, LESSEE shall give LESSOR written notice of such breach. After receipt of such written notice, LESSOR shall have thirty (30) days in which to cure any such breach, provided LESSOR shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSOR commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSEE may not maintain any action or effect any remedies for default against LESSOR unless and until LESSOR has failed to cure the breach within the time periods provided in this Paragraph. Notwithstanding the foregoing to the contrary, it shall be a default under this Agreement if LESSOR fails, within five (5) days after receipt of written notice of such breach, to perform an obligation required to be performed by LESSOR if the failure to perform such an obligation interferes with LESSEE's ability to conduct its business on the Property; provided, however, that if the nature of  
Ingalls Park  
76900775.2

LESSOR's obligation is such that more than five (5) days after such notice is reasonably required for its performance, then it shall not be a default under this Agreement if performance is commenced within such five (5) day period and thereafter diligently pursued to completion.

30. REMEDIES. Upon a default, the non-defaulting Party may at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefor. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Premises are located; provided, however, LESSOR shall use reasonable efforts to mitigate its damages in connection with a default by LESSEE. If LESSEE so performs any of LESSOR's obligations hereunder, the full amount of the reasonable and actual cost and expense incurred by LESSEE shall immediately be owing by LESSOR to LESSEE, and LESSOR shall pay to LESSEE upon demand the full undisputed amount thereof with interest thereon from the date of payment at the greater of (i) ten percent (10%) per annum, or (ii) the highest rate permitted by applicable Laws. Notwithstanding the foregoing, if LESSOR does not pay LESSEE the full undisputed amount within thirty (30) days of its receipt of an invoice setting forth the amount due from LESSOR, LESSEE may offset the full undisputed amount, including all accrued interest, due against all fees due and owing to LESSOR until the full undisputed amount, including all accrued interest, is fully reimbursed to LESSEE.

31. Intentionally Deleted.

32. CASUALTY. In the event of damage by fire or other casualty to the Tower or Premises that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if the Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, then LESSEE may, at any time following such fire or other casualty, provided LESSOR has not completed the restoration required to permit LESSEE to resume its operation at the Premises, terminate this Agreement upon fifteen (15) days prior written notice to LESSOR. Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Agreement. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which LESSEE's use of the Premises is impaired.

33. CONDEMNATION. In the event of any condemnation of all or any portion of the Property, this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If as a result of a partial condemnation of the Premises or Tower, LESSEE, in LESSEE's sole discretion, is unable to use the Premises

for the purposes intended hereunder, or if such condemnation may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, LESSEE may, at LESSEE's option, to be exercised in writing within fifteen (15) days after LESSOR shall have given LESSEE written notice of such taking (or in the absence of such notice, within fifteen (15) days after the condemning authority shall have taken possession) terminate this Agreement as of the date the condemning authority takes such possession. LESSEE may on its own behalf make a claim in any condemnation proceeding involving the Premises for losses related to the equipment, conduits, fixtures, its relocation costs and its damages and losses (but not for the loss of its leasehold interest). Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment as of such termination date with respect to payments due to the other under this Agreement. If LESSEE does not terminate this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion as the rentable area of the Premises taken bears to the total rentable area of the Premises. In the event that this Agreement is not terminated by reason of such condemnation, LESSOR shall promptly repair any damage to the Premises caused by such condemning authority.

34. SUBMISSION OF AGREEMENT/PARTIAL INVALIDITY/AUTHORITY. The submission of this Agreement for examination does not constitute an offer to lease the Premises and this Agreement becomes effective only upon the full execution of this Agreement by the Parties. If any provision herein is invalid, it shall be considered deleted from this Agreement and shall not invalidate the remaining provisions of this Agreement. Each of the Parties hereto warrants to the other that the person or persons executing this Agreement on behalf of such Party has the full right, power and authority to enter into and execute this Agreement on such Party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement.

35. APPLICABLE LAWS. During the Term, LESSOR shall maintain the Property and all the structural elements of the Premises in compliance with all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect (including, without limitation, the Americans with Disabilities Act and laws regulating hazardous substances) (collectively "Laws"). LESSEE shall, in respect to the condition of the Premises and at LESSEE's sole cost and expense, comply with (a) all Laws relating solely to LESSEE's specific and unique nature of use of the Premises (other than general office use); and (b) all building codes requiring modifications to the Premises due to the improvements being made by LESSEE in the Premises.

36. SURVIVAL. The provisions of the Agreement relating to indemnification from one Party to the other Party shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration.

37. CAPTIONS. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year last written below.

**LESSOR:**

City of Norco,  
a public corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**LESSEE:**

Los Angeles SMSA Limited Partnership,  
dba Verizon Wireless

By: AirTouch Cellular  
Its: General Partner  
By: \_\_\_\_\_  
Name: Steven Lamb  
Title: RNB Dir  
Date: 5/14/10

Exhibit "A"

(Legal Description of Property)

**All that certain real property situated in the County of Riverside, State of California, described as follows:**

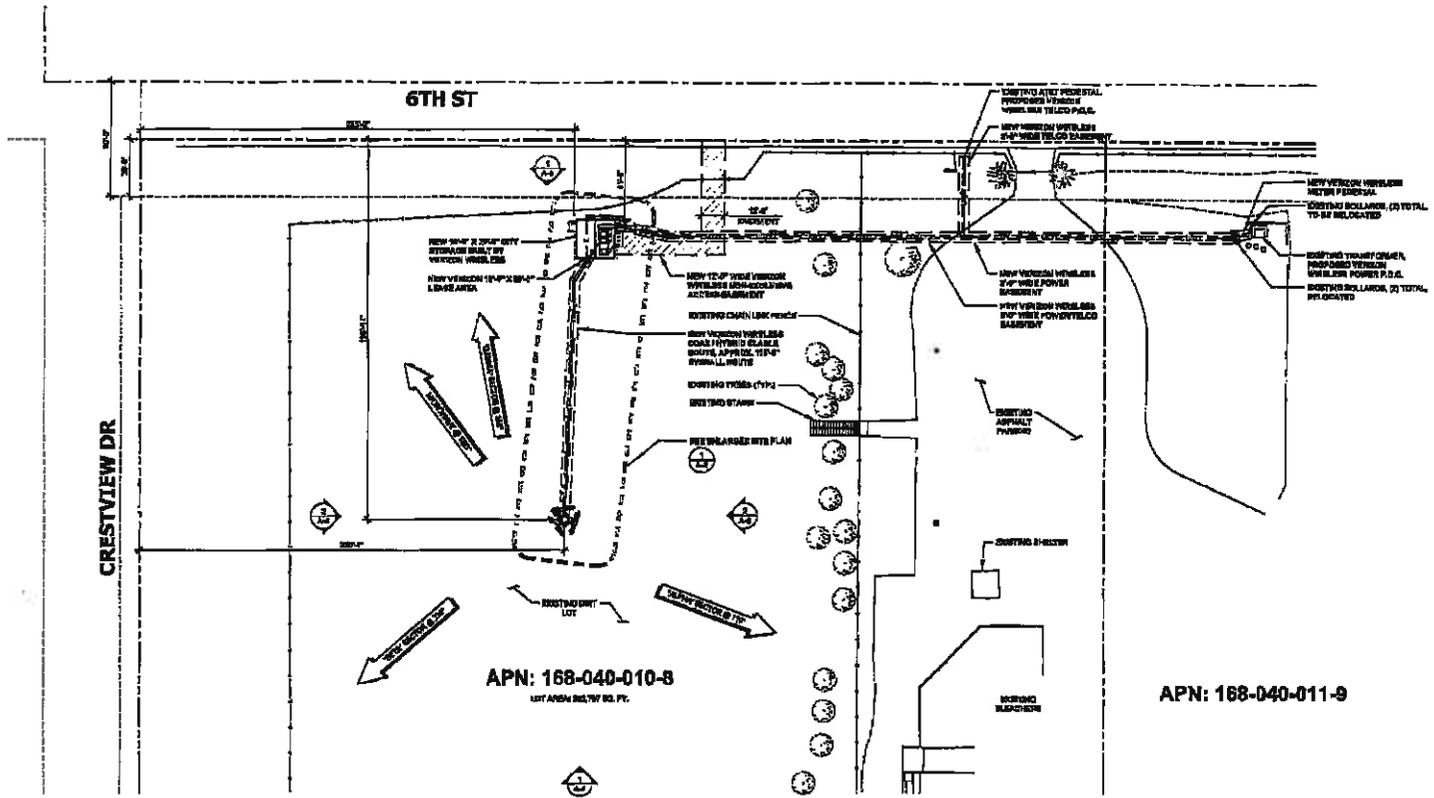
**That portion of the West half of Section 4, Township 3 South, Range 6 West, San Bernardino Base and Meridian, in the City of Norco, County of Riverside, State of California, as shown on Map of Subdivision of Rancho La Sierra, on file in Book 6, Page 70 of Maps, Records of Riverside County, California, described as follows:**

**Commencing at the intersection of the Southerly line of Tract No. 2684, as shown by Map on file in Book 49, Pages 19 to 22 Inclusive of Maps, Records of Riverside County, California, and the Westerly line of said Section 4, said point being the Northwest corner of that certain parcel of land conveyed to Joseph W. Kramer, et ux, as shown by deed on file in Book 1267, Page 361 of Official Records of Riverside County, California;**  
**Thence South 0° 06' West, a distance of 563.41 feet;**  
**Thence South 89° 54' East, a distance of 50.00 feet;**  
**Thence South 0° 06' West, a distance of 30.00 feet to the point of beginning of the parcel of land to be described; the preceding three course are along that said parcel of land conveyed to Joseph W. Kramer;**  
**Thence South 89° 54' East, parallel with the North line of said Parcel conveyed to Joseph W. Kramer, a distance of 919.29 feet;**  
**Thence South 0° 06' West, parallel with the Westerly line of said Section 4, a distance of 535.21 feet to the Southerly line of said Parcel conveyed to Joseph W. Kramer;**  
**Thence North 79° 54' West, along the Southerly line of said parcel conveyed to Joseph W. Kramer, a distance of 933.47 feet to the Southwest corner of said Parcel;**  
**Thence North 0° 06" East, along the Westerly line of said Parcel conveyed to Joseph W. Kramer, a distance of 373.12 feet to the point of beginning.**

**Assessor's Parcel Number: 168-040-010-8 & 168-040-011-9**

**Exhibit "B"**  
**(Sketch of Premises within Property)**

**Ingalls Park**  
**76900775.2**



APN: 168-040-010-8  
LOT ANON RELTY CO. PL.

APN: 168-040-011-9

REV.	DATE	DESCRIPTION	BY
0	04/27/10	ISSUE FOR PERMITS	SR
1	05/10/10	FOR COMMENTS	SR
2	05/10/10	CITY COMMENTS	SR
3	11/23/10	CITY COMMENTS	SR



**PROPRIETARY INFORMATION**  
THIS INFORMATION IS UNCLASSIFIED AND IS NOT TO BE RELEASED TO THE PUBLIC.  
THIS INFORMATION IS UNCLASSIFIED AND IS NOT TO BE RELEASED TO THE PUBLIC.



**INGALLS PARK**  
3737 CRESTVIEW DR  
NORCO, CA 92860



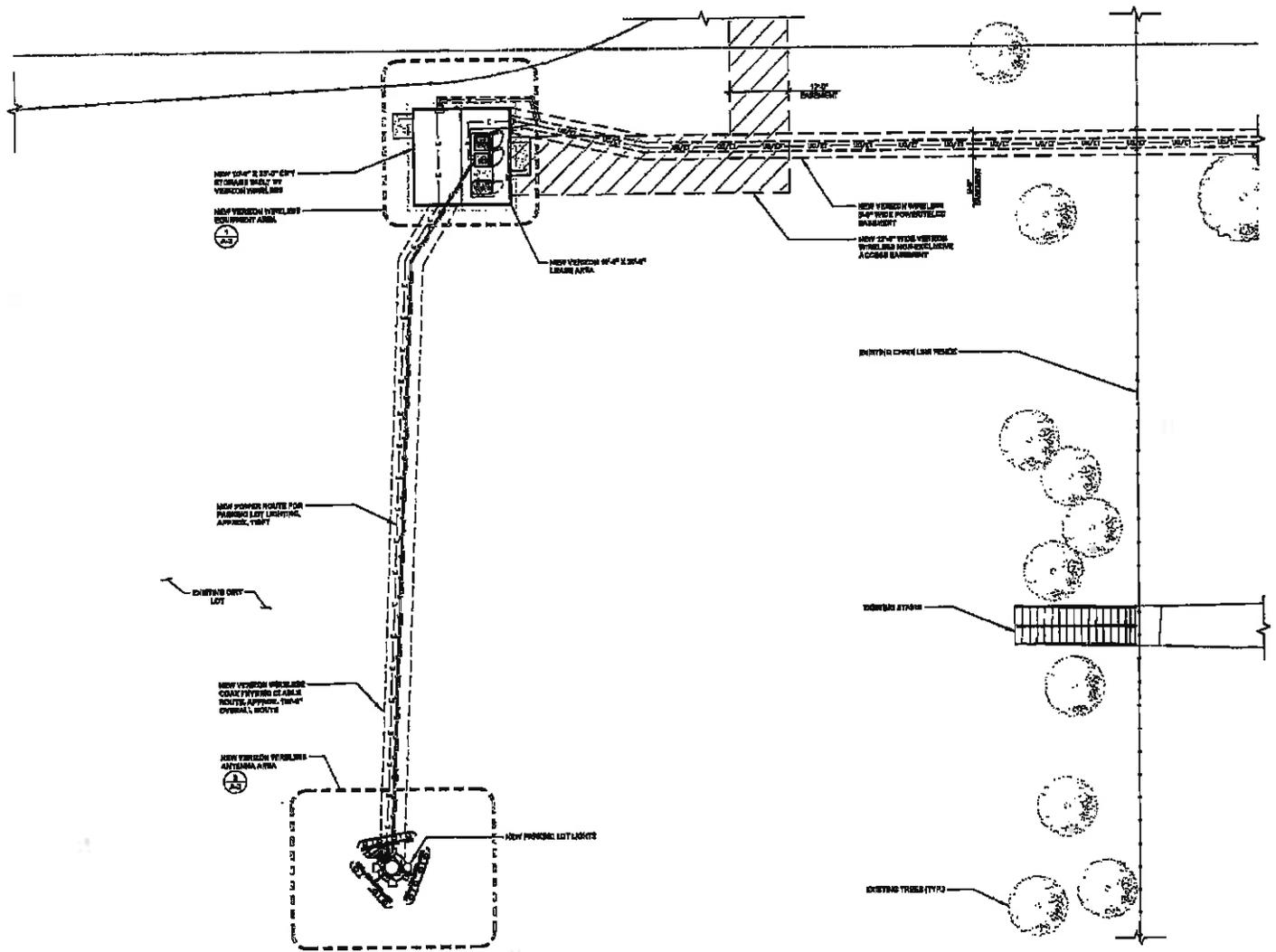
SITE PLAN

SCALE: 1" = 20'-0" (2496)  
DATE: 11/23/10

1

**A-1**

NOTE:  
THE PROPOSED UNDERGROUND WIRELESS POWER AND FIBER OPTIC ROUTES ARE SHOWN AS THE TYPE OF FINAL UTILITY MARKING FOR CONSTRUCTION BY UTILITY PROVIDER.



ENLARGED SITE PLAN

ISSUE STATUS

NO.	DATE	DESCRIPTION	BY
1	05/05/10	ISSUE FOR PERMITS	SC
2	05/12/10	ISSUE FOR PERMITS	SC
3	05/19/10	CITY COMMENTS	SC
4	05/26/10	CITY COMMENTS	SC



PROPRIETARY INFORMATION  
THE INFORMATION CONTAINED HEREIN IS THE PROPERTY OF SC WIRELESS ENGINEERING GROUP AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF SC WIRELESS ENGINEERING GROUP.



INGALLS PARK  
3737 CRESTVIEW DR  
NORCO, CA 92860

SHEET TITLE:  
ENLARGED SITE PLAN

A-2



ISSUE STATUS			
NO.	DATE	DESCRIPTION	BY
0	04/18/18	ISS. DRAWING	SKL
1	07/25/18	REDESIGNED	SKL
2	08/08/18	CITY COMMENTS	ED
3	11/08/18	CITY COMMENTS	ED

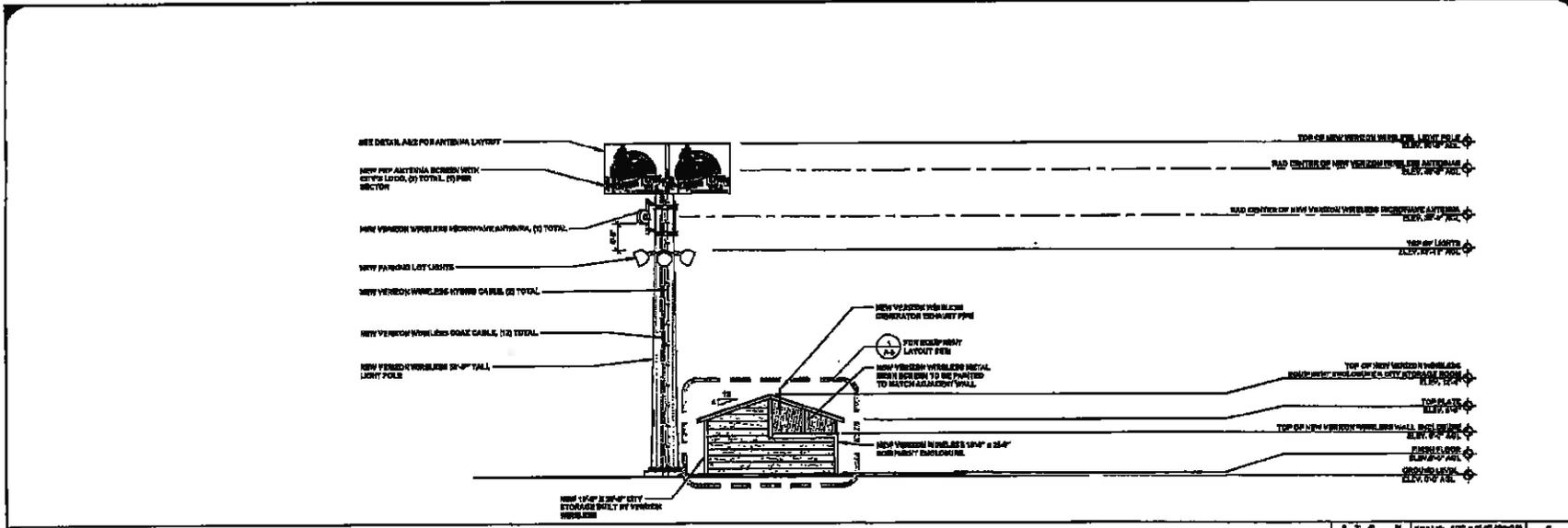


PROPRIETARY INFORMATION  
 THE INFORMATION CONTAINED IN THIS SET OF DRAWINGS IS PROPRIETARY TO VERIZON WIRELESS  
 AND USE OR DISCLOSURE OTHER THAN AS STATED TO VERIZON WIRELESS IS EXPRESSLY PROHIBITED

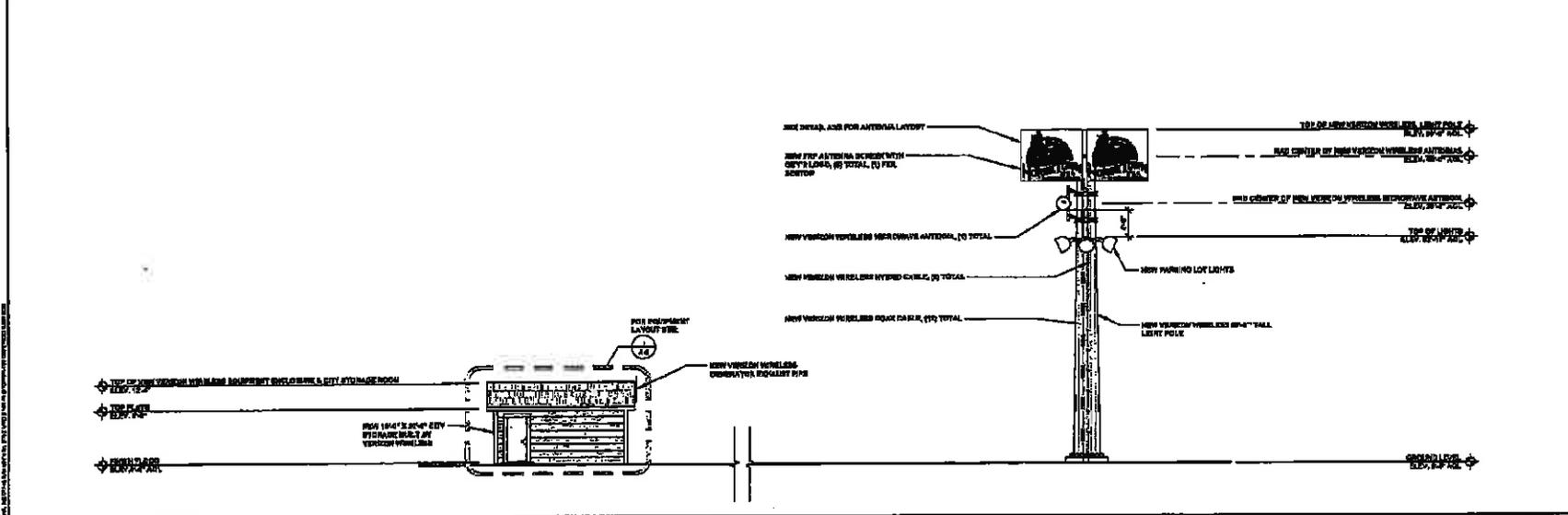


SHEET TITLE  
 SOUTH & WEST ELEVATION

A-4



SOUTH ELEVATION



WEST ELEVATION





3. The Commencement Date of the Agreement, of which this is a Memorandum, is as set forth in the Agreement.
4. LESSEE has the right of first refusal to purchase the Property during the initial term and all renewal terms of the Agreement, as described therein.
5. The terms, covenants and provisions of the Agreement, the terms of which are hereby incorporated by reference into this Memorandum, shall extend to and be binding upon the respective executors, administrators, heirs, successors and assigns of LESSOR and LESSEE.

IN WITNESS WHEREOF, LESSOR and LESSEE have caused this Memorandum to be duly executed on the date last written below.

**LESSOR:**

City of Norco,  
a public corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**LESSEE:**

Los Angeles SMSA Limited Partnership,  
dba Verizon Wireless

By: AirTouch Cellular  
Its: General Partner  
By: \_\_\_\_\_  
Name: STEVEN LAMB  
Title: ENG. PIR  
Date: 5/4/15

**LESSOR NOTARY ACKNOWLEDGMENT**

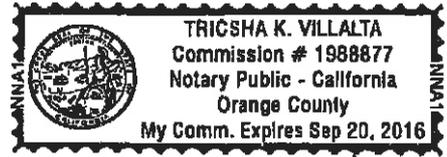
A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California )  
COUNTY OF Orange )

On May 4, 2016, before me, Trisha K. Villalta, Notary Public, personally appeared Steven Lamb, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in (his/her/their) authorized capacity(ies), and that by (his/her/their) signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.  
Trisha K. Villalta  
Notary Public



Place Notary Seal Above

**LESSEE NOTARY ACKNOWLEDGMENT**

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

State of California    )  
                                  )  
County of Orange     )

On \_\_\_\_\_, 2016, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

Place Notary Seal Above

EXHIBIT A

[LEGAL DESCRIPTION OF PROPERTY]

All that certain real property situated in the County of Riverside, State of California, described as follows:

That portion of the West half of Section 4, Township 3 South, Range 6 West, San Bernardino Base and Meridian, in the City of Norco, County of Riverside, State of California, as shown on Map of Subdivision of Rancho La Sierra, on file in Book 6, Page 70 of Maps, Records of Riverside County, California, described as follows:

Commencing at the intersection of the Southerly line of Tract No. 2684, as shown by Map on file in Book 49, Pages 19 to 22 inclusive of Maps, Records of Riverside County, California, and the Westerly line of said Section 4, said point being the Northwest corner of that certain parcel of land conveyed to Joseph W. Kramer, et ux, as shown by deed on file in Book 1267, Page 361 of Official Records of Riverside County, California;

Thence South  $0^{\circ} 06'$  West, a distance of 563.41 feet;

Thence South  $89^{\circ} 54'$  East, a distance of 50.00 feet;

Thence South  $0^{\circ} 06'$  West, a distance of 30.00 feet to the point of beginning of the parcel of land to be described; the preceding three course are along that said parcel of land conveyed to Joseph W. Kramer;

Thence South  $89^{\circ} 54'$  East, parallel with the North line of said Parcel conveyed to Joseph W. Kramer, a distance of 919.29 feet;

Thence South  $0^{\circ} 06'$  West, parallel with the Westerly line of said Section 4, a distance of 535.21 feet to the Southerly line of said Parcel conveyed to Joseph W. Kramer;

Thence North  $79^{\circ} 54'$  West, along the Southerly line of said parcel conveyed to Joseph W. Kramer, a distance of 933.47 feet to the Southwest corner of said Parcel;

Thence North  $0^{\circ} 06''$  East, along the Westerly line of said Parcel conveyed to Joseph W. Kramer, a distance of 373.12 feet to the point of beginning.

Assessor's Parcel Number: 168-040-010-8 & 168-040-011-9

## TOWER LEASE AGREEMENT

This Tower Lease Agreement ("Agreement") is made as of the date of last execution below by and between City of Norco, a public corporation, with its principal offices located at 2870 Clark Avenue, Norco, California, hereinafter designated LESSOR, and Los Angeles SMSA Limited Partnership, d/b/a Verizon Wireless, with its principal offices located at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920, hereinafter designated LESSEE. LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

1. PREMISES. LESSOR hereby leases to LESSEE a portion of that certain space (the "Tower Space") on LESSOR's light standard, hereinafter referred to as the "Tower", and leases to LESSEE a portion of the parcel of property located at 2760 Reservoir Drive, Norco, California, currently identified as APN 127-290-005-8 in the tax records of Riverside County and legally described on Exhibit "A" attached hereto (the entirety of LESSOR's property is referred to hereinafter as the "Property"), said portion being described as an approximate ten foot (10') by twenty foot (20') parcel containing approximately two hundred (200) square feet (the "Land Space"), together with the non-exclusive right (the "Rights of Way") for ingress and egress, seven (7) days a week twenty-four (24) hours a day, on foot or motor vehicle, including trucks over or along a twelve (12') foot wide right-of-way extending from the nearest public right-of-way, Reservoir Drive, to the Land Space and the Tower Space, and together with any further rights of way (the "Further Rights of Way") over and through the Property, between the Land Space and a utility point of connection on the Property, and between the Land Space and Tower Space, for the installation and maintenance of utility wires, poles, cables, conduits, and pipes. The Tower Space, Land Space, Rights of Way and Further Rights of Way (hereinafter collectively referred to as the "Premises") being substantially as described herein in Exhibit "B" attached hereto and made a part hereof. In the event any public utility is unable to use the Rights of Way and/or Further Rights of Way, LESSOR hereby agrees to grant an additional right-of-way either to LESSEE or to the public utility at no cost to LESSEE.

2. SURVEY. LESSOR also hereby grants to LESSEE the right to survey the Property and the Premises, and said survey shall then become Exhibit "C" which shall be attached hereto and made a part hereof, and shall control in the event of boundary and access discrepancies between it and Exhibit "B". Cost for such work shall be borne by LESSEE.

3. TERM; RENTAL; CAPITAL CONTRIBUTION; ELECTRICAL.

a. This Agreement shall be effective as of the date of execution by both Parties, provided, however, the initial term shall be for five (5) years and shall commence on the Commencement Date (as hereinafter defined) at which time rental payments shall commence and be due at a total annual rental of Thirty Thousand Dollars (\$30,000.00) to be paid in equal monthly installments on the first day of the month, in advance, to LESSOR or to such other person, firm or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice given in accordance with Paragraph 25 below. Upon agreement of the Parties, LESSEE may pay rent by electronic funds transfer and in

such event, LESSOR agrees to provide to LESSEE bank routing information for such purpose upon request of LESSEE. The Agreement shall commence based upon the date LESSEE commences installation of the equipment on the Premises. In the event the date LESSEE commences installation of the equipment on the Premises falls between the 1<sup>st</sup> and 15<sup>th</sup> of the month, the Agreement shall commence on the 1<sup>st</sup> of that month and if the date installation commences falls between the 16<sup>th</sup> and 31<sup>st</sup> of the month, then the Agreement shall commence on the 1<sup>st</sup> day of the following month (either the "Commencement Date"). LESSOR and LESSEE agree that they shall acknowledge in writing the Commencement Date. LESSOR and LESSEE acknowledge and agree that initial rental payment(s) shall not actually be sent by LESSEE until thirty (30) days after a written acknowledgement confirming the Commencement Date.

b. Within forty-five (45) days after the Commencement Date of this Agreement, LESSEE shall make a one-time payment to LESSOR in the amount of Twenty Thousand Dollars (\$20,000.00) for improvements to existing electrical infrastructure at the Property.

c. LESSOR hereby agrees to provide to LESSEE certain documentation (the "Rental Documentation") evidencing LESSOR's interest in, and right to receive payments under, this Agreement, including without limitation: (i) documentation, acceptable to LESSEE in LESSEE's reasonable discretion, evidencing LESSOR's good and sufficient title to and/or interest in the Property and right to receive rental payments and other benefits hereunder; (ii) a complete and fully executed Internal Revenue Service Form W-9, or equivalent, in a form acceptable to LESSEE, for any party to whom rental payments are to be made pursuant to this Agreement; and (iii) other documentation requested by LESSEE in LESSEE's reasonable discretion. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. The Rental Documentation shall be provided to LESSEE in accordance with the provisions of and at the address given in Paragraph 25. Delivery of Rental Documentation to LESSEE shall be a prerequisite for the payment of any rent by LESSEE and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments until Rental Documentation has been supplied to LESSEE as provided herein. Within fifteen (15) days of obtaining an interest in the Property or this Agreement, any assignee(s) or transferee(s) of LESSOR shall provide to LESSEE Rental Documentation in the manner set forth in the preceding paragraph. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, any assignee(s) or transferee(s) of LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. Delivery of Rental Documentation to LESSEE by any assignee(s) or transferee(s) of LESSOR shall be a prerequisite for the payment of any rent by LESSEE to such party and notwithstanding anything to the contrary herein, LESSEE shall have no obligation to make any rental payments to any assignee(s) or transferee(s) of LESSOR until Rental Documentation has been supplied to LESSEE as provided herein.

d. LESSOR shall, at all times during the Term, provide electrical service and telephone service access within the Premises. If permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the alternative, if permitted

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by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical sub-meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the event such sub-meter is installed, the LESSEE shall pay the utility directly for its power consumption, if billed by the utility, and if not billed by the utility, then the LESSEE shall pay the LESSOR thirty (30) days after receipt of an invoice from LESSOR indicating the usage amount based upon LESSOR's reading of the sub-meter. All invoices for power consumption shall be sent by LESSOR to LESSEE at c/o Verizon Wireless, M/S 3846, P.O. Box 2375, Spokane, Washington 99210-2375 (Re: Pinto). LESSEE shall be permitted at any time during the Term, to install, maintain and/or provide access to and use of, as necessary (during any power interruption at the Premises), a temporary power source, and all related equipment and appurtenances within the Premises, or elsewhere on the Property in such locations as reasonably approved by LESSOR. LESSEE shall have the right to install conduits connecting the temporary power source and related appurtenances to the Premises.

4. EXTENSIONS. This Agreement shall automatically be extended for three (3) additional five (5) year terms unless LESSEE terminates it at the end of the then current term by giving LESSOR written notice of the intent to terminate at least six (6) months prior to the end of the then current term.

5. ANNUAL RENT INCREASE. Beginning on the first annual anniversary of the Commencement Date, and continuing on each annual anniversary of the Commencement Date thereafter, the annual rental shall increase by an amount equal to three percent (3%) of the annual rent in effect for the immediately preceding year.

6. ADDITIONAL EXTENSIONS. If at the end of the fourth (4th) five (5) year extension term this Agreement has not been terminated by either Party by giving to the other written notice of an intention to terminate it at least three (3) months prior to the end of such term, this Agreement shall continue in force upon the same covenants, terms and conditions for a further term of five (5) years and for five (5) year terms thereafter until terminated by either Party by giving to the other written notice of its intention to so terminate at least three (3) months prior to the end of such term. Annual rental for each such additional five (5) year term shall be equal to the annual rental payable with respect to the immediately preceding five (5) year term, subject to the annual increase set forth in Paragraph 5 above. The initial term and all extensions shall be collectively referred to herein as the "Term".

7. TAXES. LESSEE shall have the responsibility to pay any personal property, real estate taxes, assessments, or charges owed on the Property which LESSOR demonstrates is the result of LESSEE's use of the Premises and/or the installation, maintenance, and operation of LESSEE's improvements, and any sales tax imposed on the rent (except to the extent that LESSEE is or may become exempt from the payment of sales tax in the jurisdiction in which the Property is located), including any increase in real estate taxes at the Property which LESSOR demonstrates arises from LESSEE's improvements and/or LESSEE's use of the Premises. LESSOR and LESSEE shall each be responsible for the payment of any taxes, levies, assessments and other charges imposed including franchise and similar taxes imposed upon the business conducted by LESSOR or LESSEE at the Property. Notwithstanding the foregoing,

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LESSEE shall not have the obligation to pay any tax, assessment, or charge that LESSEE is disputing in good faith in appropriate proceedings prior to a final determination that such tax is properly assessed provided that no lien attaches to the Property. Nothing in this Paragraph shall be construed as making LESSEE liable for any portion of LESSOR's income taxes in connection with any Property or otherwise. Except as set forth in this Paragraph, LESSOR shall have the responsibility to pay any personal property, real estate taxes, assessments, or charges owed on the Property and shall do so prior to the imposition of any lien on the Property.

LESSEE shall have the right, at its sole option and at its sole cost and expense, to appeal, challenge or seek modification of any tax assessment or billing for which LESSEE is wholly or partly responsible for payment. LESSOR shall reasonably cooperate with LESSEE at LESSEE's expense in filing, prosecuting and perfecting any appeal or challenge to taxes as set forth in the preceding sentence, including but not limited to, executing any consent, appeal or other similar document. In the event that as a result of any appeal or challenge by LESSEE, there is a reduction, credit or repayment received by LESSOR for any taxes previously paid by LESSEE, LESSOR agrees to promptly reimburse to LESSEE the amount of said reduction, credit or repayment. In the event that LESSEE does not have the standing rights to pursue a good faith and reasonable dispute of any taxes under this paragraph, LESSOR will pursue such dispute at LESSEE's sole cost and expense upon written request of LESSEE.

#### 8. USE; GOVERNMENTAL APPROVALS.

a. LESSEE, at its own expense, shall purchase and install the Tower. Once LESSEE has installed the Tower in a good and workmanlike manner, ownership of the Tower shall automatically transfer to LESSOR without any representations or warranties whatsoever by LESSEE, and thereafter LESSOR shall be responsible for maintaining the Tower pursuant to Paragraph 14 below.

b. LESSEE, at its own expense, shall purchase and install a storage building (the "Storage Building") on behalf of LESSOR, as depicted on Exhibit "B." Once LESSEE has installed the Storage Building in a good and workmanlike manner, ownership of the Storage Building shall automatically transfer to LESSOR without any representations, warranties, or ongoing maintenance responsibilities whatsoever by LESSEE.

c. LESSEE shall perform all work necessary to electrically integrate the sports field lighting to be installed on the Tower into LESSOR's existing lighting system, such that all lights shall turn and off simultaneously by use of the same switch (the "Lighting Integration Work"). Once LESSEE has completed the Lighting Integration Work in a good and workmanlike manner, ownership of all infrastructure related thereto shall automatically transfer to LESSOR without any representations, warranties, or ongoing maintenance responsibilities whatsoever by LESSEE. In addition, upon the request of LESSOR, LESSEE shall perform certain infrastructural upgrade work, which shall be limited to the following: (i) installing additional conduits as necessary; and (ii) replacing any existing aluminum wire with copper wire (collectively, the "Infrastructural Upgrade Work"). Prior to beginning the Infrastructural Upgrade Work on behalf of LESSOR, LESSOR and LESSEE shall coordinate with each other to determine the cost of the

Infrastructural Upgrade Work. In the event LESSOR wishes to proceed with the Infrastructural Upgrade Work, and upon completion of such work by LESSEE, LESSEE shall send an invoice to LESSOR documenting the actual cost of the Infrastructural Upgrade Work. Within thirty (30) days after receipt of said invoice, LESSOR shall reimburse LESSEE for the costs of the Infrastructural Upgrade Work set forth therein. Once LESSEE has completed the Infrastructural Upgrade Work in a good and workmanlike manner, ownership of all infrastructure related thereto shall automatically transfer to LESSOR without any representations, warranties, or ongoing maintenance responsibilities whatsoever by LESSEE.

b. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto. A security fence consisting of chain link construction or similar but comparable construction may be placed around the perimeter of the Premises at the discretion of LESSEE (not including the access easement). All improvements, equipment, antennas and conduits shall be at LESSEE's expense and their installation shall be at the discretion and option of LESSEE. LESSEE shall have the right to replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any portion thereof and the frequencies over which the equipment operates, whether the equipment, antennas, conduits or frequencies are specified or not on any exhibit attached hereto, during the Term. It is understood and agreed that LESSEE's ability to use the Premises is contingent upon its obtaining after the execution date of this Agreement all of the certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities as well as satisfactory soil boring tests and structural analysis which will permit LESSEE use of the Premises as set forth above. LESSOR shall cooperate with LESSEE in its effort to obtain such approvals and shall take no action which would adversely affect the status of the Property with respect to the proposed use thereof by LESSEE. In the event that (i) any of such applications for such Governmental Approvals should be finally rejected; (ii) any Governmental Approval issued to LESSEE is canceled, expires, lapses, or is otherwise withdrawn or terminated by governmental authority; (iii) LESSEE determines that such Governmental Approvals may not be obtained in a timely manner; (iv) LESSEE determines that any soil boring tests or structural analysis is unsatisfactory; (v) LESSEE determines that the Premises is no longer technically or structurally compatible for its use, or (vi) LESSEE, in its sole discretion, determines that the use the Premises is obsolete or unnecessary, LESSEE shall have the right to terminate this Agreement. Notice of LESSEE's exercise of its right to terminate shall be given to LESSOR in writing by certified mail, return receipt requested, and shall be effective upon the mailing of such notice by LESSEE, or upon such later date as designated by LESSEE. All rentals paid to said termination date shall be retained by LESSOR. Upon such termination, this Agreement shall be of no further force or effect except to the extent of the representations, warranties and indemnities made by each Party to the other hereunder. Otherwise, LESSEE shall have no further obligations for the payment of rent to LESSOR.

9. INDEMNIFICATION. Subject to Paragraph 10 below, each Party shall indemnify and hold the other harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of the indemnifying Party, its employees, contractors or agents, except to the extent such claims or damages may be

due to or caused by the negligence or willful misconduct of the other Party, or its employees, contractors or agents.

#### 10. INSURANCE.

a. The Parties hereby waive and release any and all rights of action for negligence against the other which may hereafter arise on account of damage to the Premises or to the Property, resulting from any fire, or other casualty of the kind covered by standard fire insurance policies with extended coverage, regardless of whether or not, or in what amounts, such insurance is now or hereafter carried by the Parties, or either of them. These waivers and releases shall apply between the Parties and they shall also apply to any claims under or through either Party as a result of any asserted right of subrogation. All such policies of insurance obtained by either Party concerning the Premises or the Property shall waive the insurer's right of subrogation against the other Party.

b. LESSEE will maintain at its own cost;

- i. Commercial General Liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$500,000 for damage or destruction to property in any one occurrence
- ii. Commercial Auto Liability insurance on all owned, non-owned and hired automobiles with a minimum combined limit of not less than one million (\$1,000,000) per occurrence
- iii. Workers Compensation insurance providing the statutory benefits and not less than one million (\$1,000,000) of Employers Liability coverage.

LESSEE will include LESSOR as an additional insured on the Commercial General Liability and Auto Liability policies.

c. LESSOR will maintain at its own cost commercial general liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$500,000 for damage or destruction to property in any one occurrence. LESSOR will include LESSEE as an additional insured.

d. In addition, LESSOR shall obtain and keep in force during the Term a policy or policies insuring against loss or damage to the Tower at full replacement cost, as the same shall exist from time to time without a coinsurance feature. LESSOR's policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and earthquake unless required by a lender or included in the base premium), including coverage for any additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Tower required to be demolished or removed by reason of the

enforcement of any building, zoning, safety or land use laws as the result of a covered loss, but not including plate glass insurance.

11. LIMITATION OF LIABILITY. Except for indemnification pursuant to paragraphs 9 and 31, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

12. ANNUAL TERMINATION. Notwithstanding anything to the contrary contained herein, provided LESSEE is not in default hereunder beyond applicable notice and cure periods, LESSEE shall have the right to terminate this Agreement upon the annual anniversary of the Commencement Date provided that three (3) months prior notice is given to LESSOR.

13. ACCESS TO TOWER. LESSOR agrees LESSEE shall have free access to the Tower at all times for the purpose of installing and maintaining the said equipment. LESSOR shall furnish LESSEE with necessary means of access for the purpose of ingress and egress to this site and Tower location. It is agreed, however, that only authorized engineers, employees or properly authorized contractors of LESSEE or persons under their direct supervision will be permitted to enter said premises.

14. TOWER COMPLIANCE. LESSOR covenants that it will keep the Tower in good repair as required by all Laws (as defined in Paragraph 35 below). LESSOR shall also comply with all rules and regulations enforced by the Federal Communications Commission with regard to the lighting, marking and painting of towers. If LESSOR fails to make such repairs including maintenance LESSEE may make the repairs and the costs thereof shall be payable to LESSEE by LESSOR on demand together with interest thereon from the date of payment at the greater of (i) ten percent (10%) per annum, or (ii) the highest rate permitted by applicable Laws. If the LESSOR does not make payment to the LESSEE within ten (10) days after such demand, the LESSEE shall have the right to deduct the costs of the repairs from the succeeding monthly rental amounts normally due from the LESSEE to the LESSOR. No materials may be used in the installation of the antennas or transmission lines that will cause corrosion or rust or deterioration of the Tower structure or its appurtenances. All antenna(s) on the Tower must be identified by a marking fastened securely to its bracket on the Tower and all transmission lines are to be tagged at the conduit opening where it enters any user's equipment space.

15. INTERFERENCE. LESSEE agrees to install equipment of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to any equipment of LESSOR or other lessees of the Property which existed on the Property prior to the date this Agreement is executed by the Parties. In the event any after-installed LESSEE's equipment causes such interference, and after LESSOR has notified LESSEE in writing of such interference, LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference, including but not limited to, at LESSEE's option, powering down such equipment and later powering up such equipment for intermittent testing. In no event will LESSOR be entitled to terminate this Agreement or relocate the equipment as

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long as LESSEE is making a good faith effort to remedy the interference issue. LESSOR agrees that LESSOR and/or any other tenants of the Property who currently have or in the future take possession of the Property will be permitted to install only such equipment that is of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to the then existing equipment of LESSEE. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and therefore, either Party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.

16. REMOVAL AT END OF TERM. LESSEE shall, upon expiration of the Term, or within ninety (90) days after any earlier termination of the Agreement, remove its building(s), equipment, conduits, fixtures and all personal property and restore the Premises to its original condition, reasonable wear and tear and casualty damage excepted. LESSOR agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of LESSEE shall remain the personal property of LESSEE and LESSEE shall have the right to remove the same at any time during the Term, whether or not said items are considered fixtures and attachments to real property under applicable Laws (as defined in Paragraph 35 below). If such time for removal causes LESSEE to remain on the Premises after termination of this Agreement, LESSEE shall pay rent at the then existing monthly rate or on the existing monthly pro-rata basis if based upon a longer payment term, until such time as the removal of the building, antenna structure, fixtures and all personal property are completed.

17. HOLDOVER. LESSEE has no right to retain possession of the Premises or any part thereof beyond the expiration of that removal period set forth in Paragraph 16 herein, unless the Parties are negotiating a new lease or lease extension in good faith. In the event that the Parties are not in the process of negotiating a new lease or lease extension in good faith, LESSEE holds over in violation of Paragraph 16 and this Paragraph 17, then the rent then in effect payable from and after the time of the expiration or earlier removal period set forth in Paragraph 16 shall be equal to the rent applicable during the month immediately preceding such expiration or earlier termination.

18. RIGHT OF FIRST REFUSAL. If LESSOR elects, during the Term (i) to sell or otherwise transfer all or any portion of the Property, whether separately or as part of a larger parcel of which the Property is a part, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, with or without an assignment of this Agreement to such third party, LESSEE shall have the right of first refusal to meet any bona fide offer of sale or transfer on the same terms and conditions of such offer. If LESSEE fails to meet such bona fide offer within thirty (30) days after written notice thereof from LESSOR, LESSOR may sell or grant the easement or interest in the Property or portion thereof to such third person in accordance with the terms and conditions of such third party offer.

19. RIGHTS UPON SALE. Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property or the Tower thereon to a purchaser other than

LESSEE, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, such sale or grant of an easement or interest therein shall be under and subject to this Agreement and any such purchaser or transferee shall recognize LESSEE's rights hereunder under the terms of this Agreement. To the extent that LESSOR grants to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE for the purpose of operating and maintaining communications facilities or the management thereof and in conjunction therewith, assigns this Agreement to said third party, LESSOR shall not be released from its obligations to LESSEE under this Agreement, and LESSEE shall have the right to look to LESSOR and the third party for the full performance of this Agreement.

20. QUIET ENJOYMENT. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Premises.

21. TITLE. LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, and covenants during the Term that LESSOR is seized of good and sufficient title and interest to the Property and has full authority to enter into and execute this Agreement. LESSOR further covenants during the Term that there are no liens, judgments or impediments of title on the Property, or affecting LESSOR's title to the same and that there are no covenants, easements or restrictions which prevent or adversely affect the use or occupancy of the Premises by LESSEE as set forth above.

22. INTEGRATION. It is agreed and understood that this Agreement contains all agreements, promises and understandings between LESSOR and LESSEE and that no verbal or oral agreements, promises or understandings shall be binding upon either LESSOR or LESSEE in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing signed by the Parties. In the event any provision of the Agreement is found to be invalid or unenforceable, such finding shall not affect the validity and enforceability of the remaining provisions of this Agreement. The failure of either Party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such Party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity.

23. GOVERNING LAW. This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the Laws of the State in which the Property is located.

24. ASSIGNMENT. This Agreement may be sold, assigned or transferred by LESSEE without any approval or consent of LESSOR to LESSEE's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger, acquisition or other business reorganization. As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of LESSOR, which such consent

will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder. LESSEE may not sublet the Premises, nor allow any additional user on the Premises, without the prior written consent of LESSOR.

25. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: City of Norco  
2870 Clark Avenue  
Norco, California 92860  
Attn: Department of Parks and Recreation and City Clerk's Office

LESSEE: Los Angeles SMSA Limited Partnership,  
d/b/a Verizon Wireless  
180 Washington Valley Road  
Bedminster, New Jersey 07921  
Attention: Network Real Estate  
(Site: Pinto)

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

26. SUCCESSORS. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.

27. Intentionally Deleted.

28. RECORDING. LESSOR agrees to execute a Memorandum of this Agreement which LESSEE may record with the appropriate recording officer. The date set forth in the Memorandum is for recording purposes only and bears no reference to commencement of either the Term or rent payments.

29. DEFAULT.

a. In the event there is a breach by LESSEE with respect to any of the provisions of this Agreement or its obligations under it, including the payment of rent, LESSOR shall give LESSEE written notice of such breach. After receipt of such written notice, LESSEE shall have fifteen (15) days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach, provided LESSEE shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSEE commences the cure within the thirty (30) day period and

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thereafter continuously and diligently pursues the cure to completion. LESSOR may not maintain any action or effect any remedies for default against LESSEE unless and until LESSEE has failed to cure the breach within the time periods provided in this Paragraph.

b. In the event there is a breach by LESSOR with respect to any of the provisions of this Agreement or its obligations under it, LESSEE shall give LESSOR written notice of such breach. After receipt of such written notice, LESSOR shall have thirty (30) days in which to cure any such breach, provided LESSOR shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSOR commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSEE may not maintain any action or effect any remedies for default against LESSOR unless and until LESSOR has failed to cure the breach within the time periods provided in this Paragraph. Notwithstanding the foregoing to the contrary, it shall be a default under this Agreement if LESSOR fails, within five (5) days after receipt of written notice of such breach, to perform an obligation required to be performed by LESSOR if the failure to perform such an obligation interferes with LESSEE's ability to conduct its business on the Property; provided, however, that if the nature of LESSOR's obligation is such that more than five (5) days after such notice is reasonably required for its performance, then it shall not be a default under this Agreement if performance is commenced within such five (5) day period and thereafter diligently pursued to completion.

30. REMEDIES. Upon a default, the non-defaulting Party may at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefor. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Premises are located; provided, however, LESSOR shall use reasonable efforts to mitigate its damages in connection with a default by LESSEE. If LESSEE so performs any of LESSOR's obligations hereunder, the full amount of the reasonable and actual cost and expense incurred by LESSEE shall immediately be owing by LESSOR to LESSEE, and LESSOR shall pay to LESSEE upon demand the full undisputed amount thereof with interest thereon from the date of payment at the greater of (i) ten percent (10%) per annum, or (ii) the highest rate permitted by applicable Laws. Notwithstanding the foregoing, if LESSOR does not pay LESSEE the full undisputed amount within thirty (30) days of its receipt of an invoice setting forth the amount due from LESSOR, LESSEE may offset the full undisputed amount, including all accrued interest, due against all fees due and owing to LESSOR until the full undisputed amount, including all accrued interest, is fully reimbursed to LESSEE.

31. Intentionally Deleted.

32. CASUALTY. In the event of damage by fire or other casualty to the Tower or Premises that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if the Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, then LESSEE may, at any time following such fire or other casualty, provided LESSOR has not completed the restoration required to permit LESSEE to resume its operation at the Premises, terminate this Agreement upon fifteen (15) days prior written notice to LESSOR. Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Agreement. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which LESSEE's use of the Premises is impaired.

33. CONDEMNATION. In the event of any condemnation of all or any portion of the Property, this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If as a result of a partial condemnation of the Premises or Tower, LESSEE, in LESSEE's sole discretion, is unable to use the Premises for the purposes intended hereunder, or if such condemnation may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, LESSEE may, at LESSEE's option, to be exercised in writing within fifteen (15) days after LESSOR shall have given LESSEE written notice of such taking (or in the absence of such notice, within fifteen (15) days after the condemning authority shall have taken possession) terminate this Agreement as of the date the condemning authority takes such possession. LESSEE may on its own behalf make a claim in any condemnation proceeding involving the Premises for losses related to the equipment, conduits, fixtures, its relocation costs and its damages and losses (but not for the loss of its leasehold interest). Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment as of such termination date with respect to payments due to the other under this Agreement. If LESSEE does not terminate this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion as the rentable area of the Premises taken bears to the total rentable area of the Premises. In the event that this Agreement is not terminated by reason of such condemnation, LESSOR shall promptly repair any damage to the Premises caused by such condemning authority.

34. SUBMISSION OF AGREEMENT/PARTIAL INVALIDITY/AUTHORITY. The submission of this Agreement for examination does not constitute an offer to lease the Premises and this Agreement becomes effective only upon the full execution of this Agreement by the Parties. If any provision herein is invalid, it shall be considered deleted from this Agreement and shall not invalidate the remaining provisions of this Agreement. Each of the Parties hereto warrants to the other that the person or persons executing this Agreement on behalf of such Party has the full right, power and authority to enter into and execute this Agreement on such Party's

behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement.

35. APPLICABLE LAWS. During the Term, LESSOR shall maintain the Property and all the structural elements of the Premises in compliance with all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect (including, without limitation, the Americans with Disabilities Act and laws regulating hazardous substances) (collectively "Laws"). LESSEE shall, in respect to the condition of the Premises and at LESSEE's sole cost and expense, comply with (a) all Laws relating solely to LESSEE's specific and unique nature of use of the Premises (other than general office use); and (b) all building codes requiring modifications to the Premises due to the improvements being made by LESSEE in the Premises.

36. SURVIVAL. The provisions of the Agreement relating to indemnification from one Party to the other Party shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration.

37. CAPTIONS. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

[SIGNATURES ON IMMEDIATELY FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year last written below.

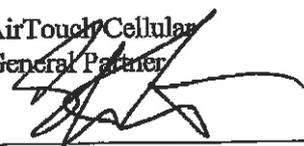
**LESSOR:**

City of Norco,  
A public corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**LESSEE:**

Los Angeles SMSA Limited Partnership,  
dba Verizon Wireless

By: AirTouch Cellular  
Its: General Partner  
  
By: \_\_\_\_\_  
Name: Steve Lamb  
Title: ENG ORL  
Date: 5/4/16

**Exhibit "A"**

**(Legal Description of Property)**

**All that certain real property situated in the County of Riverside, State of California, described as follows:**

**Lot(s) 9, Block 3 of Hilldale Tract, as shown by Map on file in Book 12, Page(s) 73 of Maps, Records of Riverside County, California, and that portion of Corona Avenue, as shown on Map of Riverside Orange Heights Tract No. 2, on file in Book 7, Page(s) 54 Maps, Records of Riverside County, California, as vacated by resolution of the Board of Supervisors of Riverside County, California, a certified copy of said resolution having been recorded March 18, 1958 In Book 2240, page 237 of Official Records of Riverside County, California.**

**Assessor's Parcel Number: 127-290-005-8**

**Exhibit "B"**

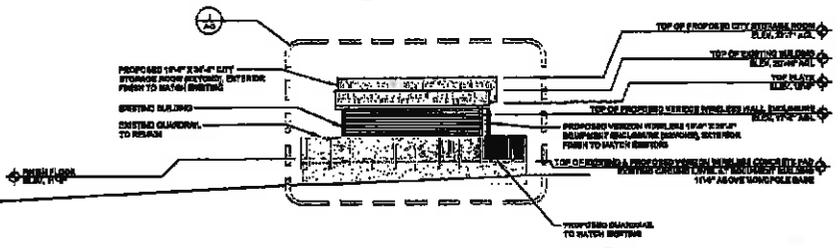
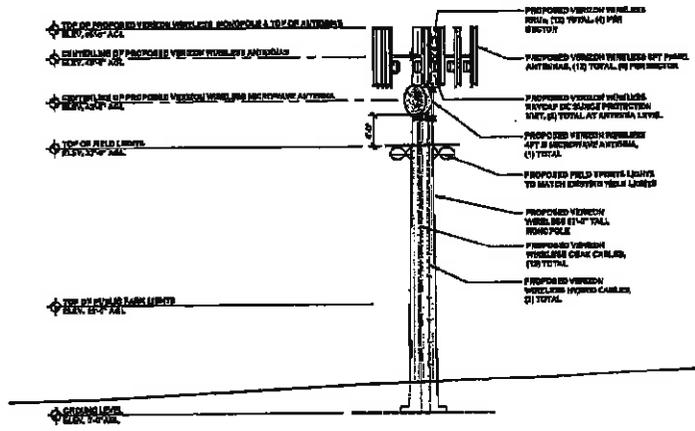
**(Sketch of Premises within Property)**





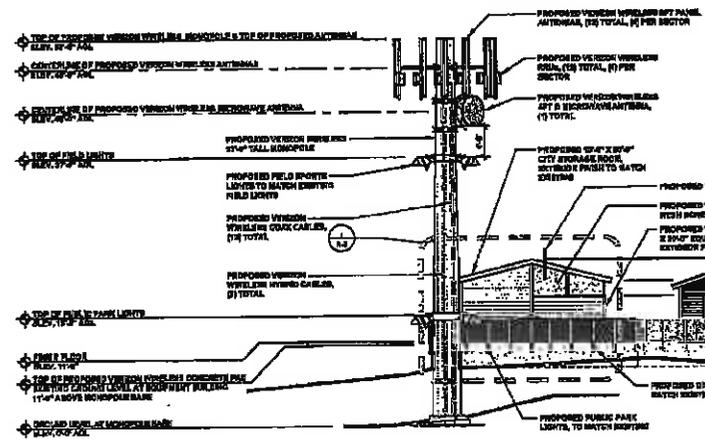


NOTE:  
 ALL VERIZON WIRELESS EQUIPMENT  
 SHALL BE INSTALLED IN PROPOSED CITY STORAGE ROOM  
 BETWEEN TOWER TO MATCH ELEVATION



SOUTHEAST ELEVATION

SCALE: 1/8" = 1'-0" (2040)  
 1/32" = 1'-0" (1512)  
 1



SOUTHWEST ELEVATION

SCALE: 1/8" = 1'-0" (2040)  
 1/32" = 1'-0" (1512)  
 2

ISSUE STATUS

NO.	DATE	DESCRIPTION	BY
1	04/27/10	100% APPROVED	RM
2	05/07/10	REVISION 100% OK	SR
3	05/19/10	REVISION 100% OK	DC
4	05/26/10	REVISION 100% OK	DC
5	05/26/10	REVISION 100% OK	DC



PROPRIETARY INFORMATION  
 THE INFORMATION CONTAINED IN THIS SET OF DRAWINGS IS PROPRIETARY & CONFIDENTIAL TO VERIZON WIRELESS  
 ANY USE OR REPRODUCTION WITHOUT THE WRITTEN PERMISSION OF VERIZON WIRELESS IS STRICTLY PROHIBITED

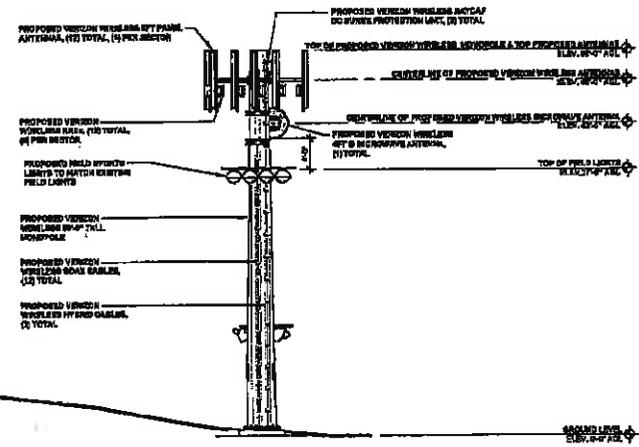
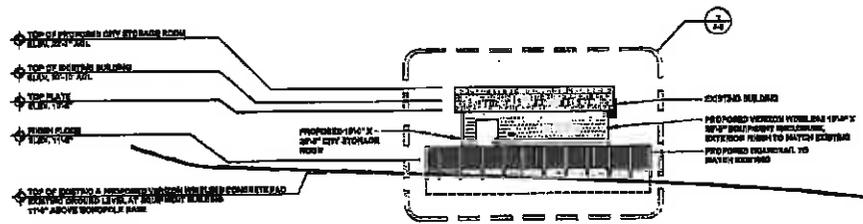


PINTO  
 2760 RESERVOIR DR.  
 NORCO, CA 92860

SHEET TITLE:  
 SOUTHEAST &  
 SOUTHWEST  
 ELEVATIONS

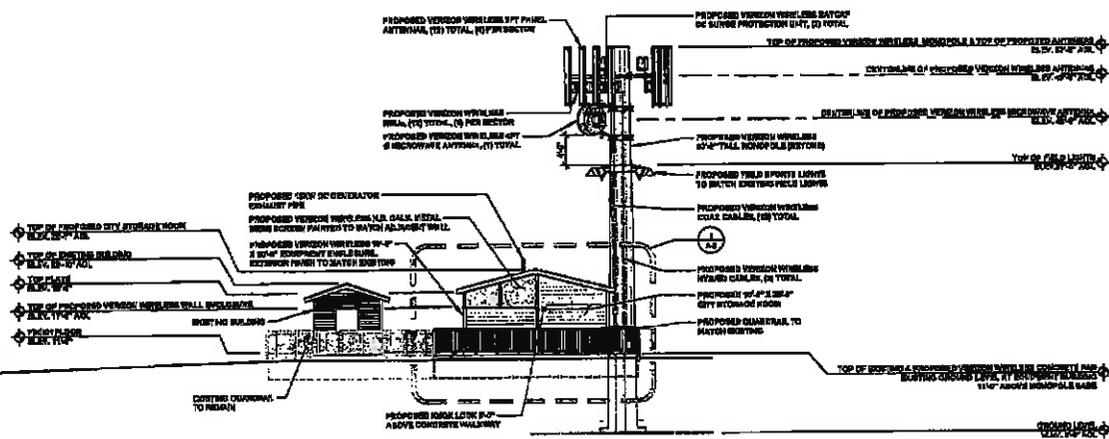
A-4

NOTE:  
NEW VERIZON WIRELESS EQUIPMENT  
ONLY SHOWN & PROPOSED CITY STORAGE ROOM  
EXTENSION FROM TO MATCH EXISTING



NORTHWEST ELEVATION

SCALE: 1/8" = 1'-0" (AS SHOWN)  
1



NORTHEAST ELEVATION

SCALE: 1/8" = 1'-0" (AS SHOWN)  
2

ISSUE STATUS

REV.	DATE	DESCRIPTION	BY
3	02/17/13	ISSUE FOR PERMITS	SM
1	02/27/13	REVISED PERMITS	SM
2	03/14/13	ISSUE FOR PERMITS	SM
3	12/27/13	ISSUE FOR PERMITS	SM



PROPRIETARY INFORMATION  
THE INFORMATION CONTAINED HEREIN IS THE  
PROPERTY OF WIRELESS ENGINEERING GROUP, INC.  
AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY  
MANNER WITHOUT THE WRITTEN PERMISSION OF WIRELESS  
ENGINEERING GROUP, INC.



PINTO  
2760 RESERVOIR DR.  
NORCO, CA 92860

SHEET TITLE  
NORTHWEST &  
NORTHEAST  
ELEVATIONS

A-5



3. The Commencement Date of the Agreement, of which this is a Memorandum, is as set forth in the Agreement.
4. LESSEE has the right of first refusal to purchase the Property during the initial term and all renewal terms of the Agreement, as described therein.
5. The terms, covenants and provisions of the Agreement, the terms of which are hereby incorporated by reference into this Memorandum, shall extend to and be binding upon the respective executors, administrators, heirs, successors and assigns of LESSOR and LESSEE.

IN WITNESS WHEREOF, LESSOR and LESSEE have caused this Memorandum to be duly executed on the date last written below.

**LESSOR:**

City of Norco,  
a public corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**LESSEE:**

Los Angeles SMSA Limited Partnership,  
dba Verizon Wireless

By: ~~AirTouch Cellular~~  
Its: ~~General Partner~~  
By: \_\_\_\_\_  
Name: STEVEN LAMB  
Title: RNG OIL  
Date: 5/4/16

LESSOR NOTARY ACKNOWLEDGMENT

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

STATE OF California )  
 )  
COUNTY OF Orange )

On May 4, 2016, before me, Trisha K. Villalta, Notary Public, personally appeared Steven Lamb, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.  
Trisha K. Villalta  
Notary Public



Place Notary Seal Above

**LESSEE NOTARY ACKNOWLEDGMENT**

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

State of California    )  
                                  )  
County of Orange     )

On \_\_\_\_\_, 2016, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

Place Notary Seal Above

**EXHIBIT A**

**[LEGAL DESCRIPTION OF PROPERTY]**

**All that certain real property situated in the County of Riverside, State of California, described as follows:**

**Lot(s) 9, Block 3 of Hilldale Tract, as shown by Map on file in Book 12, Page(s) 73 of Maps, Records of Riverside County, California, and that portion of Corona Avenue, as shown on Map of Riverside Orange Heights Tract No. 2, on file in Book 7, Page(s) 54 Maps, Records of Riverside County, California, as vacated by resolution of the Board of Supervisors of Riverside County, California, a certified copy of said resolution having been recorded March 18, 1958 In Book 2240, page 237 of Official Records of Riverside County, California.**

**Assessor's Parcel Number:      127-290-005-8**

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: John R. Harper, City Attorney; Andy Okoro, City Manager  
Cheryl Link, City Clerk 

DATE: May 18, 2016

SUBJECT: Review and Consideration of California Senate Bill 415,  
California Voter Participation Rights Act, as it Relates to City of  
Norco Municipal Elections

RECOMMENDATION: Review options and approve Municipal Election consolidation  
date

**SUMMARY:** On November 3, 1993 at the request of Riverside County Registrar, the Norco City Council adopted Resolution 93-66 to change the Regular Municipal Election from even-numbered years to odd-numbered years. SB 415 (Hueso), which becomes effective on January 1, 2018, prohibits political subdivisions from holding an election on a date other than the date of Statewide primary and general elections if it has previously resulted in a significant decrease in voter turnout. The Statute requires that the City take action to consolidate with the Statewide election prior to January 1, 2018, to be effective not later than the November 8, 2022 election. For Norco, the earliest consolidation date would be November 2018. Failure to implement the required provision exposes the City to appropriate court remedies including reasonable attorney fees and litigation expenses.

**BACKGROUND/ANALYSIS:** Under current law, municipalities are allowed to hold elections either concurrently with Statewide races in even numbered years, or hold elections in odd numbered years. Elections held concurrently with Statewide elections are referred to as "on-cycle." All other dates are referred to as "off-cycle" elections. In California, 113 cities including the City of Norco hold off-cycle elections compared to 369 cities that hold on-cycle elections. All on-cycle elections are required to be consolidated with Statewide elections.

California Senate Bill 415 (SB 415) was introduced in early 2015 and signed into law by Governor Brown in August 2015. SB 415 requires that cities take action to consolidate with the general election prior to January 1, 2018 to be effective not later than the November 8, 2022 election, in cities where the turnout has been at least 25% below the average turnout in a city during the last four statewide general elections. In the case of Norco, the earliest consolidation date would be November, 2018.

**ANALYSIS/OPTIONS:** Studies have consistently shown that elections that are not consolidated with Statewide and federal elections have significantly lower voter turnout. The turnout results in the City of Norco where Municipal Elections are not consolidated with Statewide and federal elections over the last four election cycles support these studies. On November 3, 1993 at the request of Riverside County Registrar, the Norco City Council adopted Resolution 93-66 to change the Regular Municipal Election from even-numbered

**Agenda Item: 5.A.**

years to odd-numbered years. The switch, which became effective in 1995, was based on Municipal Elections being on a non-partisan basis; to provide more local involvement in the local election; and to reduce the burden on the County Registrar. However, the switch to odd-numbered years has resulted in unintended consequence of significant decrease in voter turnout. Senate Bill 415 was signed into law to address the discrepancy in turnout between odd-numbered year and even-numbered year elections.

Staff has reviewed the voter turnout in the City of Norco as provided by the County Registrar of Voters for the last four even-numbered year; and last four odd-numbered year election cycles. The data shows that over the last four cycles, the average turnout for the odd-numbered years is 23.83% while the average turnout for the even-numbered year is 64.00%. This represents a 62.76% decrease in voter turnout in odd-numbered year elections compared to even-numbered year elections. Based on this large discrepancy, the City must consolidate its Municipal election with the Statewide and federal elections in order to comply with the provisions of SB 415

<b>City of Norco General Municipal Elections – Voter Turnout</b>			
<b>Election Year</b>	<b>Registration</b>	<b>Ballots Cast</b>	<b>Turnout %</b>
2015	10,748	2,528	23.52%
2013	11,426	2,625	22.97%
2011	11,225	2,699	24.04%
2009	11,212	2,777	24.77%
<b>Average Turnout</b>			<b>23.83%</b>

<b>Statewide General Elections – Voter Turnout</b>			
<b>Election Year</b>	<b>Registration</b>	<b>Ballots Cast</b>	<b>Turnout %</b>
2014	11,479	4,769	41.55%
2012	12,274	9,178	74.78%
2010	11,651	7,175	61.58%
2008	11,793	9,208	78.08%
<b>Average Turnout</b>			<b>64.00%</b>

The following are the options available to the City to consolidate Municipal elections with the Statewide election and thus, comply with the provisions of SB 415.

1. Consolidate in November 2018: This option provides the earliest implementation opportunity and thus, more timely fulfills the spirit of SB 415 which is increased voter turnout. If Council elects to go with this option, the next regular Municipal election which would otherwise be in 2017 will be consolidated with the November 2018 Statewide election. This option would defer the election cost from 2017 to 2018.
2. Consolidate in November 2020: Under this option, the November 2017 Municipal election would still proceed. However, the 2019 Municipal election would be consolidated with the November 2020 Statewide election. This delays implementation of SB 415 by two years.

3. Consolidate in November 2022: This option is the latest date that the City must consolidate and still meet the deadline provision of SB 415. Under this option, the 2017 and 2019 Municipal elections would still proceed under the current odd-numbered year cycle. However, the 2021 Municipal election will be consolidated with the November 2022 Statewide election.

Consolidating the City of Norco Municipal elections with the statewide elections will result in the extension of term for the present or future Council Members depending on the year the City chooses to consolidate.

Once the City Council approves a consolidation date, staff will prepare an Ordinance for adoption at a future City Council meeting to implement the change in election cycle.

FINANCIAL IMPACT: None.

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager



DATE: May 18, 2016

SUBJECT: Housing Norconian Club Hotel Artifacts

RECOMMENDATION: Provide direction to staff.

**SUMMARY:** Staff has received an email from the Lake Norconian Club Foundation (LNCF) requesting City Council approval to use a portion of the small auditorium room in the Community Center Building, which currently houses historic records and materials, to store various artifacts which LNCF is planning to remove from the Lake Norconian Club Hotel (see attached email).

**BACKGROUND/ANALYSIS:** Last week, staff received inquiry from LNCF official Su Bacon regarding the possibility of LNCF using a portion of the small auditorium room in the Community Center Building to store artifacts from the Lake Norconian Club Hotel. This room is currently being used to house historic records and other artifacts that the City's Historic Preservation Commission is charged with managing and preserving. LNCF was informed that due to potential liability issues and the current use of the room, staff could not provide authorization for the use of the room without City Council approval. However, staff did allow LNCF access to the room in order to explore the feasibility of using the room to store the hotel artifacts. After inspecting the room, LNCF believes that with minor renovation (which consists of free-standing portable structure inside the room to hold the artifacts), it could be used to store artifacts from the hotel. According to the attached email from LNCF, the idea of using the small auditorium room in the Community Center to store hotel artifacts has been discussed with the Historic Preservation Commission who approved the idea.

At this time, it does not appear that LNCF knows how long these artifacts would be stored at the Community Center. Even though the area proposed to be used will be walled-off, this could impact the long-term space needs of the Historic Preservation Commission regarding storage, retrieval and display of current archives. Additionally, when the decision was made to house archives at this location, one of the concerns was the safety of the archives. The security concern has not yet been fully mitigated and storing additional valuables could increase security risks. Therefore, if the City Council approves the use of this room to store hotel artifacts, it should consider including a requirement for LNCF to sign a waiver of liability.

**FINANCIAL IMPACT:** LNCF is agreeing to pay for all costs associated with the work necessary to accommodate the storage of hotel artifacts at the Community Center including materials, security, labor, etc.

Attachment: Request from Lake Norconian Club Foundation (email)

**Agenda Item: 5.B.**

## Cheryl Link

---

**From:** Andy Okoro  
**Sent:** Wednesday, May 11, 2016 8:45 PM  
**To:** Cheryl Link  
**Subject:** Fwd: Housing Norconian artifacts

FYI.

Sent from my Verizon Wireless 4G LTE smartphone

----- Original message -----

**From:** Linda Dixon <[dixon3200@sbcglobal.net](mailto:dixon3200@sbcglobal.net)>  
**Date:** 5/11/2016 6:16 PM (GMT-07:00)  
**To:** Andy Okoro <[aokoro@ci.norco.ca.us](mailto:aokoro@ci.norco.ca.us)>  
**Cc:** Su Bacon <[su@subacon.com](mailto:su@subacon.com)>  
**Subject:** Housing Norconian artifacts

Dear councilmembers and Andy Okoro

The LNCF and its members would like to request your approval for small area within the historic room at the community center. This will allow the LNCF to house various artifacts to be stored there for safekeeping. We expect these are to be removed within the next week.

At the recent Historic Preservation Commission meeting this was presented and discussed. At the conclusion of the meeting, they approved the idea with one request, which was to add motion detection to the room.

Su Bacon the representative for LNCF met with Henk Koke to discuss any renovations that should be made to the room. Hank then presented a plan to wall off a portion of the room which would allow some of the artifacts to hang such as the chandeliers from the hotel.

Before material can be ordered and work to begin it does require counsel.

The LNCF will pay all costs for the minor renovations that would be required and for the motion detection system to be installed. The monies would not come from the city donations previously approved but would come from the treasury of the LNCF. We agree to pay for all costs associated with this small project and appreciate being able to house the few artifacts we are taking from the hotel in a secure environment.

Linda Dixon, President  
Lake Norconian Club Foundation

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Gina Schuchard, Finance Officer 

DATE: May 18, 2016

SUBJECT: Amendments to the City's General Fee Schedule for FY 2016-2017

RECOMMENDATION: Adopt **Resolution No. 2016-26**, updating and adjusting the City's General Fee Schedule.

**SUMMARY:** Staff is recommending that the City Council approve adjustments to the City's General Fee Schedule for Fiscal Year 2016-2017 based on the change in Consumer Price Index (CPI) of 2.40% from February, 2015 to February, 2016.

**BACKGROUND:** In 2008, Revenue & Cost Specialists (RCS) prepared a User Fee Study to update the City's General Fee Schedule. The recommendations from the study resulted in the City Council adopting a resolution updating fees for general City services. Since the 2008 Study, the City Council has approved, as necessary, adjustments to the General Fee Schedule based on changes in CPI and supplemental studies by RCS or staff's in-house estimates of cost.

### **Recommended Adjustment by CPI:**

Most of the existing fees are being recommended for adjustment by changes in the CPI of 2.4% between February 2015 and February 2016 for Los Angeles, Riverside and Orange County Area. This adjustment is necessary to reflect changes in the cost of providing the services. However, some fees are not recommended to be adjusted to ensure that the fees are competitive with other jurisdictions. Other fees are recommended to be adjusted by amounts exceeding the CPI to adequately reflect the true cost of providing services.

### **Recommended Adjustments Exceeding the CPI:**

The Norco Animal Shelter did a survey of general fees to see if City of Norco fees are in line with other neighboring cities. Three areas were found to be significantly lower at Norco Animal Shelter vs other nearby shelters. All the increases that are proposed will bring City fees closer to the other areas while still maintaining a reasonable increase that still projects us below the other cities. They are the following:

- Dog and Cat Daily Board
- Large Livestock Daily Board
- Unaltered Dog License

**Dog and Cat Daily Board:** The operating cost of the shelter is going up. Supplies to clean the shelter and the kennels all have increased, i.e. Triple Two disinfectant, Drain Eliminator, Brushes, disposable gloves to name a few. The cost for employees to clean the kennels has gone up as well due to increase in minimum wage.

**Large Livestock Board:** The cost of hay continues to go up along with other supplies, i.e. salt blocks, senior feed, shaving for the corrals, manure wagons, rakes etc.

**Unaltered Dog License:** Norco Animal Shelter is significantly lower for our unaltered dog licenses than the surrounding animal shelters. All shelters charge more for their unaltered dog licenses to encourage residents to alter their pets. Unaltered pets can be destructive to personal property when loose i.e. chase livestock, injure other animals or get hit themselves while loose, they in turn perpetuate the problem of overpopulation by breeding other unaltered dogs while loose. This increases call out times and overtime costs for the City.

**FINANCIAL IMPACT:** Staff estimates that the recommended fee adjustments will result in minimal additional revenues to the General Fund. The amount of the additional revenue will depend on activity levels.

Attachment: Resolution 2016-26

## **RESOLUTION NO. 2016-26**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, TO UPDATE AND ADJUST THE CITY'S GENERAL FEE SCHEDULE FOR FISCAL YEAR 2016-2017**

WHEREAS, in 2008 the City of Norco, California, conducted an extensive analysis of its services, the cost reasonably borne by providing those services, the beneficiaries of those services, and the revenues produced by those paying fees and charges for special services; and

WHEREAS, pursuant to Government code section 54994.1 the specific fees to be charged for services must be adopted by the City Council by Resolution after providing notice and holding a public hearing; and

WHEREAS, a notice of public hearing has been provided in accordance with Government Code Section 6062a, oral and written presentations were made and received, and the required public notice was given; and

WHEREAS, a schedule of fees and charges to be paid by those requesting such special services needs to be adopted so that the City might carry into effect its policies; and

WHEREAS, it is the intention of the City Council to adopt an amendment to the General Fee Schedule and charges based on changes to the Consumer Price Index from February 2015 to February 2016; and

WHEREAS, all requirements of California Government Code Section 54994.1 are hereby found to have been complied with.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORCO, HEREBY RESOLVES AS FOLLOWS:

SECTION 1. Resolution No. 2015-55 is hereby repealed.

SECTION 2. The General City Services fees are hereby amended as listed in the attachment of this Resolution.

SECTION 3. The fees set forth in this Amended Resolution Shall become effective on July 1, 2016.

Resolution No. 2016-26

Page 2

May 18, 2016

PASSED AND ADOPTED by the City Council of the City of Norco as a regular meeting held on May 18, 2016.

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Kevin Bash, Mayor  
City of Norco, California

ATTEST:

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Cheryl L. Link, City Clerk  
City of Norco, California

I, Cheryl L. Link, City Clerk of the City of Norco, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a meeting held on May 18, 2016 by the following vote of the City Council:

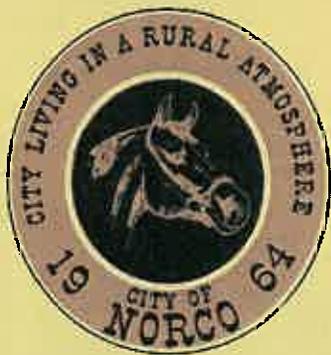
AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on May 18, 2016.

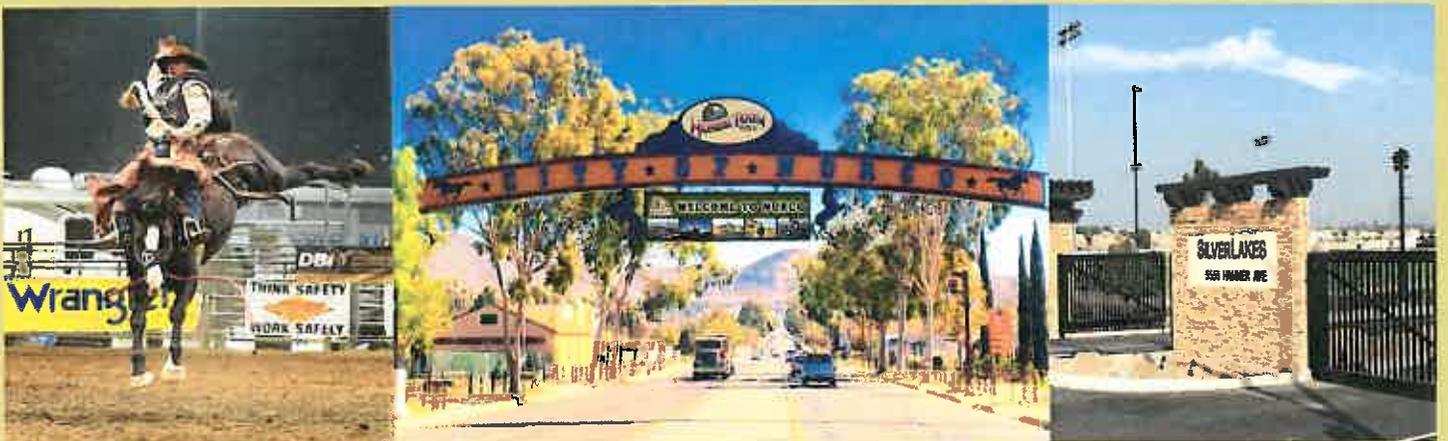
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Cheryl L. Link, City Clerk  
City of Norco, California

Attachment: Proposed General Fee/Fine Schedule



## City of Norco General Fee/Fine Schedule FY 2016-17



**City Living in a Rural Environment**



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**PARKS, RECREATION & COMMUNITY SERVICES**

<b>Service</b>	<b>Fee</b>	<b>Deposit</b>	<b>Proposed 2.4 % CPI increase</b>
<b>General Facilities and Services</b>			
Application Processing Fee	\$39.00	\$0.00	\$40.00
Banner Installation	Fully Burdened	\$0.00	Fully Burdened
Booking Change	\$21.00	\$0.00	\$22.00
Booking Fee - Per Date (Max. \$250)	\$6.00	\$0.00	\$6.00
Community Large Room - Hourly (Occ. Banq. 80-100 / Occ. Aud. 150-175)	\$51.00	\$250.00	\$52.00
Community Small Room - Hourly (Occ. Banq. 50 / Occ. Aud. 80)	\$39.00	\$250.00	\$40.00
Community XSmall Rooms (Hourly) (Occ. Under 50)	\$37.00	\$0.00	\$38.00
Community Room Cleaning	Fully Burdened	\$0.00	Fully Burdened
Community Room - FHQ	\$39.00	\$250.00	\$40.00
Conference Room (Hourly)	\$38.00	\$150.00	\$39.00
Exterior Restrooms	\$50.00	\$0-\$275	\$51.00
Exterior Restrooms Cleaning	Fully Burdened	\$0.00	Fully Burdened
Field Lights Hourly	Fully Burdened	\$0.00	Fully Burdened
Field Prep	\$33.00	\$0.00	\$34.00
Horseshoes Rental (Per Set-minimun 3 days)	\$10.00	\$30.00	\$10.00
Rose M. Eldridge Activity Room (per hour)	\$50.00	\$250.00	\$51.00
Rose M. Eldridge Cleaning	\$100.00-900.00	\$0.00	\$100.00-900.00
Asset Replacement Fund Per Date/Transaction	\$2.00	\$0.00	\$2.00

Consideration Groups by Resolution of the Norco City Council, will continue to be subsidized with reduced or waived fees as outlined in Exhibit B of Resolution No. 2010-61. Should the original organization relinquish the event to another community organization these events, fees will be at a substantially higher cost. Residents and local businesses will be entitled to a discount at Nellie Weaver Hall on facility fees only (not including application, security, cleaning and booking fees) with valid picture I.D. which provides a current Norco address. The discount is 25% off for residents and 10% off for businesses.

All other organizations and events will be charged full fees based on the fee policy and fee schedule.

**PARKS, RECREATION & COMMUNITY SERVICES**

<b>Service</b>	<b>Fee</b>	<b>Deposit</b>	<b>Proposed 2.4 % CPI increase</b>
<b>General Facilities and Services</b>			
Open Space / Moon Bounce	\$40.00	\$0.00	\$41.00
Outdoor Courts (Hourly Night Use)	\$23.00	\$0.00	\$24.00
Outdoor Courts(Hourly Day Use)	\$8.00	\$0.00	\$8.00
Parking Lots	\$40.00	\$50.00	\$41.00
Picnic Shelter Rental	\$73.00	\$75.00	\$75.00
Program Maintenance Fee	\$4.00	\$0.00	\$4.00
Riley Gym (Hourly)	\$79.00	\$500.00	\$80.00
Riley Gym Cleaning	Fully Burdened	\$0.00	Fully Burdened
Special Event Fire Dept Inspection Fee - Vendor/Retail per booth	Fully Burdened	\$0.00	Fully Burdened
Sports Fields - (Hourly)	\$49.00	\$100.00	\$50.00
Supplemental Staff Costs Plus Burden	Fully Burdened	\$0.00	Fully Burdened
Support, Operations, Administrative and Maintenance	Fully Burdened	\$0.00	Fully Burdened
Tables, Round	\$7.00-\$14.00	\$100.00	\$7.00-\$14.00
Tables, Rectangle	\$9.00-\$14.00	\$100.00	\$9.00-\$14.00
Chairs (each)	\$1.75-\$6.00	\$100.00	\$1.75-\$6.00
Vendor Booth for City Event	\$1.00-\$150.00	\$0.02	\$1.00-\$150.00

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## PARKS, RECREATION & COMMUNITY SERVICES

General Facilities and Services George Ingalls Equestrian Event Center (GIEEC)	Fee	Deposit	Proposed 2.4 % CPI increase
4-H Area (10 Hour Rental Period)	101.00-305.00	\$50-\$350	\$104.00-\$312.00
4-H Area (Add'l Hours in Excess of 10)	\$43.00	\$0.00	\$44.00
4-H Small Livestock Pens	\$6.00	\$200.00	\$6.00
Amphitheater (Plus Per Seat Fee if Gate is Charged)	\$303.00	\$350-\$550	\$310.00
Amphitheater Cleaning	Fully Burdened	\$0.00	Fully Burdened
Electrical Hook-Up Per Service/Day plus \$10 Camping fee	Fully Burdened	\$200.00	Fully Burdened
Fair Grounds	\$400.00	\$500.00	\$410.00
Holiday/ Sunday Staff	Fully Burdened	\$0.00	Fully Burdened
Moreno Arena (9 Hours Max, Per Day, Weekends/Holidays)	\$715.00	\$100-\$5000	\$732.00
Arenas (Hourly, Per Day, 2 Hours Min., Mon - Thurs)	151.00 + Cost	\$500-\$5000	155.00 + Cost
Arena (s) Bundle Program (Multi-Day Use Allows 25% Discount in Fees)	25% Discount	\$500-\$5000	25% Discount
Arena-Hourly (In Excess of Max.of 9)	Fully Burdened	\$0.00	Fully Burdened
Barrel Racing Pattern Grooming per run request	\$6.00	\$0.00	\$6.00
Arena Grooming	\$25.00	\$0.00	\$26.00
Arena Watering	\$31.00	\$0.00	\$32.00
Warm-up & Exercise Arenas	\$62.00	\$100.00	\$63.00
Holding Pens-Moreno Arena	\$185.00	\$400.00	\$189.00
Clark Arena (9 hours Max, Per Day, Weekends/Holidays)	\$475.00	\$500-\$5000	\$486.00
Clark Arena Special Consideration Groups* (9 Hours Max., Per Day, Weekends/Holidays)	\$370.00	\$500-\$5000	\$379.00
Clark Arena Equipment Surcharge (Permit Holder Bringing in Extra Equipment not Already on Premises)	\$255.00	\$0.00	\$261.00

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All other organizations and events will be charged full fees based on the fee policy and fee schedule.

**PARKS, RECREATION & COMMUNITY SERVICES**

<b>General Facilities and Services</b>	<b>Fee</b>	<b>Deposit</b>	<b>Proposed 2.4 % CPI increase</b>
<b>George Ingalls Equestrian Event Center (GIEEC)</b>			
Arena Lights	Fully Burdened	\$0.00	Fully Burdened
Arena Trainers Hours (By Reservation-Per Horse) 3 Hr. Max.	\$10.00	\$50.00	\$10.00
GIEEC Arenas Alcohol Concessions	10 % of Sales	\$0.00	10 % of Sales
GIEEC Bleachers (Per Seat When There is a Gate Fee)	\$1.50	\$0.00	\$150.00
GIEEC Camping (Dry) Per Day	\$10.00	\$0.00	\$10.00
GIEEC Camping with Electrical (1) 20 amp service Per Day	\$18.00	\$0.00	\$19.00
GIEEC Parking Lots/Staging Area	\$69.00	\$0.00	\$71.00
GIEEC Restrooms (200 plus attendance)	\$40.00	\$0.00	\$41.00
GIEEC Amenities (light tower, spider boxes, etc)	Fully Burdened	\$0.00	Fully Burdened
Portable Restrooms	Fully Burdened	\$0.00	Fully Burdened
Portable Stalls/Concessions	Fully Burdened	\$200.00	Fully Burdened
Stall Cleaning <b>\$25 per stall after event</b>	Fully Burdened	\$0.00	Fully Burdened
Security Guards	Fully Burdened	\$0.00	Fully Burdened
Vendor Booth Fee (Food or Retail w/o Electrical 10 x 10) (Charge after 2 vendors)	\$11.00	\$0.00	\$11.00
Vendor Booth Fee (Food or Retail w Electrical 10 x 10) (Charge after 2 vendors)	\$20.00	\$0.00	\$25.00
Weaver Hall - Alcohol Surcharge Concessions	\$275.00	\$0.00	\$300.00
Weaver Hall Food Allowance	\$275.00	\$0.00	\$300.00
Weaver Hall - Requested Catering	Fully Burdened	\$0.00	Fully Burdened
Weaver Hall - Banquet Amenities (linens, china, flatware, etc.)	Fully Burdened	\$0.00	Fully Burdened
Weaver Hall - Bundle Program (Multi Day Use Allows 25% Discount in Fees)	25% Discount	\$300-\$2500	25% Discount
Weaver Hall (Hourly, 8 hour min. Saturdays & holidays) Exceeds 200 guests @ \$150 hr.	\$132.00-\$150.00	\$300-\$2500	\$135.00-\$155.00
Weaver Hall - (Hourly, 2 Hour. Min., Per Day, Sunday - Friday)	\$53.00	\$300-\$2500	\$54.00
Insurance Sale Administrative Fee	\$76.00-\$128.00	\$0.00	\$78.00-\$131.00
Weaver Hall Cleaning	\$310.-\$858	\$0.00	\$317.00-\$879.00
Weaver Hall Kitchen	\$160.00	\$200.00	\$164.00
Weaver Hall Kitchen Cleaning	\$131.00-\$518.00	\$0.00	\$134.00-\$530.00
Weaver Hall Exterior Restrooms	\$50.00	\$0-\$500	\$52.00
Weaver Hall Exterior Restrooms Cleaning	Fully Burdened	\$0.00	Fully Burdened
Tables, Round	\$7-\$14	\$100.00	\$7.00-\$14.00
Tables, Rectangle	\$9-14	\$100.00	\$9.00-\$14.00
Chairs (each)	\$1.75-\$6.00	\$100.00	\$2.00-\$7.00
<p>Consideration Groups by Resolution of the Norco City Council, will continue to be subsidized with reduced or waived fees as outlined in Exhibit B of Resolution No. 2010-61. Should the original organization relinquish the event to another community organization these events, fees will be at a substantially higher cost. Residents and local businesses will be entitled to a discount at Nellie Weaver Hall on facility fees only (not including application, security, cleaning and booking fees) with valid picture I.D. which provides a current Norco address. The discount is 25% off for residents and 10% off for businesses.</p> <p><b>All other organizations and events will be charged full fees based on the fee policy and fee schedule.</b></p>			

**PARKS, RECREATION & COMMUNITY SERVICES**

<b>Sports and Programs</b>	<b>Fee</b>	<b>Deposit</b>	<b>Proposed 2.4 % CPI increase</b>
Ballfield Bases (per use)	\$10.00	\$0.00	\$10.00
City- Sponsored Adult Sports Programs	\$75.00-\$502.00	\$0.00	\$75.00-\$502.00
City- Sponsored Special Events	\$1.00-\$76.00	\$0.00	\$1.00-\$76.00
City- Sponsored Youth Sports	\$25.00-\$150.00	\$0.00	\$25.00-\$150.00
Excursions	Fully Burdened	\$0.00	Fully Burdened
Insurance Policies	Fully Burdened	\$0.00	Fully Burdened
PA System (portable)	\$30.00+Staff	\$200.00	\$31.00 + Staff
Recreation & Leisure Programs & Services	\$1.00-\$326.00	\$0.00	\$1.00-\$326.00
Scoreboards (each)	\$25+Staff	\$500.00	\$26.00 + Staff
Senior Programs	\$1.00-\$86.00	\$0.00	\$1.00-\$86.00
Senior Services Membership Fee (Yearly)	\$0-\$25	\$0.00	\$0.00-\$25.00
Youth Programs (Wee People, Etc.)	\$1.00-\$515.00	\$0.00	\$1.00-\$515.00
BBQ	\$57.00	\$100.00	\$58.00
<p>Consideration Groups by Resolution of the Norco City Council, will continue to be subsidized with reduced or waived fees as outlined in Exhibit B of Resolution No. 2010-61. Should the original organization relinquish the event to another community organization these events, fees will be at a substantially higher cost. Residents and local businesses will be entitled to a discount at Nellie Weaver Hall on facility fees only (not including application, security, cleaning and booking fees) with valid picture I.D. which provides a current Norco address. The discount is 25% off for residents and 10% off for businesses.</p> <p>All other organizations and events will be charged full fees based on the fee policy and fee schedule.</p>			

**PARKS, RECREATION & COMMUNITY SERVICES**

<b>General Facilities and Services</b>	<b>Fee</b>	<b>Deposit</b>	<b>Proposed 2.4 % CPI increase</b>
<b>Animal Control</b>			
Cat Adoption	\$15.00	\$0.00	\$15.00
Cat Alteration	\$50.00	\$0.00	\$50.00
Cat Quarantine Daily Board	\$15.00	\$0.00	\$15.00
Citation Processing Fee	\$5.00	\$0.00	\$5.00
Daily Boarding - Cats / Dogs	\$6.00	\$0.00	\$10.00
Daily Boarding - Large Livestock	\$10.00	\$0.00	\$14.00
Daily Boarding - Small Livestock	\$10.00	\$0.00	\$10.00
Dead Animal Disposal - Brought in - Cat	\$10.00	\$0.00	\$10.00
Dead Animal Disposal - Brought in - Dog	\$30.00	\$0.00	\$30.00
Dead Animal Disposal - Brought in - Livestock	\$30.00	\$0.00	\$30.00
Dog Quarantine Daily Board	\$20.00	\$0.00	\$20.00
Dog Adoption	\$26.00	\$0.00	\$26.00
Dog Alteration	\$60.00	\$0.00	\$60.00
Dog License - Senior (Alt) 1-4 Dogs/Each	\$2/\$4/\$8 *	\$0.00	\$2/\$4/\$8 *
Dog License (Alt) 1-4 Dogs/Each	\$18/\$35/\$53 *	\$0.00	\$18/\$35/\$53*
Dog License (Unalt)	\$55/\$93/\$125 *	\$0.00	\$70/\$130/\$195*
<b>*1-3 Year License</b>			
Replacement Fee for Lost or Unreadable Tags	\$2.00	\$0.00	\$2.00
Emergency After-hours Fees (Hourly)	Fully Burdened	\$0.00	Fully Burdened
Euthanasia - Dog or Cat	\$54.00	\$0.00	\$55.00
Impound - Cats - 1st Time	\$23.00	\$0.00	\$23.00
Impound - Cats - 2nd Time in 1 Year	\$33.00	\$0.00	\$33.00
Impound - Cats - 3rd Time in 1 Year	\$44.00	\$0.00	\$45.00
Impound - Dogs - 1st Time	\$33.00	\$0.00	\$33.00
Impound - Dogs - 2nd Time in 1 Year	\$46.00	\$0.00	\$47.00
Impound - Dogs - 3rd Time in 1 Year	\$58.00	\$0.00	\$59.00
Impound - Large Livestock - 1st Time	\$71.00	\$0.00	\$72.00
Impound - Large Livestock - 2nd Time in 1 Year	\$81.00	\$0.00	\$83.00
Impound - Large Livestock - 3rd Time in 1 Year	\$107.00	\$0.00	\$110.00
Impound - Small Livestock - 1st Time	\$33.00	\$0.00	\$33.00
Impound - Small Livestock - 2nd Time in 1 Year	\$43.00	\$0.00	\$44.00
Impound - Small Livestock - 3rd Time in 1 Year	\$58.00	\$0.00	\$59.00
Livestock Transport: Non- Resident Impound Returns	\$92-\$1005	\$0.00	\$92-\$1005
Late License Fee	\$25.00	\$0.00	\$25.00
Maintenance Fee	\$2.00	\$0.00	\$2.00
Owner Dead Dog Pick-Up	\$85.00	\$0.00	\$87.00
Owner Dead Livestock Pick-Up	\$123.00	\$0.00	\$126.00
Owner Pick Up Dead Cat	\$53.00	\$0.00	\$54.00
Owner Pick Up Small Live Stock	\$166.00	\$0.00	\$170.00
Owner Turn- ins - Dog or Cat	\$54.00	\$0.00	\$55.00
Owner Turn- ins/pick up by AC - Cat	\$97.00	\$0.00	\$99.00
Owner Turn- ins/pick up by AC- Dog	\$136.00	\$0.00	\$139.00
Inspections	\$58.00	\$0.00	\$59.00
Ranch License	\$29.00	\$0.00	\$29.00
Ranch License Renewal	\$18.00	\$0.00	\$18.00
Vaccination Fee - Cat	\$5.00	\$0.00	\$5.00
Vaccination Fee - Dog	\$10.00	\$0.00	\$10.00
Vicious / Wild Animal Permit (New)	\$126.00	\$0.00	\$129.00
Vicious / Wild Animal Permit (Renew)	\$126.00	\$0.00	\$129.00
<b>Any and all fines mandated by County, State and Federal regulations/laws</b>			

<b>CITY CLERK</b>	<b>Fee</b>	<b>Proposed 2.4% CPI increase</b>
Notary Fees for Non-City Related Documents -- Fees Set Per California Government Code Section 8211		
Subscription Fee – Council Agendas – plus postage	\$56.00	\$57.00
Subscription Fee – Council Minutes – plus postage	\$148.00	\$152.00
Subscription Fee – Council Agendas and Minutes – plus postage	\$178.00	\$182.00
Subscription Fee – Planning Agendas – plus postage	\$56.00	\$57.00
Subscription Fee – Planning Minutes – plus postage	\$148.00	\$152.00
Subscription Fee – Planning Agendas and Minutes – plus postage	\$178.00	\$182.00
Reproduction (Up to 11" x 17") - Black/White	\$0.25	\$172.25
Reproduction (Up to 11" x 17") - Color	\$0.50	\$35.50
Reproduction (Larger than 11" x 17") - Black/White or Color	\$10.00	\$129.00
Reproduction Service – CD	\$5.00**	\$5.00**
Tape Duplication	\$20.00	\$20.00
Document Certification – \$10 minimum plus reproduction costs	\$10.00	\$10.00
** Fee based on direct cost of duplication		

<b>FISCAL &amp; SUPPORT SERVICE</b>	<b>Fee</b>	<b>Proposed 2.4% CPI increase</b>
Background check	\$109.00	\$112.00
Broken Lock Fee	\$25.00	\$26.00
<b>Business Fire Inspection Fee</b>		
Small Businesses – 1 Sq. Ft. – 4,999 Sq. Ft.	\$72.00	\$74.00
Medium Businesses – 5,000 Sq. Ft. – 9,999 Sq. Ft.	\$144.00	\$147.00
Large Businesses – 10,000 Sq. Ft. or greater	\$367.00	\$376.00
Public Assembly (50 to 99 occupancy load)	\$168.00	\$172.00
Public Assembly (100 and greater occupancy load)	\$168.00	\$172.00
Business License Application – Commercial, Changed Use	\$34.00	\$35.00
Business License Application – Commercial, No Change	\$116.00	\$119.00
Business License Out of Town Fee	\$28.00	\$29.00
Business License Renewal	\$16.00	\$16.00
Home Occupation Processing fee	\$34.00	\$35.00
Install Meter Fee	\$72.00	\$74.00
LiveScan – Fee plus Applicable DOJ and FBI Charges	\$35.00	\$36.00
Massage Technician New Application* (*Plus Sheriff's Cost)	\$116.00	\$119.00
Massage Business New Application	\$150.00	\$154.00
Massage Technician Renewal	\$88.00	\$90.00
Massage Business Renewal	\$114.00	\$117.00
Moved/Changed License Processing	\$28.00	\$29.00
Pulled Meter Fee	\$60.00	\$61.00
New Service Fee	\$25.00	\$26.00
Reproduction (up to 11" x 17") - Black/White	\$0.25	\$0.25
Reproduction (up to 11" x 17") - Color	\$0.50	\$0.50
Reproduction (larger than 11" x 17") - Black/White or Color	\$10.00	\$10.00
Returned Check Fee*Maximum \$25 charge for 1st & \$35 for each subsequent bad check. Per CA Civil Code Section 1719	\$25.00*	\$25.00*
Taxicab Business Permit	\$144.00	\$147.00
Taxicab Permit	\$144.00	\$147.00
Taxi Driver Permit	\$112.00	\$115.00
Truck Parking Permit – Initial	\$92.00	\$94.00
Truck Parking Permit – Renewal	\$33.00	\$34.00
Utility Tagging Fee (Non-payment of bill)	\$16.00	\$16.00
Meter Lock Off Fee (Non-payment of bill)	\$61.00	\$62.00
Meter Turn On Fee (Prior to 3:30pm of work day)	\$31.00	\$32.00
Meter Turn On Fee (After 3:30pm and before 7:00am)	\$186.00	\$190.00
Yard Sale Permit -- for three days only, once every three months	\$9.00	\$9.00
Fine for Unauthorized Yard Sale	\$102-\$508	\$104-\$520

PLANNING DIVISION	Fee	Proposed 2.4% CPI increase
ABC Letter of Necessity	\$151.00	\$155.00
Additional Animal Units per Section 18.35.06 or 18.13.08 ( Fee + Public Noticing Fee + Animal Control Costs)	\$73.00	\$75.00
Architectural & Photometric Review	\$334.00	\$342.00
Developer or Major Permit/Appeal to Planning Commission	\$1,028.00	\$1,053.00
Resident or Minor Appeal to Planning Commission*	\$96.00	\$98.00
Developer or Major Appeal to City Council	\$827.00	\$847.00
Resident or Minor Appeal to City Council*	\$322.00	\$330.00
* Appeal fee will be refunded if the decision is reversed on appeal		
Categorical Exemption	\$81.00	\$83.00
Commercial Vehicle Exemption Permit	\$66.00	\$68.00
Continuance (Fee plus postage and publishing costs)	\$893.00	\$914.00
Conditional Use Permit - Residential Accessory Building	1.5% building valuation* + Public Noticing Fee	
Application Fee is 1.5% of the total valuation per the current Building Code valuation rate and based on the anticipated occupancy, rounded up to the next whole dollar amount (e.g. 1,200 square feet @ \$37.72* = \$678.96, rounded to \$679). * Whatever the current Building Code valuation rate is for the proposed occupancy.		
Conditional Use Permit – <del>Self Audit</del> – Annual Inspection- Sale of Alcohol	\$135.00	\$138.00
Conditional Use Permit – <del>Self Audit</del> – Annual Inspection – All Others	\$66.00	\$68.00
Conditional Use Permit – Miniatureized Pigs in R-1-10 Zone	\$374.00	\$383.00
Conditional Use Permit – Miniatureized Pigs in R-1-10 Zone (Renewal)	\$65.00	\$67.00
<b>Conditional Use Permit – Minor, plus animal-control costs (Resident) (except Additional Animal Units, refer to that fee)</b>	\$1,298.00	\$1,329.00
Conditional Use Permit – Minor, plus animal-control costs (Developer)	\$2,925.00	\$2,995.00
Conditional Use Permit – Major *	\$6,189.00	\$6,338.00
Conditional Use Permit Modification - Minor	\$2,576.00	\$2,637.00
Conditional Use Permit Modification – Major	\$2,634.00	\$2,697.00
Conditional Use Permit – Annual Inspection	\$50.00	\$51.00
C.C. & R. Review	\$2,409.00	\$2,467.00
Development Phasing Plan	\$956.00	\$979.00
Entertainment Permit	\$1,930.00	\$1,976.00
Fence/Wall Review (Subdivision)	\$391.00	\$400.00
Filming 1-4 Days (exclusive of all Public Safety, Public Works and Legal Expenses, charged at fully burdened hourly rate)	\$358.00	\$367.00
Filming 4 plus Days (exclusive of all Public Safety, Public Works and Legal Expenses, charged at fully burdened hourly rate)	\$550.00	\$563.00
General Plan Amendment: Zone Change *	\$5,075.00	\$5,197.00
General Plan Maintenance/Update Fee	\$402.00	\$412.00
Initial Environmental Assessment	\$929.00	\$951.00
Informal Review by Planning Commission (with pre-application)	\$801.00	\$820.00
Informal Review by Planning Commission (no pre-application)	\$801.00	\$820.00
Landscape Plan Checks Review - Three Reviews & one field review	\$455.00	\$466.00
Additional Landscape Plan Check Review	\$113.00	\$116.00
Large Family Day Care	\$1,270.00	\$1,300.00
Major Environmental Assessment (up to 110 hours)	\$14,460.00	\$14,807.00
Major Environmental Assessment (beyond 110 hours)	Cost of Service	Cost of Service
Charge fully burdened hourly rate & out of pocket costs against deposit		
Mitigated Negative Declaration (up to 5 hours)	\$510.00	\$522.00
Mitigated Negative Declaration (beyond 5 hours)	Cost of Service	Cost of Service
Charge fully burdened hourly rate & out of pocket costs against deposit		
Mitigation Plan One Time Monitoring (up to 5 hours)	\$510.00	\$522.00
Mitigation Plan One Time Monitoring (beyond 5 hours)	Cost of Service	Cost of Service
Charge fully burdened hourly rate & out of pocket costs against deposit		
Model Home Complex Review	\$1,735.00	\$1,777.00
Planning Information Letter	\$123.00	\$126.00
Pre-Application Review, First Review	\$0.00	\$0.00
Pre-Application Subsequent Reviews	\$1,516.00	\$1,552.00
Public Notice Fee	\$462.00	\$473.00
Relocation Permit	\$1,481.00	\$1,517.00
Reproduction (up to 11" x 17") - Black/White	\$0.25	\$0.25
Reproduction (up to 11" x 17") - Color	\$0.50	\$0.50
Reproduction (larger than 11" x 17") - Black/White or Color	\$10.00	\$10.00
Sign Review - Monument & Pole Signs	\$396.00	\$406.00
Sign Review - Wall Signs	\$187.00	\$191.00
Sign Review - Temporary Special Event Signs	\$26.00	\$27.00
Sign Review, Freeway-Oriented	\$1,850.00	\$1,894.00
Sign Program Review	\$872.00	\$893.00
Similar Use Finding - Planning Commission	\$894.00	\$915.00
Site Plan Review - Minor	\$2,466.00	\$2,525.00
Site Plan Review - Major	\$5,702.00	\$5,839.00
Site Plan Review Modification	\$2,798.00	\$2,865.00
Site Plan Review - Residential Accessory Building	1.5% building valuation	
Application Fee is 1.5% of the total valuation per the current Building Code valuation rate and based on the anticipated occupancy, rounded up to the next whole dollar amount (e.g. 600 square feet @ \$37.72* = \$339.48, rounded to \$340). * Whatever the current Building Code valuation rate is for the proposed occupancy.		

PLANNING DIVISION	Fee	Proposed 2.4% CPI Increase
Special Events - All Others	\$93.00	\$95.00
Special Events - Sidewalk Sales	\$31.00	\$32.00
Special Events - Non Profit Organizations	\$0.00	\$0.00
Event on Private Property	\$0.00	\$0.00
Requires Closure of Public Right-Of-Way at the End of Dead-End Public Trails, Sidewalks or Streets	\$74.00	\$76.00
Requires the Closure of Public Right-Of-Way on or Through Public Trails, Sidewalks or Streets that Require a Traffic Plan/Detours	\$290.00	\$297.00
Event on Private Property	\$90.00	\$92.00
Requires Closure of Public Right-Of-Way at the End of Dead-End Public Trails, Sidewalks or Streets	\$167.00	\$171.00
Requires the Closure of Public Right-Of-Way on or Through Public Trails, Sidewalks or Streets that Require a Traffic Plan/Detours	\$381.00	\$390.00
Note: All Special Event applications would also include the cost of any street closure, traffic control, On-site patrol, additional fire protection standby, etc.		
Specific Plan Preparation (up to 136 hours) *	\$19,498.00	\$19,966.00
Specific Plan Preparation (beyond 136 hours) *	Cost of Service	Cost of Service
Charge fully burdened staff rate and consultant costs against deposit		
Specific Plan Amendment (up to 136 hours) *	\$12,888.00	\$13,197.00
Specific Plan Amendment (beyond 136 hours) *	Cost of Service	Cost of Service
Charge fully burdened staff rate and consultant costs against deposit		
Swap Meet/Open Air Market-Temporary Permit	\$41.00/per day	42.00/per day
Swap Meet/Open Air Market-Permanent Permit	\$2,683.00	\$2,747.00
Swap Meet Processing Fee/State Fee	\$27.00/\$1.00	\$28.00/1.00
Tentative Parcel Map - Single Family Residential (three plan checks included)	\$6,066.00	\$6,212.00
Tentative Parcel Map - Commercial (three plan checks included)	\$5,826.00	\$5,966.00
*(fee plus \$200.00/lot)		
Tentative Parcel Map (additional plan checks per sheet)	\$341.00	\$349.00
Tentative Parcel Map Modification	\$2,874.00	\$2,943.00
Tentative Parcel Map Extension of Time (Planning Commission and City Council)	\$777.00	\$796.00
Tentative Tract Map (first three plan checks are included) *	\$11,759.00	\$12,041.00
*(fee plus \$170/lot over 5)		
Tentative Tract Map (additional plan check fees per sheet)	\$341.00	\$349.00
Tentative Tract Map Modification *	\$2,874.00	\$2,943.00
Variance - <del>Minor and Minor Modifications-Commercial</del> and Modifications to Variance Commercial	\$2,376.00	\$2,433.00
Variance - Residential and Modification to Variance Residential	\$774.00	\$793.00
Zone Change **See General Plan Amendment		
Zone Code Amendment/Code Change	\$3,307.00	\$3,386.00
Zoning and General Plan Map Copies (11" X 17" folded)	\$5.00	\$5.00
Zoning and General Plan Map Copies (wall map)	\$10.00	\$10.00
* Add General Plan Maintenance/Update Fee		

<b>FIRE DEPARTMENT</b>	<b>FEE</b>	<b>Proposed 2.4 % CPI increase</b>
<b>Fire Administration, General</b>		
Vacant Lot Weed Abatement - Contractor's Charge, plus 100% Admin	Cost of Service	Cost of Service
Lien Release Request - First Lien	\$278.00	\$285.00
Lien Release Request - Additional Lien	\$278.00	\$285.00
Incident Report Request Fee (Prior to 01/01/12)	\$0.25	\$147.25
Reproduction (Up to 11" x 17") - Black/White	\$0.25	\$376.25
Reproduction (Up to 11" x 17") - Color	\$0.50	\$172.50
Reproduction (Larger than 11" x 17") - Black/White or Color	\$10.00	\$182.00
<b>Engine Company, General</b>		
Engine Company Standby (Personnel Plus Equipment Time)	Cost of Service	Cost of Service
First or Second False Alarm	Set by Ordinance	Set by Ordinance
Third Response to False Alarm within 365 Consecutive Day Period	Set by Ordinance	Set by Ordinance
Fourth Response to False Alarm within 365 Consecutive Day Period	Set by Ordinance	Set by Ordinance
Fifth Response to False Alarm within 365 Consecutive Day Period	Set by Ordinance	Set by Ordinance
Prevention Standby	Cost of Service	Cost of Service
<b>Care Facilities/Educational Institutions</b>		
Other State Mandated Inspections	\$180.00	\$184.00
State Mandate Pre-Inspection for Residential Care or Child Care (25 or Fewer)	\$55.00	\$56.00
State Mandate Pre-Inspection for Residential Care or Child Care (26 or More)	\$108.00	\$111.00
<b>Special Event Inspections (Temporary Events/Permits)</b>		
Vendor Booth Inspection	\$11.00	\$11.00
Cooking Booth Inspection	\$22.00	\$23.00
Events that combined (Above fee's) are in excess of \$500.00 this single flat fee will apply.	\$500.00	\$500.00
<b>Business Fire Safety Inspections</b>		
Small Businesses (1 sq. ft. - 4,999 sq. ft.)	Set by Ordinance	Set by Ordinance
Medium Businesses (5,000 sq. ft. - 9,999 sq. ft.)	Set by Ordinance	Set by Ordinance
Large Businesses (10,000 sq. ft. and greater)	Set by Ordinance	Set by Ordinance
Places of Assembly (Occupancy of 50 or more persons)	Set by Ordinance	Set by Ordinance
Sub-Leased Businesses in any Portion of Another Existing Business	Set by Ordinance	Set by Ordinance
<b>Operational Permits</b>		
Aerosol Products	\$85.00	\$87.00
Battery Systems Stationary Storage	\$85.00	\$87.00
Candles and Open Flames	\$64.00	\$66.00
Carnivals & Fairs	\$177.00	\$181.00
Cellulous Nitrate	\$177.00	\$181.00
Christmas Tree Lot/ Pumpkin Patches	\$106.00	\$109.00
Combustible Fiber Storage/Handling	\$135.00	\$138.00
Compressed Gases Storage/Handling	\$92.00	\$94.00
Cryogenic Fluids	\$99.00	\$101.00
Dry Cleaning Plants	\$99.00	\$101.00
Dust Producing Operations	\$85.00	\$87.00
Family Daycare- Large	\$128.00	\$131.00
Firework Display	\$255.00	\$261.00
Flammable Combustible Liquids Storage /Handling	\$170.00	\$174.00
Hazardous Materials Storage or Production	\$128.00	\$131.00
High Piled Combustible Storage 0-10k sq. ft.	\$170.00	\$174.00
High Piled Combustible Storage 10k to 50k sq. ft.	\$234.00	\$240.00
High Piled Combustible Storage 51k to 100k sq. ft.	\$298.00	\$305.00
High Piled Combustible Storage 100k + sq. ft.	\$361.00	\$370.00
Hot Works	\$85.00	\$87.00
Liquefied Petroleum Gases	\$92.00	\$94.00

<b>FIRE DEPARTMENT</b>	<b>FEE</b>	<b>Proposed 2.4 % CPI increase</b>
Lumber Yards	\$92.00	\$94.00
Miscellaneous Combustible Storage	\$99.00	\$101.00
Motor Vehicle/Marine Fuel Dispensing Stations	\$99.00	\$101.00
Ovens: Industrial Baking or Drying	\$220.00	\$225.00
Place of Assembly	\$255.00	\$261.00
Private Schools	\$106.00	\$109.00
Refrigeration Equipment	\$92.00	\$94.00
Residential Care Facility: Pre-Inspection	\$283.00	\$290.00
Residential Care Facility: 7+ People	\$106.00	\$109.00
Spraying or Dipping Finishes	\$170.00	\$174.00
Tires: Storage including Scrap & Byproducts	\$170.00	\$174.00
Underground Tank Removal	\$170.00	\$174.00
<b>New Construction Plan Review (Inspections Included in Fee)</b>		
<b>Fire Alarm System (New System)</b>		
1-25 Devices	\$298.00	\$305.00
26+ Devices	\$468.00	\$479.00
<b>Fire Alarm System Modification/Tenant Improvement</b>		
1-50 Devices	\$264.00	\$270.00
51+ Devices	\$383.00	\$392.00
<b>NFPA 13 Fire Sprinkler System</b>		
1-100 sprinklers	\$340.00	\$348.00
101+ sprinklers	\$638.00	\$653.00
<b>NFPA 13D/13R Fire Sprinkler System</b>		
1-100 sprinklers	\$298.00	\$305.00
101+ sprinklers	\$595.00	\$609.00
<b>Fire Sprinkler System Modification/Tenant Improvement</b>		
1-20 sprinklers	\$213.00	\$218.00
21+ sprinklers	\$553.00	\$566.00
<b>Standpipe System</b>		
Base Fee	\$425.00	\$54.00
Per Floor	\$53.00	\$53.00
<b>Other Suppression Systems</b>		
Hood & Duct/Clean Extinguishing System	\$361.00	\$370.00
Research/Technical Report Review/Misc.	\$213.00	\$218.00
Fire Pumps-NFPA 20	\$616.00	\$631.00
Underground Fire Service Mains (Per Building)	\$425.00	\$435.00
<b>Building Permit Plan Review</b>		
Building Plan Review	\$331.00	\$339.00
TI Plan Review	\$232.00	\$238.00
<b>Misc. New Construction</b>		
Spray Booth	\$213.00	\$261.00
Rack/High Pile	\$255.00	\$261.00
Hazardous Materials	\$255.00	\$255.00
<b>Misc. Plan Review Fees</b>		
Revision Submittals/Over the Counter Approval	\$61.00	\$62.00
Expedited Plan Review within 48 Hours (Monday-Friday excluding Holidays).	Double the Standard Fee	
<p><b>Notes: "Please note that some new construction fees have been combined and additional specific operational permits have been added." Additionally all fees are based on a fully burden rate (cost for plan review, inspections, vehicle cost, and administrative support). Repeated failed inspections or extensive plan revisions may require the applicable fee(s) to be resubmitted to cover the additional costs of the re-inspections and/or revised plan review.</b></p>		

<b>SHERIFF'S DEPARTMENT</b>		<b>Fee</b>	<b>No Proposed Fee Change</b>
Citation Correction Certification		\$26.00	\$26.00
DUI Emergency Response Recovery		*Cost of Service	*Cost of Service
*Charge up to statutory limit at the County and City approved rate for staff and equipment			
Jail Access Booking Fee (set by County Study & Resolution)		\$450.22	\$450.22
*County's cost charged to City to provide this service; not to exceed \$450.22			
Reproduction (up to 11" x 17") - Black/White		\$0.25	\$0.25
Reproduction (up to 11" x 17") - Color		\$0.50	\$0.50
Reproduction (larger than 11" x 17") - Black/White or Color		\$10.00	\$10.00
Vehicle Impound Cost Recovery		\$150.00	\$150.00
Vehicle (VIN) Verification Service		\$83.00	\$83.00
<b>Fines Related to Parking Violations</b>			
<b>Municipal Code Section</b>	<b>Violation</b>		
10.08 et al	All violations not enumerated	\$26.00	\$26.00
10.08.030A	Parking in equestrian trail	\$130.00	\$130.00
10.08.030B	Obstruct traffic or hazard	\$26.00	\$26.00
10.08.030C	Obstruct private driveway	\$26.00	\$26.00
10.08.030D	Obstruct fire equipment to hydrant	\$130.00	\$130.00
10.08.030E	Posted no parking or permit only	\$26.00	\$26.00
10.16.060	Commercial vehicle prohibition	\$130.00	\$130.00
10.16.070	Unattached trailer prohibition	\$26.00	\$26.00
Any other M.C. section	Any parking violation not otherwise listed	\$26.00	\$26.00
<b>Vehicle Code Section</b>	<b>Violation</b>		
4000(a)(1)	Unregistered vehicle	\$78.00	\$78.00
21113(a)	Permit required – public grounds	\$26.00	\$26.00
22500(a)	Improper parking - intersection	\$26.00	\$26.00
22500(b)	Improper parking - crosswalk	\$26.00	\$26.00
22500(c)	Improper parking – safety zone	\$26.00	\$26.00
22500(d)	Improper parking – fire station	\$26.00	\$26.00
22500(e)	Improper parking - driveway	\$26.00	\$26.00
22500(f)	Improper parking - sidewalk	\$26.00	\$26.00
22500(g)	Improper parking – obstruct traffic	\$26.00	\$26.00
22500(h)	Improper parking – double park	\$26.00	\$26.00
22500(i)	Improper parking – bus zones	\$26.00	\$26.00
22500(j)	Improper parking - tunnel	\$26.00	\$26.00
22500(k)	Improper parking - bridge	\$26.00	\$26.00
22500(l)	Parking in wheelchair access	\$207.00	\$207.00
22500.10	Parking in fire lane	\$130.00	\$130.00
22507.8(a)	Designated parking - disabled	\$312.00	\$312.00
22514.00	Parking - fire hydrant	\$130.00	\$130.00
Any other V.C. Section	Any parking violation not otherwise listed	\$26.00	\$26.00
22502(a)	Improper parking – 18" from curb	\$26.00	\$26.00
5200(a)	Improper/Fail to display license plate	\$78.00	\$78.00
5204(a)	Registration tabs properly affixed	\$78.00	\$78.00

<b>PUBLIC WORKS DEPARTMENT</b>	<b>Fee</b>	<b>Proposed 2.4% CPI Increase</b>
Blasting Permit - Initial Fee	\$386.00	\$395.00
Blasting Permit - Each Additional Blast	\$235.00	\$241.00
Encroachment - Single Domestic Water Service (line only) 1" & 2"	\$184.00	\$1,888.00
Encroachment - Commercial Utility Lateral (sewer & water 3" & above)	\$235.00	\$241.00
Encroachment - SFR Driveway Approach	\$235.00	\$241.00
Encroachment - SFR Driveway Pavers (non-trail side)	\$256.00	\$262.00
Encroachment - SFR Trail Pavers	\$329.00	\$337.00
Encroachment - SFR Curb Core	\$140.00	\$143.00
Encroachment - Commercial Driveway	\$353.00	\$361.00
Encroachment - Commercial Trail Pavers	\$380.00	\$389.00
Encroachment - Sign in Right of Way	\$235.00	\$241.00
Encroachment - Utility Street Cut - 4.5% of cost estimate, Minimum of:	\$235.00	\$241.00
Final Map Check (fee plus \$414/lot) - Includes first three plan checks	\$2,246.00	\$2,300.00
Final Map Check (after three checks) - Charge Fully Burdened Staff Rate against an initial deposit	\$474.00	\$485.00
Grading and Posting Plan Review - Residential	\$467.00	\$478.00
Grading and Posting Plan Review - Commercial-Charge UBC, Minimum of \$1,614 for the first 3 plan checks and \$138 for addtl. plan checks or fully burdened hourly rate with a \$1,614 minimum.	\$1,722.00	\$1,763.00
Grading Permit/Inspection - Residential	\$409.00	\$419.00
Grading Permit/Inspection - Other - Charge UBC, Minimum of:	\$1,235.00	\$1,265.00
Lot Line Adjustment (Includes 3 plan checks, additional checks at fully burdened staff rate)	\$1,101.00	\$1,127.00
Lot Merger - Deposit for Fully Burdened Staff Rate, Minimum:	\$790.00	\$809.00
Overload Moving Permit - One Day	\$16.00	\$16.00
Overload Moving Permit - Annual Permit	\$102.00	\$104.00
PAKA Creation	\$274.00	\$281.00
PAKA Relocation	\$274.00	\$281.00
Reproduction (up to 11" x 17") - Black/White	\$0.25	\$0.25
Reproduction (up to 11" x 17") - Color	\$0.50	\$0.51
Reproduction - (Larger than 11" x 17" sheet) Black/White or Color	\$10.00	\$10.00
Technical Report Review - Charge full cost against a deposit with a Minimum of:	\$481.00	\$493.00
Water Meter Change Out *Fee plus cost of meter and meter box	\$35.00	\$36.00
WQMP/Hydrology Review (Deposit) *Actual cost plus 21% of admin. charge or \$500 whichever is greater.	\$500.00	\$516.00
5/8" and 3/4" Water Meter Only	\$203.00	\$208.00
1" Water Meter Only	\$682.00	\$698.00
Public Improvement/Plan Check Inspection Fees - Charge according to valuation table shown in Exhibit "B"	See Exhibit "B"	
Reinspection Fee	\$55.00	\$56.00

Exhibit "B"

<b>PUBLIC WORKS DEPARTMENT</b>	
Valuation	
<b>PUBLIC IMPROVEMENT PLAN CHECK</b>	
	<b>FEE</b>
\$0 - \$10,000	\$541.00
\$10,001 - \$100,000	\$541 + 2.5% OF VALUATION OVER \$10,000
\$100,001 - \$1,000,000	\$2,791 + 1.5% OF VALUATION OVER \$100,000
>\$1,000,000	\$16,291 + 1% OF VALUATION OVER \$1,000,000
<b>PUBLIC IMPROVEMENT INSPECTION</b>	
	<b>FEE</b>
\$0-\$10,000	\$304.00
\$10,001 - \$100,000	\$304 + 2% OF VALUATION OVER \$10,000
\$100,001 - \$1,000,000	\$2,104 + 1% OF VALUATION OVER \$100,000
>\$1,000,000	\$11,104 + 0.5% OF VALUATION OVER \$1,000,000

**CITY OF NORCO  
PLANNING DEPARTMENT  
BUILDING AND SAFETY DIVISION**

**Table A**

**BUILDING VALUATION GUIDE SHEET (Average Square Foot Construction Cost) a,b,c,d**

OCCUPANCY GROUP-2007 CA BLDG CODE		TYPE OF CONSTRUCTION							
		IA	376	IIB	IIIA	IIIB	IV	VA	VB
A-1	Assembly, Theaters, with Stage	\$198.09	\$172.00	\$179.39	\$168.88	\$163.90	\$173.66	\$154.09	\$148.42
	Assembly, Theaters, without Stage	\$179.41	\$172.00	\$160.71	\$150.24	\$145.26	\$154.97	\$135.45	\$129.78
A-2	Assembly, Nightclubs	\$151.36	\$35.00	\$137.79	\$129.27	\$126.09	\$132.96	\$117.61	\$113.65
A-2	Assembly, Restaurants, Bars, Banquet Halls	\$150.36	\$119.00	\$136.79	\$127.74	\$125.09	\$131.96	\$115.61	\$112.65
A-3	Assembly, Churches	\$182.56	\$29.00	\$163.86	\$153.36	\$148.38	\$158.12	\$138.57	\$132.90
A-3	Assembly, General, Community Halls, Libraries, Museums		\$16.00						
		\$154.36	\$35.00	\$135.66	\$123.58	\$120.18	\$129.93	\$109.37	\$104.69
A-4	Assembly, Arenas	\$178.41	\$74.00	\$159.71	\$148.24	\$144.26	\$153.97	\$133.45	\$128.78
B	Business	\$153.33	\$36.00	\$136.34	\$124.01	\$119.35	\$131.00	\$108.67	\$104.20
E	Educational	\$168.14	\$119.00	\$150.98	\$141.50	\$134.27	\$145.99	\$124.54	\$119.84
F-1	Factory and Industrial, Moderate Hazard	\$92.98	\$154.00	\$80.88	\$72.40	\$69.23	\$77.63	\$59.62	\$56.41
F-2	Factory and Industrial, Low Hazard	\$91.98	\$154.00	\$79.88	\$72.40	\$68.23	\$76.63	\$59.62	\$55.41
H-1	High Hazard, Explosives	\$87.15	\$90.00	\$75.05	\$67.75	\$63.57	\$71.80	\$54.97	N.P.
H234	High Hazard	\$87.15	\$117.00	\$75.05	\$67.75	\$63.57	\$71.80	\$54.97	\$50.76
H-5	HPM	\$153.33	\$29.00	\$136.34	\$124.01	\$119.35	\$131.00	\$108.67	\$104.20
I-1	Institutional, Supervised Environment	\$153.80	\$61.00	\$136.69	\$129.50	\$125.96	\$136.98	\$117.23	\$112.64
I-2	Institutional, Hospitals	\$258.06	\$26.00	\$241.07	\$228.10	N.P.	\$235.73	\$212.76	N.P.
I-2	Institutional, Nursing Homes	\$180.45	\$174.93	\$163.46	\$151.54	N.P.	\$158.11	\$136.20	N.P.
I-3	Institutional, Restrained	\$176.22	\$170.71	\$159.23	\$148.16	\$142.50	\$153.89	\$132.82	\$126.35
I-4	Institutional, Day Care Facilities	\$153.80	\$148.53	\$138.69	\$129.50	\$125.96	\$139.98	\$117.23	\$112.64
M	Mercantile	\$112.50	\$31.00	\$98.92	\$90.48	\$87.82	\$94.09	\$78.34	\$75.38
PO	Pipe Frame AG Structure - Open (no walls)	\$16.00	\$147.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00
PE	Pipe Frame AG Structure - Enclosed	\$28.00	\$147.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
R-1	Residential, Hotels	\$155.77	\$115.00	\$140.66	\$131.24	\$127.69	\$141.71	\$118.97	\$114.37
R-2	Residential, Multiple Family	\$130.60	\$94.00	\$115.49	\$106.19	\$102.65	\$116.67	\$93.92	\$89.32
R-3	Residential, One and Two-Family	\$123.28	\$34.00	\$113.77	\$109.66	\$106.79	\$111.84	\$102.72	\$96.83
R-4	Residential, Care/Assisted Living Facilities	\$153.80	\$16.00	\$138.69	\$129.50	\$125.96	\$139.98	\$117.23	\$112.64
S-1	Storage, Moderate Hazard	\$86.15	\$62.00	\$74.05	\$65.75	\$62.57	\$70.80	\$52.97	\$49.76
S-2	Storage, Low Hazard	\$85.15	\$32.00	\$73.05	\$65.75	\$61.57	\$69.80	\$52.97	\$48.76
U	Utility, Miscellaneous	\$65.81	\$190.00	\$55.59	\$50.20	\$46.80	\$52.46	\$39.63	\$37.72

- a Private Garages use Utility, miscellaneous
- b Unfinished basements (all use group) = \$15.00 per sq. ft.
- c For shell only buildings deduct 20 percent.
- d N.P. = not permitted

**CITY OF NORCO  
PLANNING DEPARTMENT  
BUILDING AND SAFETY DIVISION  
TABLE 1 - A**

**BUILDING PERMIT FEES (BASED ON VALUATION)**

TOTAL VALUATION	FEE CALCULATION	TOTAL FEE
\$1.00 to \$500.00	\$23.50	\$23.50
\$501.00 to \$2,000.00	\$23.50 for the first \$500.00 plus \$3.05 for each additional \$100.00, or a fraction thereof, to and including \$2,000.00	*
\$2,000.00 to \$25,000.00	\$69.25 for the first \$2000.00 plus \$14.00 for each additional \$1,000.00, or a fraction thereof, to and including \$25,000.00	*
\$25,000.00 to \$50,000.00	\$391.75 for the first \$25,000.00 plus \$10.10 for each additional \$1,000.00, or a fraction thereof, to and including \$50,000.00	*
\$50,000.00 to \$100,000.00	\$643.75 for the first \$50,000.00 plus \$7.00 for each additional \$1,000.00, or a fraction thereof, to and including \$100,000.00	*
\$100,001.00 to \$500,000.00	\$993.75 for the first \$100,000.00 plus \$5.60 for each additional \$1,000.00, or a fraction thereof, to and including \$500,000.00	*
\$500,000.00 to \$1,000,000.00	\$3,233.75 for the first \$500,000.00 plus \$4.75 for each additional \$1,000.00, or a fraction thereof, to and including \$1,000,000.00	*
\$1,000,000.00 and up	\$5,608.75 for the first \$1,000,000.00 plus \$3.15 for each additional \$1,000.00, or a fraction thereof	*
<b>Other Inspections and Fees:</b>		*
1. Inspections outside of normal business hours, per hour (minimum charge-two hours)	\$49.50*	*
2. Reinspection fees assessed under provisions of Section 116.6 per inspection	49.50	*
3. Inspections for which no fee is specifically indicated, per hour (minimum charge - one-half hour)	\$49.50*	*
4. Additional plan review required by changes, additions or revisions to plans. (minimum charge - one-half hour)	\$49.50*	*
5. For the use of outside consultants for plan check and inspections, or both	Actual costs**	*
* Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employee involved.		
**Actual costs include administrative and overhead costs.		

**\* TOTAL FEE IS EQUAL TO TABLE 1-A FEE CALCULATION X 1.23**

**CITY OF NORCO  
PLANNING DEPARTMENT  
BUILDING AND SAFETY DIVISION**

**TABLE C**

<b>MISCELLANEOUS FIXED FEES</b>	<b>FEE</b>	<b>Proposed 2.4% CPI increase</b>
<b>PERMIT TYPES</b>		
Assignment of Property Addresses	1 hour of staff time	
Carport	Based on the Building Permit Fee Table 1-A	
Commercial Deck - Engineered	Based on the Building Permit Fee Table 1-A	
Commercial Lattice patio Cover	Based on the Building Permit Fee Table 1-A	
Commercial Re-Roofing Replacements	Based on the Building Permit Fee Table 1-A	
Commercial Structural Roofing Alteration	Based on the Building Permit Fee Table 1-A	
Commercial Swimming Pool	Based on the Building Permit Fee Table 1-A	
Duplicate Job Card	\$25.00	\$26.00
Electric Meter Reset Release	\$104.00	\$106.00
Flatwork		
Garden Walls, City Standard, Single Lot	Based on the Building Permit Fee Table 1-A	
Garden Walls, Engineered, Single Lot	Based on the Building Permit Fee Table 1-A	
Microfilming Plans - 8 1/2" x 11" sheet	\$0.50	\$0.50
Microfilming Plans - for each larger sheet	\$2.00	\$2.00
Outdoor Landscape Irrigation Review	Fully Burdened - hourly rate	
Photovoltaic Systems	Permit Fee Table 1-A Per AB 1801 & SB 1222	
Records Archiving - (8 1/2 x 11)	\$0.25	\$0.25
Records Archiving - (Larger than 8 1/2 x 11)	\$2.00	\$2.00
Residential Deck/Balcony	Based on the Building Permit Fee Table 1-A	
Residential Lattice Patio Cover	Based on the Building Permit Fee Table 1-A	
Residential Re-Roofing Replacements	Based on the Building Permit Fee Table 1-A	
Residential Solid Patio Cover	Based on the Building Permit Fee Table 1-A	
Residential Structural Roofing Alteration	Based on the Building Permit Fee Table 1-A	
Residential Swimming Pools	Based on the Building Permit Fee Table 1-A	
Retaining Walls - Engineered	Based on the Building Permit Fee Table 1-A	
Retaining Walls, City Standard, Single Lot	Based on the Building Permit Fee Table 1-A	
Retaining Walls, Engineered, Single Lot	Based on the Building Permit Fee Table 1-A	
S-50 Special Inspections	\$175.00	\$179.00
S-60 Plan Check (Non-Repetitive)	Charge 65% of the Building Permit fee, \$102 for each plan check thereafter	
S-70 Plan Check (Repetitive)	Charge 46% of the Building Permit fee, \$102 for each plan check thereafter	
S-80 Demolition Permit	\$226.00	\$231.00
S-90 Water and Sewer Connection	\$195.00	\$200.00
S-100 Relocation Permit - plus Planning Department Application	\$835.00	\$855.00
S-110 Fire Permit Processing	\$60.00	\$61.00
S-120 Temporary Certificate of Occupancy	\$496.00	\$508.00
S-130 Temporary Power/Utilities	\$333.00	\$340.00
S-150 Certificate of Occupancy New Building	\$586.00	\$600.00
S-160 Tenant Certificate of Occupancy	\$327.00	\$335.00
Signage	Based on the Building Permit Fee Table 1-A	
Special Inspector - Annual Registration	\$0.00	\$0.00
<b>Manufactured Homes Permit Fees - Reference Title 25</b>		

**Electrical Permit Fees**  
**Table 3 - A**

Electrical Permit Description	Fee	Proposed 2.4% CPI increase
<b>Permit Issuance:</b>		
1. For the issuance of each electrical permit	\$30.00	\$31.00
2. For the issuing of each supplemental permit for which the original permit has not expired, been canceled or finalized	\$8.00	\$8.00
<b>System Fee Schedule:</b>		
<b>1. New Residential Buildings</b>		
The following fees shall include all wiring and electrical equipment in or on each building, or other electrical equipment on the same premises constructed at the same time.		
<b>Multifamily.</b> For new multi-family-residential buildings (apartments and condominiums) having three or more living units constructed at the same time, and not including the area of garages, carports, and accessory buildings, per square foot:	\$0.05	\$0.05
<b>Single- and two-family.</b> For new single- and two-family-residential buildings constructed at the same time, and not including the area of garages, carports, and accessory buildings, per square foot:	\$0.06	\$0.06
Note: For other types of residential occupancies and alterations, additions, and modifications to existing residential buildings, use the UNIT FEE SCHEDULE.		
<b>2. New Commercial Buildings</b>		
For new non-residential buildings per square foot	N/A	
<b>3. Private Swimming Pools</b>		
For new private, in-ground swimming pools for single-family and multi-family occupancies, including a complete system of necessary branch circuit wiring, bonding, grounding, underwater lighting, water pumping, and other similar electrical equipment directly related to the operation of a swimming pool, each pool:	\$52.00	\$53.00
Note: For other types of swimming pools, therapeutic whirlpools, spas, and alterations to existing swimming pools, use the UNIT FEE SCHEDULE		
<b>4. Carnivals and Circuses</b>		
Carnivals, circuses, or other traveling shows or exhibitions utilizing transportable-type rides, booths, displays, and attractions.		
For electric generators and electrically-driven rides, each:	\$26.00	\$27.00
For mechanically-driven rides and walk-through attractions or displays having electric lighting, each:	\$8.00	\$8.00
For a system of area and booth lighting, each:	\$8.00	\$8.00
Note: For permanently-installed rides, booths, displays, and attractions, use the UNIT FEE SCHEDULE		
<b>5. Temporary Power Services</b>		
For a temporary service power pole or pedestal, including all pole or pedestal-mounted receptacle outlets and appurtenances, each:	\$26.00	\$27.00
For a temporary distribution system and temporary lighting and receptacle outlets for construction sites, decorative light, Christmas tree sales lots, fireworks stands, etc., each:	\$13.00	\$13.00
<b>Unit Fee Schedule</b>		
<b>NOTE:</b> The following do not include permit-issuing fee		
<b>1. Receptacle, Switch, and Lighting Outlets</b>		
For receptacle, switch, lighting, or other outlets at which current is used or controlled, except services, feeders, and meters:		
First 20, each:	\$1.25	\$1.25
Additional outlets, each:	\$1.00	\$1.00
NOTE: For multi-outlet assemblies, each five feet or fraction thereof may be considered as one outlet.		
<b>2. Lighting Fixtures</b>		
For lighting fixtures, sockets, or other lamp-holding devices:		
First 20, each:	\$1.25	\$1.25
Additional fixtures, each:	\$1.00	\$1.00
For pole or platform-mounted lighting fixtures, each:	\$1.25	\$1.25
For theatrical-type lighting fixtures or assemblies, each:	\$1.25	\$1.25

Electrical Permit Description	Fee	Proposed 2.4% CPI increase
<b>3. Residential Appliances</b>		
For fixed residential appliances or receptacle outlets for same, including wall-mounted electric ovens; counter-mounted cooking tops; electric ranges; self-contained room, console, or through-wall air conditioners; space heaters; food waste grinders; dishwashers; washing machines; water heaters; clothes dryers; or other motor-operated appliances not exceeding one horsepower (HP) in rating, each:	\$5.00	\$5.00
NOTE: For other types of air conditioners and other motor-driven appliances having larger electrical ratings, see Power Apparatus.		
<b>4. Non-Residential Appliances</b>		
For residential appliances and self-contained, factory-wired, non-residential appliances not exceeding one horsepower (HP), kilowatt (KW), or kilovoltampere (KVA) in rating, including medical and dental devices; food, beverage, and ice cream cabinets; illuminated show cases; drinking fountains; vending machines; laundry machines; or other similar types of equipment, each:	\$5.00	\$5.00
NOTE: For other types of air conditioners and other motor-driven appliances having larger electrical ratings, see Power Apparatus.		
<b>5. Power Apparatus</b>		
For motors, generators, transformers, rectifiers, synchronous converters, capacitors, industrial heating, air conditioners and heat pumps, cooking or baking equipment, and other apparatus, as follows:		
Rating in horsepower (HP), kilowatts (KW), kilovoltamperes (KVA), or kilovoltamperesreactive (KVAR):		
Up to and including 1, each:	\$50.00	\$51.00
Over 1 and not over 10, each:	\$13.00	\$13.00
Over 10 and not over 50, each:	\$28.00	\$29.00
Over 50 and not over 100, each:	\$57.00	\$58.00
Over 100, each:	\$86.00	\$88.00
<b>NOTES:</b>		
1) For equipment or appliances having more than one motor, transformer, heater, etc., the sum of the combined ratings may be used.		
2) These fees include all switches, circuit breakers, contactors, thermostats, relays, and other directly-related control equipment.		
<b>6. Signs, Outline Lighting, and Marquees</b>		
For signs, outline lighting systems, or marquees supplies from one branch circuit, each:	\$28.00	\$29.00
For additional branch circuits within the same sign, outline lighting system or marquee, each:	\$6.00	\$6.00
<b>7. Services</b>		
For services of 600 volts or less, and not over 200 amperes in rating, each:	\$103.00	\$105.00
For services of 600 volts or less, and over 200 amperes to 1,000 amperes in rating, each:	\$103.00	\$105.00
For services over 600 volts or over 1,000 amperes in rating, each:	\$143.00	\$146.00
<b>8. Miscellaneous Apparatus, Conduits, and Conductors</b>		
For electrical apparatus, conduits, and conductors for which a permit is required, but for which no fee is herein set	\$21.00	\$22.00
NOTE: This fee is not applicable when a fee is paid for one or more services, outlets, fixtures, appliances, power apparatus, bus ways, signs, or other equipment.		
<b>Other Inspections and Fees:</b>		
Inspections outside of normal business hours, per hour (minimum charge - two hours)	\$52.00	\$53.00
Reinspection fees assessed under provisions of Section 89.108.4.4 of the 2010 California Electrical Code, per	\$52.00	\$53.00
Inspections for which no fee is specifically indicated, per hour (minimum charge - one-half hour)	\$52.00	\$53.00
Additional plan review required by changes, additions or revisions to plans or to plans for which an initial review has been completed (minimum charge - one-half hour)	\$52.00	\$53.00
* Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.		

**Mechanical Permit Fees**  
**Table I - A**

Mechanical Fee Description	Fee	Proposed 2.4% CPI increase
<b>Permit Issuance and Heaters:</b>		
1. For the issuance of mechanical permits	\$30.00	\$31.00
2. For issuing each supplemental permit for which the original permit has not expired, been canceled or finalized	\$9.00	\$9.00
<b>Unit Fee Schedule:</b> Note: The following do not include permit issuing fee.		
<b>1. Furnaces:</b>		
For the installation or relocation of forced-air or gravity-type furnaces or burners, including ducts and vents attached to such appliances, up to and including 100,000 Btu/h	\$19.00	\$19.00
For the installation or relocation of forced-air or gravity-type furnaces or burners, including ducts and vents attached to such appliances over 100,000 Btu/h	\$23.00	\$24.00
For the installation or relocation of each floor furnaces, including vents	\$19.00	\$19.00
For the installation or relocation of each suspended heaters, Recessed wall heaters or floor-mounted unit heaters	\$19.00	\$19.00
<b>2. Appliance Vents</b>		
For the installation, relocation or replacement of appliance vents installed and not included in an appliance permit	\$90.00	\$92.00
<b>3. Repairs or Additions</b>		
For the repair of, alteration of, or addition to heating appliances, refrigeration units, cooling units, absorption units, or heating, cooling, absorption or evaporative cooling systems, including installation of controls regulated by the Mechanical Code	\$17.00	\$17.00
<b>4. Boilers, Compressors and Absorption Systems:</b>		
For the installation or relocation of each boiler or compressor up to and including three (3) HP, or each absorption systems up to and including 100,000 Btu/h	\$18.00	\$18.00
For the installation or relocation of each boiler or compressor over three (3) HP up to and including 500,000 Btu/h	\$35.00	\$36.00
For the installation or relocation of each boiler or compressor over 15 HP up to and including thirty (30) HP, or each absorption systems over 500,000 Btu/h up to and including 1,000,000 Btu/h	\$48.00	\$49.00
For the installation or relocation of each boiler or compressor over thirty (30) HP, up to and including fifty (50) HP, or for each absorption system over 1,000,000 Btu/h up to and including 1,750,000 Btu/h	\$70.00	\$72.00
<b>5. Air Handlers:</b>		
For each air-handling unit up to and including 10,000 cfm, including ducts attached thereto. )	\$13.00	\$13.00
For air-handling unit over 10,000 cfm	\$23.00	\$24.00
<b>NOTE:</b> This fee does not apply to an air-handling unit which is a portion of a factory-assembled appliance, cooling unit, evaporative cooler or absorption unit for which a permit is required elsewhere in the Mechanical Code		
<b>6. Evaporative Coolers</b>		
For each evaporative cooler other than portable type	\$13.00	\$13.00
<b>7. Ventilation and Exhaust:</b>		
For each ventilation fan connected to a single duct	\$9.00	\$9.00
For each ventilation system that is not a portion of any heating or air-conditioning system authorized by a permit	\$13.00	\$13.00
For the installation of each hood that is served by mechanical exhaust, including the ducts for such hood	\$13.00	\$13.00

<b>Mechanical Fee Description</b>	<b>Fee</b>	<b>Proposed 2.4% CPI increase</b>
<b>8. Incinerators:</b>		
For the installation or relocation of each domestic-type incinerator	\$23.00	\$24.00
For the installation or relocation of each commercial or industrial-type Incinerator	\$18.00	\$18.00
<b>9. Miscellaneous</b>		
For each appliances or piece of equipment regulated by the Mechanical Code, but not classed in other appliance categories, or for which no other fee is listed in this table	\$13.00	\$13.00
<b>10. Fuel-Gas</b>		
When Chapter 12 is applicable, permit fees for fuel-gas piping shall be as follows:		
For each gas piping system of one to five outlets	\$6.00	\$6.00
For each additional gas piping system, per outlet	\$1.40	\$1.40
<b>11. Process Piping</b>		
For each hazardous process piping system (HPP) of one to four outlets	\$6.25	\$6.40
For each HPP piping system of five or more outlets, per outlet	\$1.25	\$1.25
For each non-hazardous process piping system (NPP) of one to four outlets	\$2.50	\$2.50
For each NPP piping system of five or more outlets, per outlet	\$66.00	\$68.00
<b>Other Inspections and Fees:</b>		
1. Inspections outside of normal business hours, per hour (minimum charge - two hours)	\$53.00	\$54.00
2. Reinspection fees assessed under provisions of Section 1.8.4.2 of the 2010 California Mechanical Code per inspection	\$53.00	\$54.00
3. Inspections for which no fee is specifically indicated, per hour (minimum charge - one-half hour)	\$53.00	\$54.00
4. Additional plan review required by changes, additions or revisions to plans or to to plans for which an initial review has been completed (minimum charge - one-half hour)	\$53.00	\$54.00
* Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.		

## Plumbing Permit Fees

Table I - I

Plumbing Permit Description	Fee	Proposed 2.4 % CPI increase
<b>Permit Issuance:</b>		
1. For the issuance of each plumbing permits	\$30.00	\$31.00
2. For issuing each supplemental permits for which the original permit has not expired, been canceled or finalized	\$15.00	\$15.00
<b>Unit Fee Schedule</b>		
NOTE: The following do not include permit-issuing fee		
<b>1. Fixtures and Vents:</b>		
For each plumbing fixture, trap or set of fixtures on one trap, including water, drainage piping and backflow protection thereof	\$11.00	\$11.00
For repair or alteration of drainage or vent piping, each fixture	\$11.00	\$11.00
<b>2. Sewers, Disposal Systems and Interceptors:</b>		
For each building sewer and each trailer park sewer	\$22.00	\$23.00
For each cesspool	\$38.00	\$39.00
For each private sewage disposal system	\$63.00	\$64.00
For each industrial waste pretreatment interceptors, including its traps and vents, excepting kitchen-type grease interceptors functioning as fixture traps	\$10.00	\$10.00
Rainwater systems-per drain (inside building)	\$10.00	\$10.00
<b>3. Water Piping and Water Heaters</b>		
For installation, alteration, or repair of water piping or water-treating equipment, or both, each	\$10.00	\$10.00
For each water heaters, including vent	\$10.00	\$10.00
<b>4. Gas Piping Systems</b>		
For each gas piping systems of one to five outlets	\$7.50	\$8.00
For each additional outlet over five, each	\$1.50	\$1.50
<b>5. Lawn Sprinklers, Vacuum Breakers and Backflow Protection Devices</b>		
For each lawn sprinkler systems on any one meter, including backflow protection devices therefore	\$10.00	\$10.00
For atmospheric-type vacuum breakers or backflow protection devices not included in Item 1:		
▪ 1 to 5 devices	\$7.50	\$7.50
▪ More than 5 devices	\$1.50	\$1.50
For each backflow-protection devices other than atmospheric-type vacuum breakers		
▪ 2 inches and smaller	\$10.50	\$72.50
▪ Over 2 inches	\$22.00	\$22.50
<b>6. Swimming Pools</b>		
For each swimming pool or spa:		
Public Pool	N/A	
Public Spa	N/A	
Private Pool	N/A	
Private Spa	N/A	

Plumbing Permit Description	Fee	Proposed 2.4 % CPI increase
<b>7. Miscellaneous</b>		
For each appliances or pieces of equipment regulated by the Plumbing Code Code but not classed in other appliance categories, or for which no other fee is listed in this code		
For each gray water system	\$63.00	\$65.00
For initial installation and testing for a reclaimed water system	\$45.00	\$46.00
For annual cross-connection testing of a reclaimed water system (excluding initial test)	\$45.00	\$46.00
For each medical gas piping system serving one to five inlets or outlets for a specific gas	\$75.00	\$77.00
For each additional medical gas inlet or outlet	\$7.50	\$7.50
<b>Other Inspections and Fees:</b>		
Inspections outside of normal business hours, per hour (minimum charge - two hours)	\$53.00	\$54.00
Reinspection fees assessed under provisions of Section 1.8.4.2 of the 2010 California Plumbing Code	\$53.00	\$54.00
Inspections for which no fee is specifically indicated, per hour (minimum charge - one-half hour)	\$53.00	\$54.00
Additional plan review required by changes, additions or revisions to plans or to plans for which an initial review has been completed (minimum charge - one-half hour)	\$53.00	\$54.00
* Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.		

**CITY OF NORCO  
STAFF REPORT**

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Alma Robles, Senior Planner

DATE: May 18, 2016

SUBJECT: **Appeal Hearing: Conditional Use Permit 2015-40 (Sandoval):**  
An appeal of the Planning Commission's denial of a request for approval to allow a detached accessory building consisting of a 1,750 square-foot barn/storage building at 219 Gulfstream Lane located within the A-1-20 (Agricultural Low Density) Zone

**SUMMARY:** The request for Conditional Use Permit (CUP) 2015-40 was denied by the Planning Commission on April 13, 2016, but that decision has been appealed by the applicant to the City Council.

**PROJECT DESCRIPTION/ANALYSIS:** The subject property is located in the A-1-20 Zone, consists of about 1.21 acres/52,565square-feet, and is developed with a single family residence (ref. Exhibit "A" – Location Map, Exhibit "B" – APN Map and Exhibit "E" – Aerial and Site Photo). The property includes a recorded Primary Animal Keeping Area (PAKA) of 3,918 square feet located towards the south side of the property.

Accessory buildings that exceed 864 square feet require approval of a conditional use permit by the Planning Commission. Because approval of this accessory building has been appealed, it is now being considered by the City Council.

The site plan, building elevations and floor plan for the proposed building are attached (ref. Exhibit "C" – Site Plan and Exhibit "D" – Building Elevations and Floor Plan). The building is proposed to be wood framed construction with a stucco exterior and shake roof that will match the existing house in color. The barn/storage building is proposed with dirt floors and no interior drywall. The building is intended to accommodate the property owner's prized horses and storage of related animal-keeping items. Most of the barn (approximately 1,450 square feet) is proposed within the existing PAKA.

The following is required of accessory buildings in the A-1-20 Zone:

- The minimum setbacks of 5 feet from interior and rear property lines, 15 feet from a side property line adjacent to a street, and 10 feet from any other structure are required for accessory buildings. **The proposed building will meet these requirements.**
- The maximum height of any accessory structure that exceeds 864 square feet is 20 feet, or as approved by the Planning Commission (but in this case the City Council).

**The structure is proposed with a maximum height of about 19 feet as measured to the peak of the roof.**

- **The maximum lot coverage of all structures shall be not more than 40% of the total pad area. The pad area is defined as the “flat” part of the lot (4% grade or less). The maximum allowed coverage of a PAKA is 40%. The subject property is approximately 52,565 square feet, and about 17,590 square feet (pad size) of the property has an average grade of 4% or less. The pad coverage for the property is approximately 26%, which takes into account the existing and proposed structures. The PAKA coverage is proposed at 37%**

Properties in the A-1-20 Zone require a contiguous open animal area to be shown on the site plan in the review of accessory buildings. However, this property, while located in the A-1-20 Zone, has a recorded PAKA and therefore a contiguous open animal area is not required to be shown. Structures allowed in the PAKA must be for animal-keeping and related uses only.

As proposed, the project meets the minimum requirements for an accessory building over 864 square feet.

CUP 2015-40 was reviewed by the Planning Commission first on February 10, 2016. The Commission was concerned that that the design of the building (that includes roll up doors and man doors) did not reflect an animal-keeping structure but more of a Recreational Vehicle (RV) garage. A determination was not made on the project, but was continued with direction that the applicant modify the proposed building to reflect an actual animal-keeping structure since it was proposed in the PAKA on the property(ref. Exhibit “H” – Planning Commission Minutes dated February 10, 2016). The applicant was provided with a design example of an animal-keeping barn for reference (ref. Exhibit “F” – Barn Example).

In an effort to alleviate the concerns of the Commission, instead of modifying or moving the building, the applicant proposed to relocate the PAKA elsewhere on the property (ref. Exhibit “G” – PAKA Relocation Aerial and Photos). The existing PAKA is 3,918 square feet and the relocation would require the PAKA to be reduced to about 2,800 square feet, which is just above the minimum allowed in the A-1 zone. PAKA relocations are approved at staff level, but since the Planning Commission had concerns over the proposed building in the existing PAKA, the relocation was proposed as a condition of approval for final approval at staff level.

The Commission reviewed the project with the proposed relocation of the PAKA on April 13, 2016. The following information was reviewed by the Planning Commission in their review of the PAKA relocation.

In the A-1 Zone, the following is required for a PAKA with a new subdivision, but the same requirements would apply for a PAKA relocation.

- A. **The size of the PAKA shall be a minimum 2,728 square foot PAKA for a pad area less than 20,000 square feet and a 3,304 square foot PAKA for a pad area greater than 20,000 square feet. The property has a pad area of about 17,590 square**

**feet, so the minimum size of the PAKA would be 2,728 square feet. Staff did some preliminary measurements of the proposed PAKA area and the minimum square-footage can be provided.**

- B. All PAKAs shall be located in the rear yard area and shall be flat usable land with a slope of no greater than four percent. The PAKA is proposed in an area adjacent to the street which is normally considered the front and side yard, but because of the unique configuration of the property, the applicant is requesting that the PAKA be allowed in the proposed area since it serves as the rear yard. The proposed PAKA area is flat.**
- C. All PAKAs shall have a minimum width of 30 feet and be rectangular in shape. The proposed PAKA can meet the minimum 30-foot width on all sides and therefor the applicant is requesting approval of the configuration noted on the aerial.**
- D. All PAKAs shall have a 35-foot minimum setback from a habitable structure located on an adjacent lot. The proposed PAKA area will be at least 35 feet from the habitable structure on the adjacent lot.**
- E. PAKAs that are developed at a grade different than the pad where the residence is constructed shall have an access ramp with a slope no greater than 25 percent, and a minimum travel width of 12 feet. The proposed PAKA area is roughly at the same level as the house. Only a small ramp is needed from the existing driveway in front the house to the proposed PAKA.**
- F. No non-animal-related structure shall be allowed in the PAKA. Animal-related structures located within the PAKA shall not exceed 40 percent of the PAKA without prior approval of the City Council. No structure is being proposed in the new PAKA location.**
- G. The dedicated PAKA shall be recorded on each lot and included within the project's CC&Rs if applicable. This is required for PAKA relocations also.**
- H. Each lot shall be designed to have a minimum 15-foot flat, clear, and direct vehicular access to the PAKA as measured from the eave line. Overhead covers or roofs are prohibited. Access gates minimally 12 feet wide shall be permitted to cross the PAKA access. Access to the PAKA would be provided at the minimum 15-foot depth (which would be accessed from the driveway at the front of the property). The PAKA is at the same level as the residence, but is about three feet higher than the driveway on the property. A small amount of grading will have to be done to create vehicle access that is not completely flat, but with a slight grade. Access gates that are at least 12 feet wide will need to be provided.**

The Commission considered the above information but had several concerns. The most prominent concerns being over relocating a recorded PAKA and reducing the size of a recorded PAKA (ref. Exhibit "I" – Planning Commission Minutes dated April 13, 2016). The Planning Commission could not support the PAKA relocation as a condition of approval. As such, the building as designed was not approved in the current recorded PAKA location, and therefore the project was denied on a 4-1 vote.

If the City Council chooses to uphold the decision of the Planning Commission to deny the project, then a roll call vote is all that is needed. If the City Council chooses to approve the project a resolution of approval needs to be adopted. The City Council can either approve the building in the existing PAKA, or a condition can be added that the PAKA be relocated. A resolution for approval is attached and can incorporate any changes by the City Council.

Attachments:           Resolution 2016-27  
                              Exhibit "A" – Location Map  
                              Exhibit "B" – Assessor's Parcel Map  
                              Exhibit "C" – Site Plan  
                              Exhibit "D" – Building Elevations and Floor Plan  
                              Exhibit "E" – Aerial and Site Photos  
                              Exhibit "F" – Barn Example  
                              Exhibit "G" – PAKA Relocation Aerial and Photos  
                              Exhibit "H" – Planning Commission Minutes dated February 10, 2016  
                              Exhibit "I" – Planning Commission Minutes dated April 13, 2016

## **RESOLUTION NO. 2016-27**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO APPROVING A CONDITIONAL USE PERMIT TO ALLOW A DETACHED ACCESSORY BUILDING CONSISTING OF A 1,750 SQUARE-FOOT BARN/STORAGE BUILDING AT 219 GULFSTREAM LANE LOCATED WITHIN THE A-1-20 (AGRICULTURAL LOW DENSITY) ZONE. (CONDITIONAL USE PERMIT 2015-40)**

WHEREAS, DAVID SANDOVAL submitted an application to the City of Norco, California has been submitted for a conditional use permit under the provisions of Chapter 18.45, Title 18 of the Norco Municipal Code by for property located at 219 Gulfstream Lane (APN 133-330-016); and

WHEREAS, notice of a public hearing on said petition has been given in the manner and for times required by law; and

WHEREAS, at the time set, at 7 p.m. on February 10, 2016 and on April 13, 2016 within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, said petition was heard by the Planning Commission for the City of Norco; and

WHEREAS, at said time and place, said Planning Commission heard and considered both oral and written evidence; and

WHEREAS, on April 13, 2016 the Planning Commission denied said petition; and

WHEREAS, said action by the Planning Commission was appealed to the City Council of the City of Norco; and

WHEREAS, notice of a public hearing on said appeal has been given in the manner and for times required by law; and

WHEREAS, at the time set, at 7 p.m. on May 18, 2016 within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, said appeal was heard by the City Council for the City of Norco; and

WHEREAS, at said time and place, said City Council heard and considered both oral and written evidence; and

WHEREAS, the City of Norco, acting as the Lead Agency, has determined that the proposed project is exempt from environmental assessment.

NOW, THEREFORE, the City Council of the City of Norco does hereby find as follows:

A. The requested Conditional Use Permit will not adversely affect the general welfare of persons residing or working in the neighborhood thereof.

- B. The requested use will not adversely affect the adjoining land uses.
- C. The size and shape of the site proposed for the use is adequate to allow full development of the proposed use.
- D. The traffic generated by the proposed use will not impose an undue burden.
- E. The City of Norco, acting as lead agency, has determined that the project is categorically exempt from environmental assessment per Section 3.13, Class 3 of the City of Norco Environmental Guidelines.

NOW, THEREFORE, the City Council of the City of Norco hereby resolves as follows:

**SECTION 1:** the City Council of the City of Norco, California, in session assembled May 18, 2016 that the aforesaid application for a conditional use permit is granted, subject to the conditions provided in Section 18.45.14 of the Municipal Code of Norco, including, but not limited to the following conditions:

1. Approval is based on Exhibit "C" – Site Plan and Exhibit "D" – Building Elevations and Floor Plan dated February 2, 2016 and incorporated herein by reference and on file with the Planning Division. Development shall occur as shown unless otherwise noted in these conditions.
2. The recorded owner of the property shall submit to the Planning Division for record purposes, written evidence of agreement with all conditions of this approval before said permit shall become effective.
3. The project shall be in compliance with all City of Norco Municipal Codes, Ordinances and Resolutions. Non-compliance with any provisions of the Norco Municipal Code (NMC) not specifically waived in compliance with City procedures shall constitute cause for revocation and/or termination of the approvals granted under authority of this permit.
4. In the event conditions for approval by the Planning Commission, or City Council (as the case may be) require the revision of plans as submitted, the applicant shall submit four copies of the approved plan (revised to incorporate conditions for approval) to the Planning Division for record purposes for approval of any grading and/or building permits.
5. No occupancy of any building and/or structure shall be permitted which is not in compliance with approved plans and excepting upon specific review and approval of any "as built" modifications by the Planning Director as appropriate. Provided further, that no expansion of use beyond the scope and nature described in this application which would tend to increase the projected scale of

operations shall be permitted except upon application for, and approval of, modification of this application in compliance with all procedures and requirements thereof.

6. The applicant shall obtain building permits and pay all applicable fees before beginning construction of the structure on the subject property.
7. The applicant shall comply with all requirements from the Planning, Engineering, and Building Divisions; and the Fire and Sheriff's Departments; and all other applicable departments and agencies.
8. A home occupation business shall not be permitted from the subject building.
9. The building shall compliment the house in color.
10. This approval is for an accessory building consisting of a barn/storage building for animal keeping and related uses. It is hereby established that it shall be grounds for revocation of this conditional use permit if the property owner has:
  - A. Violated any rule, regulation or condition of approval adopted by the Planning Commission relating to the conditional use permit; or
  - B. Conducted the operation permitted hereunder in a manner contrary to the peace, health, safety and general welfare of the public or in a manner which either generates or contributes to noise and/or health/sanitation nuisances, or which results in undesirable activities or creating an increased demand for public services.
11. Building permits for this accessory building are issued within the confines of this Conditional Use Permit. Any violation of a condition resulting in a revocation of this Conditional Use Permit may result in an order to remove the accessory building at the owner's expense.

##

SECTION 2: EFFECTIVE DATE. This resolution shall become effective upon approval by the City Council of the City of Norco.

APPROVED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on May 18, 2016.

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Kevin Bash, Mayor  
City of Norco, California

ATTEST:

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Cheryl L. Link, City Clerk  
City of Norco, California

I, CHERYL L. LINK, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on May 18, 2016 by the following vote of the City Council:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on May 18, 2016.

---

Cheryl L. Link, City Clerk  
City of Norco, California



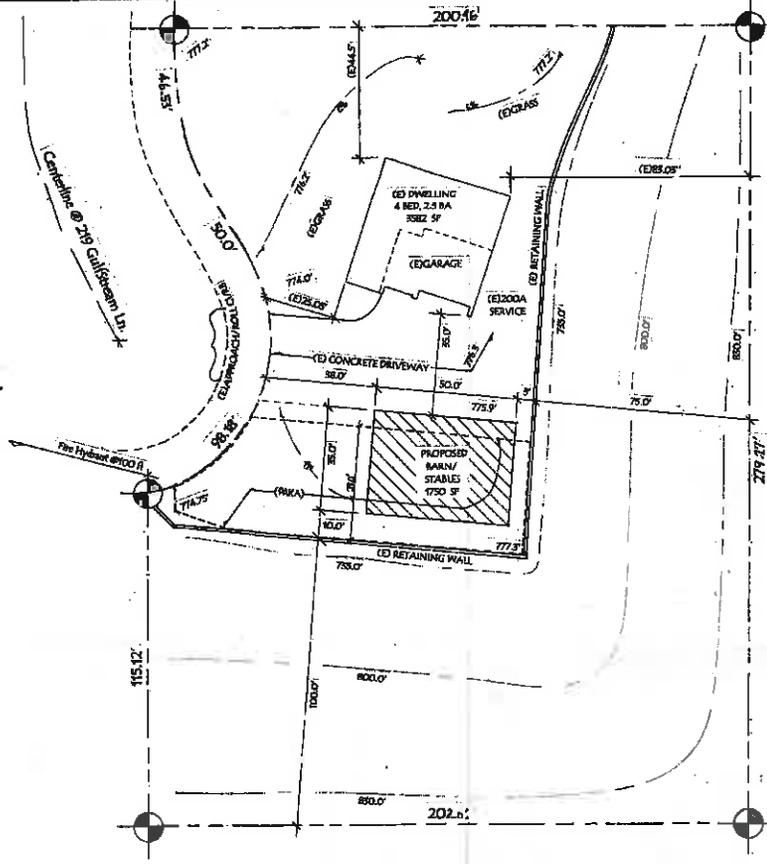


Google Maps 219 Gullstream Ln



### Vicinity Plan

Not to Scale



### Site Plan

Scale 1"=20'-0"

#### Site Plan Notes:

- CONTRACTOR/OWNER MUST OBTAIN PERMITS FROM THE COMMUNITY DEVELOPMENT DEPARTMENT PRIOR TO COMMENCEMENT OF WORK. PERMITS SHALL INCLUDE: BUILDING, ELECTRICAL, MECHANICAL, PLUMBING, FIRE, AND HEALTH DEPARTMENT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR THE COST THEREOF.
- ALL EXISTING UTILITIES SHALL BE LOCATED AND DEPTH DETERMINED PRIOR TO CONSTRUCTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR THE COST THEREOF.
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#### NOTES:

- CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR THE COST THEREOF.
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219 Gullstream Ln, Norco Ca. 92880

A.P.N.: 185-320-016

LEGAL DESCRIPTION: LOT/PARCEL 33, M.B. 344/040 Tr.# 30290

LEGEND:

ALL WORK SHALL COMPLY/CONFORM WITH CURRENT CODES,

2015 CALIFORNIA BUILDING CODE

2015 CALIFORNIA ELECTRICAL CODE

OCCUPANCY CLASSIFICATION AS FOLLOWS:

A-1-20-ZONE, Ag-Low Dens-y 20K.5'

V-B-NON-RATED WOOD FRAM. D CONSTRUCTION

TYPE I AND GROUP U

TOTAL LOT SIZE = 1.21 ACRE = 52,569 SF

PAKA AREA SIZE = 8,18 SF

EXISTING HOME (FOOTPRINT) 1,365 SF

EXISTING GARAGE 699 SF

EXISTING PORCH/PATIO 157 SF

EXISTING PATIO (4' x 4') 900 SF

PROPOSED NEW BARN 1,750 SF

TOTALS = 5,996 SF

PAKA AREA COVERAGE 1,450 SF (w/ Paka Bldg) = 57%

OVERALL TOTAL LOT COV'G. % = 39% = 4,596.0'

1. Propose New Barn w/Stables 1750 SF Detached w/ electrical w/ no interior drywall. Dirt floor!

Additional Notes

- No Airport Noise Impact Zone (per 150)
- No grading or removal of soil by 50 cu. Yds.
- No fire sprinklers to be installed. On-site to obtain Fire Dept. Release.
- To ensure visibility of signs address low voltage illuminated sign, of 4 inch numbers w/ 1/2" stroke visible from the street within 90'.
- The structure shall be located on well-drained native soil. If the Building Inspector suspects ill, over-saturated or a geologic instability based upon observation of the foundation excavation a soil geotechnical report, and resubmission of plans to plan check to verify that the upper foundations have been incorporated, may be required.

Signature: *Daniel S. Weaver* Owner/Authorized Agent

6. Finish grade around the new structure shall be sloped 2%-5% away for drainage

SEISMIC INFORMATION AS FOLLOWS:

- Seismic design category: **D**
- Ss: **0.150 / 0.160 / 0.170 / 0.180**
- Wind Speed: **Vmf/ 85 mph**
- Wave Exposure: **C**

2-2-16

Index / Sheet # :  
 A1. Site Plan, Vicinity Map, Scope of Work, Etc.  
 A2. Floor Plans & Elevations & Misc. Notes  
 S1. Foundations, Frame, Bldg. Sections, Etc.  
 D1. Architectural & Structural Details  
 HPX1. Anchorage Details  
 HPX2. Framing Details  
 Grn. Ca. Green Code References

PROJECT: BRYON WEAVER BARN PROJECT  
 219 GULLSTREAM LANE, NORCO, CA, 92880  
 PH: 925-757-8788

DATE: 12-03-2015  
 SCALE: 1"=20'-0"  
 DRAWN BY: DSW  
 SITE NO.: 219  
 SHEET: **A1**

OWNER: DNS SOLUTIONS  
 ARCHITECTURAL DRAWING SERVICES  
 1000 S. GARDEN ST. SUITE 100  
 ANAHEIM, CA 92805  
 PH: 714-944-2222  
 WWW.DNSOLUTIONS.COM



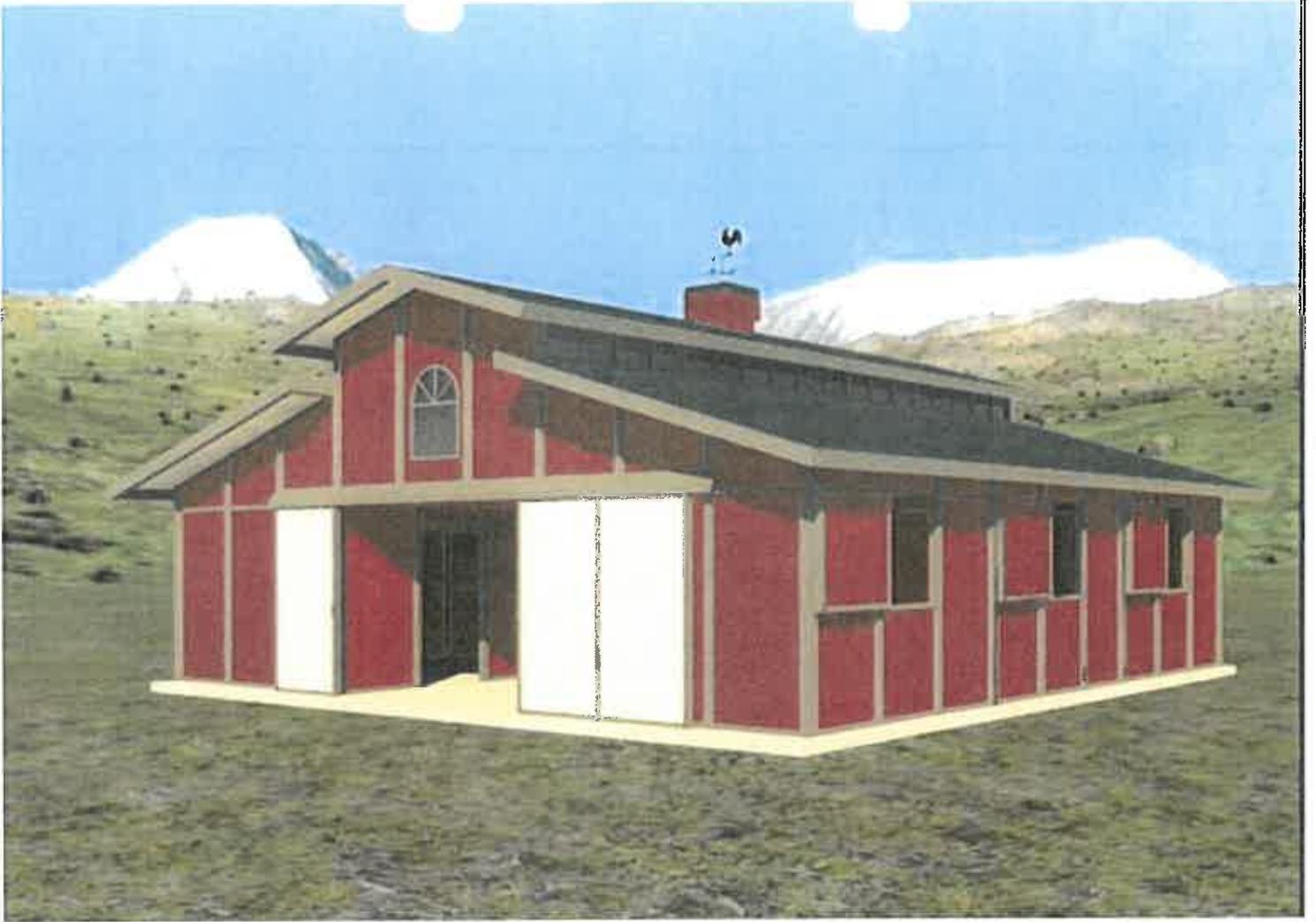


EXHIBIT "E"  
4 OF 2

# PHOTOS



**EXHIBIT "E"**  
2 OF 2



**Exhibit "F"**

# Proposed PAWA Area

at least  
2800 sf. ft.

59 feet

62 feet

30 feet

19 feet

# Proposed PAKA Location Photos



Proposed access to the PAKA area



Looking north bound at the proposed PAKA area



Looking west bound at the proposed PAKA area



Looking south bound at the proposed PAKA area

**Exhibit "G"**

**B. Conditional Use Permit 2015-40 (Sandoval):** A request for approval to allow a detached accessory building consisting of a 1,750 square-foot barn/storage building at 219 Gulfstream Lane located within the A-1-20 (Agricultural Low Density) Zone. **Recommended Action: Approval** (Senior Planner)

Senior Planner Robles presented the staff report on file in the Planning Department. Minimum requirements are met; staff recommends approval. She noted a correction that the lot coverage is at 37%, not as noted at 372%. Applicant was advised the ARC concerns referencing the appearance, he made slight changes.

**Vice Chair Leonard OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak.**

Brian and Rebekka Weaver, property owners, stated they have a couple of animals at this time and will be adding corrals outside of the barn. Mrs. Weaver explained why a roll-up entrance was created, as opposed to the standard sliding doors, she had an operation makes it difficult to push open a sliding door.

**Vice Chair Leonard CLOSED the public hearing, bringing the discussion back to the Commission.**

Member Azevedo stated that it appears all requirements have been met; he has no issues with allowing the structure as presented.

Member Jaffarian noted concerns for future property owners who may not understand the limitations of the property, since it doesn't look like a barn and it sits in the Primary Animal Keeping Area (PAKA).

Vice Chair Leonard concurred with Member Jaffarian; he also is suspicious of the type of entrance displayed on the plan.

Member Azevedo explained that the structure will be listed as a barn on the property Title Report, and further noted that not all barns are for horses, it can be used for lots of other types of farm animals. He shared that he had visited the property, and it appeared that a business was run from the home.

Member Jaffarian described accessory buildings are for animal keeping and related uses. He suggested continuing this item to give the applicant the opportunity to bring back the plan depicting more of a barn look.

**M/S JAFFARIAN/AZEVEDO** to continue to next regular meeting to allow the applicant to make changes or modify appearance for a more animal friendly setting.

**AYES: LEONARD, AZEVEDO, JAFFARIAN**

**ABSENT: HEDGES, RIGLER**

**Motion Passed**

**EXHIBIT "H"**

3. CONTINUED PUBLIC HEARING:

- A. **Conditional Use Permit 2015-40** (Sandoval): A request for approval to allow a detached accessory building consisting of a 1,750 square-foot barn/storage building at 219 Gulfstream Lane located within the A-1-20 (Agricultural Low Density) Zone. **Recommended Action: Continued from Meeting of March 9, 2016 / Approval** (Senior Planner)

Senior Planner Robles presented the staff report on file in the Planning Department. She provided an overview of the previous presentation, noting its continuance to allow the applicant the opportunity to modify the plan based on the Commission's concerns with the appearance lacking a more animal keeping structure. The applicant made some changes to accommodate requirements, keeping the Commission's concerns in mind. Staff recommends approval.

Vice Chair Leonard questioned if the distance of the building was measured from the house to the fence, and if the Primary Animal Keeping Area (PAKA) will remain rectangular in shape if moved; staff confirmed yes.

In response to Member Jaffarian, Planner Robles stated that the PAKA has been moved before, but all regulations of the A-1 Zone were followed; and there are no easement restrictions.

Member Rigler noted his concern with the flat pad, contemplating that a future property owner might place a basketball court, or similar, on it instead of using it as an animal keeping area.

**Chair Hedges OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak.**

Mike Garrison, architect, is asking for a relocation of the PAKA for the project the property owner, Bryan Weaver, is requesting, and that the property has the space to accommodate it. Mr. Garrison explained that a roll-up door was needed for ease of use by Mrs. Weaver, due to a medical issue, which the Planning Commission was previously told. He thanked the Commission for its time, adding that they are willing to work with the Commission and staff.

**Chair Hedges CLOSED the public hearing, bringing the discussion back to the Commission.**

Member Jaffarian said he was satisfied with the plans being presented.

Member Rigler stated his continued concern with future property owners, potential use of the PAKA for uses other than an animal keeping area, as it can be concreted over.

Member Azevedo noted that the PAKA is recorded as part of the property, and if the size remains the same as on the recorded deed, he would have no concern.

Vice Chair Leonard concurred with some of the previous remarks, but stated that if the Commission approves one change, others will expect the same. He explained his stance on the space horses need, and wasn't sure of the size the PAKA's new location would provide. The Deed Restriction has been placed on the property for the size, and its location. He added that he cannot approve a change.

Chair Hedges agreed with the majority of the Commission's remarks, noting her concern with the size.

**M/S JAFFARIAN/** to adopt Resolution 2016-10, to approve Conditional Use Permit 2015-40, to allow a detached accessory building consisting of a 1,750 square-foot barn/storage building at 219 Gulfstream Lane.

**The motion died due to a lack of a second.**

**M/S LEONARD/RIGLER** to deny Conditional Use Permit 2015-40.

**AYES: HEDGES, LEONARD, AZEVEDO, RIGLER** **Motion Passed**

**NOES: JAFFARIAN**