



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

**Wednesday, August 15, 2018  
City Council Chambers, 2820 Clark Avenue, Norco, CA 92860**

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**CALL TO ORDER:** 7:04 p.m.

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

**PLEDGE OF ALLEGIANCE:** Mayor Hoffman

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

**BUSINESS APPRECIATION HONOREE:** Wicked Pilates

Mayor Hoffman, Council Member Newton, and Economic Development Advisory Council Chair Scott da Rosa presented Wicked Pilates with a certificate of recognition for its contribution to health and wellness in Norco, and its passionate commitment to improving lives through partnerships with various local nonprofit organizations.

**RECOGNITION:** Cathey Burt, Streets, Trails and Utilities  
Commission

Ms. Cathey Burt was not able to attend the meeting. The recognition will be rescheduled.

**PRESENTATION:** Chuck Wilson, Historical Collection  
Consultant

Mr. Wilson reported that he started as an archivist in the 1970s and has been processing the Norco history collection for the past several years. He explained the various archiving terms such as processing, collections, organization, series and groups. Mr. Wilson displayed photos of examples of each of the archiving terms and how he applied the process to the Norco history collection. He also displayed photos of what is currently in the collection, which is open to the public on the second Sunday of every month from 10:00 a.m. – 2:00 p.m. at the Norco Community Center.

**CITY COUNCIL BUSINESS ITEMS:**

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

Council Member Hanna:

- No report given.

Mayor Pro Tem Grundmeyer:

- No report given.

Council Member Newton:

- No report given.

Council Member Bash:

- Attended a meeting of the Western Riverside Council of Governments.

Mayor Hoffman:

- Attended the Citizens Advisory Committee meeting at the California Rehabilitation Center (CRC). Five CRC crews have assisted in firefighting efforts throughout the State. Beginning in September or October, CRC will transition to an almost all general population prison. Over the summer, CRC has donated over \$14,000 to various schools and organizations in the community.
- Deferred time to Lt. Briddick to comment on the Sheriff's involvement with the Holy Fire.
  - Lt. Briddick indicated the response to the Holy Fire has been a unified command with a special response team. All of the assets and resources that the department provides is funneled through that division. The resources are drawn upon each of the Sheriff stations. Sergeant Robert Torres and Deputies Darryl Robertson and Matt Faucher assisted 16 hours on Sunday protecting evacuated communities.
  - Lt. Briddick commented on the Office of Traffic Safety grant and how Norco benefits from the grant by conducting sobriety checkpoints. The next checkpoint will take place over the Labor Day weekend.

2. CITY COUNCIL CONSENT ITEMS:

Council Members Hanna, Newton and Bash, and Mayor Hoffman pulled Item 2.C. Council Member Bash pulled Items 2.D. and 2.E. Council Member Hanna pulled Item 2.G.

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

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

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

- A. Waive Reading of all Ordinance Adoptions on this Agenda and Read by Title Only. **Action: Waived reading, by title only, of all Ordinances and Resolutions. Said Ordinances and Resolutions which appear on the agenda shall be determined to have been read by title and further reading waived.** *(City Clerk)*
  - B. City Council Regular Meeting Minutes of July 18, 2018 and August 1, 2018. **Action: Approved the City Council meeting minutes.** *(City Clerk)*
  - C. Recap of Actions Taken by the Planning Commission at its Meeting Held on August 8, 2018. **Pulled for discussion.** *(Planning Director)*
  - D. Execution of the Cooperative Agreement between the City of Norco and the Riverside County Flood Control and Water Conservation District. **Pulled for discussion.** *(Director of Public Works)*
  - E. Acceptance of Storm Drain Easement and Temporary Construction Easement Dedication for 4211 Crestview Drive (APN 168-060-002). **Pulled for discussion.** *(Director of Public Works)*
  - F. Award of Purchase of Replacement Tractor Loader for the Public Works Department. **Action: Accepted bid submitted for the purchase of a 2019 Case 570N EP Tractor Loader and authorized the purchase from Sonsray Machinery Co., in the amount of \$87,056.62.** *(Director of Public Works)*
  - G. Acceptance of Bids and Award of Contract for the 2018-2019 Slurry Seal Project. **Pulled for discussion.** *(Director of Public Works)*
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR
- 2.C. Recap of Actions Taken by the Planning Commission at its Meeting Held on August 8, 2018. *(Planning Director)*

Council Member Hanna referenced Item 4.A. Conditional Use Permit 2017-09, Modification No. 1 (Hidden Valley Holding, LLC) and requested to appeal the item.

**M/S HANNA/BASH to appeal to appeal Conditional Use Permit 2017-09, Modification No. 1 (Hidden Valley Holding, LLC). The motion was carried by the following roll call vote:**

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

Council Member Hanna referenced Business Item 5.B. Site Plan 2017-13 (Tapia): a request to change the residential building and residential land use to commercial for the property located at 3951 Center Avenue. He asked if condition #41 can be enforced in case the location becomes a fabrication yard or has delivery-type activities. City Attorney Harper said that it is and that the condition was made clear to the applicant that approval is for office use only.

**M/S BASH/HANNA to receive and file the recap of actions taken by the Planning Commission at its meeting held on August 8, 2018. The motion was carried by the following roll call vote:**

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

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

- 2.D. Execution of the Cooperative Agreement between the City of Norco and the Riverside County Flood Control and Water Conservation District.  
*(Director of Public Works)*

Council Member Bash asked Public Works Director to briefly comment on the project related to this item and item 2.E. Director Blais reported that the items are an agreement between the City of Norco and County Flood Control to complete a joint flood control project on Crestview Avenue and Mt. Shasta Place to control runoff that has impacted the community for quite a long time. The project will help several properties including the Snow Family with the runoff issues on their property.

**M/S BASH/GRUNDMEYER to approve the Cooperative Agreement between the City of Norco and Riverside County Flood Control and Water Conservation District for the construction of the Norco Master Drainage Plan (MDP) Line NA-1 and Lateral NA-1A Improvements and authorize the City Manager to execute the Agreement. The motion was carried by the following roll call vote:**

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

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

- 2.E. Acceptance of Storm Drain Easement and Temporary Construction Easement Dedication for 4211 Crestview Drive (APN 168-060-002).  
*(Director of Public Works)*

**M/S BASH/GRUNDMEYER to accept the offer of dedication of the public storm drain easement and temporary construction easement on Crestview Drive, authorize the Mayor to sign the Certificate of Acceptance, and direct the City**

**Clerk to file the Certificate of Acceptance with the County of Riverside Recorder's Office. The motion was carried by the following roll call vote:**

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

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

2.G. Acceptance of Bids and Award of Contract for the 2018-2019 Slurry Seal Project. (*Director of Public Works*)

Council Member Hanna commented that slurry seals result in a slick surface for horses and suggested adding sand to the slurry seal mix to help give horses traction. Council Member Newton suggested a chip seal. Director Blais said he would speak with the contractor.

**M/S HANNA/BASH to accept bids submitted for the 2018-2019 Slurry Seal Project, award a contract to Roy Allan Slurry Seal, Inc. in the amount of \$623,491, and authorize the City Manager to approve contract change orders up to 10 percent of the total bid amount. The motion was carried by the following roll call vote:**

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

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

4. PUBLIC COMMENTS:

Tara Tolan expressed concern and frustration regarding a property issue with her neighbor about an illegally constructed retaining wall on an easement, causing damage to her property. She said her first complaint was brought to the City's attention approximately seven years ago. She requested assistance. Mayor Hoffman referred Ms. Tolan to speak with Planning Director Steve King.

Bonnie Slager reported that Norco Horsemen's Association (NHA) volunteers have been working on repairing trails on Sierra Avenue. Ms. Slager invited the public to attend NHA's board meeting on August 16<sup>th</sup> at the American Legion, as well as the Candidate's Forum on September 20<sup>th</sup> at Nellie Weaver Hall.

Geoff Kahan commented that the POW/MIA memorial was recently unveiled at the George Ingalls Veterans Memorial. POW/MIA Day is a recognition event that has been scheduled for Friday, September 21 at 8:30 am. Also coming up is the Veterans Day event on November 11<sup>th</sup>, which marks the 100<sup>th</sup> anniversary of the end of World War I.

Jim Pollard provided the Council with some literature regarding updates on the Circle City Reliability Project. He thanked the City for its support of the residents impacted by this project. He also commented that he and his wife attended a 50<sup>th</sup> wedding anniversary in Temple City. Temple City has a program that acknowledges couples who have reached that milestone and suggested Norco implement a similar program.

Harvey Sullivan commented on the upcoming rodeo and fair. He thanked Lt. Briddick for providing enforcement services during those events. Mr. Sullivan commented that there will be a presentation by Canyon Creek at the American Legion on Saturday, August 18<sup>th</sup> from 12:00 p.m. – 2:00 p.m. Also, he expressed concern about how the Mugar case was handled by the City Council.

Chris Mardis, a representative from the Lansing Companies, indicated that there will be an informational meeting about a proposed development on the former Wyle Labs property. The presentation will be on August 18<sup>th</sup> at the American Legion.

5. LEGISLATIVE MATTERS:

- A. **Ordinance No. 1039, Second Reading.** An Ordinance of the City Council of the City of Norco Amending Norco Municipal Code Chapter 14.07 “Water Use” and deleting Chapter 14.13 “Sewer Connections-Testing,” Chapter 14.14 “Wastewater Infrastructure Facilities Fee,” and Chapter 14.16 “Reimbursement Agreements.” Code Amendment 2018-02. *(City Clerk)*

City Clerk Link reported that the first reading of Ordinance No. 1039 was held on August 1, 2018, and was unanimously adopted by the City Council. Ordinance No. 1039 replaces existing Chapter 14.07 “Sewer Use,” in its entirety, renaming Chapter 14.07 to “Sewer System,” and replaces it with an updated version that reflects the needs and issues currently impacting the City’s Sewer System. Ordinance No. 1039 also deletes Chapters 14.13, 14.14, and 14.16.

**M/S BASH/HANNA to adopt Ordinance No. 1039. The motion was carried by the following roll call vote:**

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

- B. **Ordinance No. 1040, Second Reading.** An Ordinance of the City Council of the City of Norco Amending Norco Municipal Code Chapter 3.24 “Purchasing System,” and Approving a Revision to the City of Norco Purchasing Manual. Code Amendment 2018-05. *(City Clerk)*

City Clerk Link reported that the first reading of Ordinance No. 1040 was held on August 1, 2018, and was unanimously adopted by the City Council. Ordinance No. 1040 amends the Norco Municipal Code to align it with other City policies and to incorporate necessary regulatory requirements.

**M/S BASH/GRUNDMEYER to adopt Ordinance No. 1040. The motion was carried by the following roll call vote:**

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

6. DISCUSSION / ACTION ITEMS:

- A. Approval of Membership in the Western Community Energy Joint Powers Authority (*City Manager*)

City Manager Okoro reported that at a previous City Council Meeting and Town Hall meeting, Western Riverside Council of Governments (WRCOG) made presentation to the City regarding Community Choice Aggregation (CCA) Program. Community Choice Aggregation allows a local government – either alone or as a group of jurisdictions in a Joint Powers Authority (JPA) to purchase power on behalf of its community, while utilizing the delivery system of the investor owned utility which is Southern California Edison (SCE). A CCA provides a choice for the City that it currently does not have. Under a CCA, residents and businesses have the ability to choose from new rates and power sources, that are often more renewable and at reduced cost, offered by the CCA, or they can choose to stay with SCE. The City, by participating in a CCA, will allow its businesses and residents to voluntarily make those choices.

While WRCOG is still studying and analyzing the economic and other benefits of implementing a CCA such as cost savings and local control, in order to meet the deadline to launch the CCA by 2020, cities interested in participating by 2020 must express their intent to join the JPA by August 15, 2018. By adopting a resolution, the City Council will be positively expressing the City's interest to join the JPA which is a prelude to joining the CCA if it is formalized.

Mr. Okoro indicated that joining the WCE JPA by the August 15, 2018 deadline does not lock the City into implementation. It simply provides for a potential launch in 2020 should WCE's Governing Board make a determination to do so. The August 15, 2018 deadline is based on the requirement that an implementation plan must be submitted to California Public Utilities Commission (CPUC) in December 2018 to ensure a 2020 launch. In order to submit the Implementation Plan, jurisdictions must join the JPA so that WRCOG's consultants can develop a cost/environmental savings report to the WCE Governing Board in September. The savings report will indicate whether or not it is favorable for WCE to move forward. If favorable, WCE will prepare its Implementation

Plan for a 30-day public review prior to submitting to CPUC. If it is not favorable, all work would stop.

City Manager Okoro commented on the right to withdraw prior to program launch. After receiving bids from power suppliers, the JPA must provide to the Member Agencies the report from the electrical utility consultant retained by the Authority that compares the total estimated electrical rates that the Authority will be charging to customers as well as the estimated greenhouse gas emissions rate and the amount of estimated renewable energy used with that of SCE. If the report provides that the Authority is unable to provide total electrical rates, as part of its baseline offering, to the customers that are equal to or lower than the incumbent utility or to provide power in a manner that has a lower greenhouse gas emissions rate or uses more renewable energy than SCE, a Member Agency may immediately withdraw its membership in the Authority without any financial obligation, as long as the Member Agency provides written notice of its intent to withdraw to the Authority Board no more than thirty (30) days after receiving the report. If the City Norco decides to move forward to formally join the WCE JPA, the applicable ordinance will be advertised and public hearing conducted before being implemented.

Tyler Masters, Western Riverside Council of Governments Program Manager, presented an overview of the Community Choice Aggregation Program. Assembly Bill 117 allows local governments to provide electricity to customers as an alternative to the current energy provider (Southern California Edison). AB 117 also allows government entities to provide electricity without taking over the delivery system. This is a state statute that gives local governments local control.

Mr. Masters commented on how local energy aggregation works. Currently, SCE provides power to residents through their transmission and distribution lines. The only change is that Western Community Energy (WCE) would be purchasing the power while still working in partnership with SCE and their transmission and distribution lines.

Community Choice Aggregation (CCA) programs are not a new concept. There are 17 operating CCAs with one being in San Jacinto. Nine CCAs will begin in 2018/2019/2020 with one being in Riverside County (Desert Community Energy). 65% of SCEs service territory is examining moving to a CCA model and 59 public agencies in California provide power and water to customers.

CCA activity in Western Riverside County includes five cities (Eastvale, Perris, Canyon Lake, Wildomar, Hemet) that have taken action and are WCE members, two cities (Corona, San Jacinto) have joined other CCAs, and five cities (Jurupa Valley, Norco, Calimesa, Menifee, Murrieta) are possibly taking action in the near future.

Mr. Masters commented on how WRCOG has explored the Community Choice Aggregation program. In 2016, WRCOG initiated and completed a feasibility study and business plan. The examination included the study of energy use and customers, load

analysis, savings, implementation and start-up costs, governance and operational structures, economic impacts, and greenhouse gas reductions. The study found that there is up to a 4.4% savings for the subregion, therefore, the WRCOG Executive Committee directed staff to move forward with establishing a CCA for the subregion. After the feasibility study, templates were developed for the JPA, bylaws, Ordinances, frequently asked questions for local governments, presentations for City Councils, and a website was launched.

Mr. Masters reported on the rate savings. The feasibility study indicated potential savings of up to 4.4% on electricity rates for the subregion. Using a conservative example of 2-3% savings rather than 4%, on a \$200 bill, a 3% savings would result in annual household savings of \$72. On a \$5,000 bill, a 2% savings would result in annual business savings of \$1,200. Mr. Masters stated reasons why jurisdictions are participating in CCAs, which include rate savings, track record of success, provides choices for the community, local control and local input to rate setting, and economic drivers. He reported on the timeline to a 2020 CCA launch, which is driven by CPUC Resolution E-4907 that states jurisdictions must submit an implementation plan by January 1, 2019 in order to have the ability to launch in 2020. Today, August 15 is the deadline to join WCE. WCE Board meets in August to develop a series of reports on rate-savings. In September 2018, if the reports are favorable, then the process moves forward to launch. If the reports are not favorable, then the process stops and the cities may opt out at no cost. There are no liabilities to the members until the energy contracts are signed, which will be sometime in 2019.

Mr. Masters stated that a frequently asked question is if the CCA adds another layer of government. He commented that rate setting decisions are currently made in San Francisco, and while this CCA adds another layer of government, CCAs take energy buying and rate setting control out of the hands of the CPUC and SCE and gives it to local leaders.

Another question frequently asked is what are "exit fees" or Power Charge Indifference Adjustment (PCIA) and is it a deal breaker. Mr. Masters said the answer is no. The fee is a charge to CCA customers to cover SCEs stranded costs for its current power contracts. This is the difference between what SCE entered into a contract and the current market price of that contract. The exit fee is not new and is set for 2018. He said there always has been an exit fee.

Mayor Pro Tem Grundmeyer referenced the CCA activity in Western Riverside County and asked what the likelihood is of other cities such as Jurupa Valley, Menifee, Murrieta, and Calimesa, joining the program. Mr. Masters stated that he will be presenting in Jurupa Valley tomorrow. Calimesa has decided to wait. Mayor Pro Tem Grundmeyer asked how that impacts the feasibility study. Mr. Masters stated that these cities joining or not does not impact the study. When the final number of cities is determined, WCE will rerun the numbers in the feasibility study.

Council Member Newton expressed concern about another layer of government and asked how the pensions and unfunded liabilities will be addressed for WCE employees. Mr. Masters indicated that WCE would fall under WRCOG. There is no information at this time regarding those costs.

Council Member Newton said that on the surface, CCAs look good, especially with the potential of saving residents money on their electric bill. When SCE contracts start to change, Mr. Newton asked how comfortable WCE is with the costs and projections. Mr. Masters stated that one of their team members, the energy authority TBA, is the energy marketing portfolio manager and they are a not-for-profit energy provider. TBA is owned by eight municipal utilities on the west coast. TBA would be entering the market alongside SCE by purchasing the same power. The WCE Board would provide direction on the appropriate energy mix to develop the rates. Mr. Masters added that SCE cannot make a profit on energy procurement. SCE is required by the CPUC to go into a number of long-term contracts, which drives the prices. The CPUC does not have that level of authority for CCAs. WCE can set rates for the energy mix that is right for our subregion.

Council Member Bash expressed that all the City of Norco is being proposed to do is look into the possibility of moving forward with CCAs. He commented that CCAs offer more local control.

In response to Mayor Hoffman, Mr. Masters said that there is no cost to the City of Norco for taking this first step of approving membership and there is no cost to the City if it chooses not to join to JPA.

Aileen Flores of SCE commented that CCAs can be a complicated topic. SCE has an expert in this subject matter and she offered to have SCE come out at a future date to talk about SCE's perspective on CCAs.

Public Comment:

Mike Thompson said he wants to know what SCE has to say about CCAs. He also wants to know how this impacts solar power. Mr. Masters said that residents with solar power will still be able to participate. If at the end of the year, the customer produces more electricity than is used through solar power, then the customer will receive a credit.

Council Member Hanna said he received complaints from residents regarding high SCE bills. He said that if there is no cost to the City to approve membership tonight and that the City may opt out at no cost, then he is in support of moving forward with further studies. If the CCA is feasible, Council Member Hanna said residents should have the right to choose where they get their electricity from.

**M/S BASH/HANNA to adopt Resolution No. 2018-53 approving membership in the Western Community Energy Joint Powers Authority; appoint one regular director and one alternate director to act on behalf of the City of Norco within the powers of Western Community Energy Joint Powers Authority. The motion was carried by the following roll call vote:**

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

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

**7. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS**

Mayor Pro Tem Grundmeyer and Council Members thanked public safety personnel for their efforts in the Holy Fire.

City Clerk Link indicated that the City Council Candidate Nomination Period ended August 9, 2018. The list of qualified City Council Candidates is as follows: Rob Koziel, Greg Newton, Rod Taylor, Travis Walsh, and Kevin Bash.

**ADJOURNMENT**

Mayor Hoffman adjourned the meeting at 8:52 p.m.

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Cheryl L. Link, CMC, City Clerk