



AGENDA
CITY OF NORCO
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY/
NORCO FINANCING AUTHORITY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
MARCH 4, 2009

CALL TO ORDER: 6:00 p.m.

ROLL CALL: Mayor Kathy Azevedo
Mayor Pro Tem Malcolm Miller
Council Member Frank Hall
Council Member Berwin Hanna
Council Member Richard L. MacGregor

THE CITY COUNCIL/CRA WILL RECESS TO CLOSED SESSION (SECTION 54954) TO CONSIDER MATTERS:

Section 54957.6 – Conference with Labor Negotiator

Negotiating Parties: City Manager Allred, Director of Fiscal & Support Services Okoro and Human Resources Analyst Paakkonen

Employee Organization: Norco General Employees Association
Norco Public Works & Parks Maintenance Workers Association

RECONVENE PUBLIC SESSION: 7:00 p.m.

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Miller

INVOCATION: Pastor Vernie Fletcher
Grace Fellowship Church

REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

Next CRA Resolution No. 2009-04

1. CRA CONSENT CALENDAR 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 Agency, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Agency request specific items be removed from the Consent Calendar.)*
 - A. CRA Minutes, Regular Meeting of February 18, 2009. **Recommended Action: Approve the CRA Minutes** (City Clerk)

- B. Acceptance of Bid and Award of Contract to Hardy & Harper, Inc. for the Street Improvements at River Road and Second Street Project. **Recommended Action: Accept bids submitted for the installation of street and traffic signal improvements at River Road and Second Street, award a contract to Hardy & Harper, Inc. in the amount of \$333,000, and authorize the Executive Director to approve contract change orders up to 10 percent of the contract amount.** (City Engineer)

2. CRA ITEM FOR ACTION:

- A. Norco Chamber of Commerce Payment Request. **Recommended Action: Direction Requested** (Executive Director)

REGULAR JOINT CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY/NORCO FINANCING AUTHORITY (NFA) AGENDA AS FOLLOWS:

Next NFA Resolution No. 2009-02

3. REGULAR JOINT CITY COUNCIL/CRA/NFA CONSENT CALENDAR ITEM:

- A. City Council/CRA/NFA Minutes, Joint Special Meeting of February 23, 2009. **Recommended Action: Approve the Minutes** (City Clerk)

ADJOURNMENT OF CRA AND NFA:

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

Next Ordinance No. 906
Next Resolution No. 2009-07

4. CITY COUNCIL CONSENT CALENDAR 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. 8 of the Agenda)*

- A. City Council Minutes, Regular Meeting of February 18, 2009. **Recommended Action: Approve the City Council Minutes** (City Clerk)
- B. Project Status Update for Wyle Laboratories Norco Facilities Site. **Recommended Action: Receive and File** (City Manager)
- C. Procedural Step to Approve Ordinance after Reading of Title Only. **Recommended Action: Approval.** (City Clerk)

- D. Amendment No. 3 to Exercise of Powers Agreement Creating the Western Riverside County Regional Conservation Authority. **Recommended Action: Approval** (Planning Manager)
- E. Request for Additional Deferred Loan Funding for Housing Rehabilitation Case No. 2NR10.08.02 in the Amount of \$15,000. **Recommended Action: Approval** (Housing Manager)
- F. Action Minutes for Planning Commission Meeting of February 25, 2009. **Recommended Action: Receive and File** (Planning Manager)

5. CITY COUNCIL CONTINUED PUBLIC HEARING:

- A. City Initiated Proposal to Add Chapter 14.04.670 to the Norco Municipal Code Regarding Restrictions on Additives to the Public Water Supply. (Code Amendment 2009-02)

The former City of Norco Community Services Commission recommended that staff develop an ordinance establishing criteria that assures that if the City or any other entity choose to add a substance to the public water supply for the specific purpose of treating people rather than water, the substance must have gone through the appropriate approval process prior to being added to the water supply. The proposed Ordinance is intended to ensure water supplied by the City of Norco is safe to drink.

Recommended Action: Adopt Ordinance No. ____ for first reading.
(Director of Public Works)

6. CITY COUNCIL PUBLIC HEARING:

- A. Silverlakes Equestrian and Sports Park: Conditional Use Permit and Environmental Impact Report (Belstarr Sports Management, LLC)

Belstarr Sports Management, LLC, in cooperation with the City of Norco and the Norco Redevelopment Agency, plans to develop a high quality equestrian and sports park on the Silverlakes property. Belstarr will enter into a long-term lease agreement in order to develop the project on the 122-acre property owned by the Norco Redevelopment Agency. The proposed equestrian and sports park is a permitted use upon approval of a conditional use permit (CUP). An environmental impact report (EIR) has been prepared to address potential significant impacts that could be anticipated from construction and implementation of this "public-private" project. Mitigation measures have been recommended for potential environmental impacts as feasible, and they have been incorporated as conditions of approval on the project. The Final EIR includes a Statement of Overriding Considerations for environmental impacts that, after mitigation, cannot be reduced to less-than-significant levels.

Recommended Actions:

- 1. Adopt Resolution 2009-___ certifying that the environmental impact report is complete and has been prepared in accordance with the California Environmental Quality Act.**
- 2. Adopt Resolution 2009-___ approving Conditional Use Permit 2008-09 in accordance with conditions of approval set forth in said resolution.**
(Planning Manager)

7. CITY COUNCIL ITEM FOR ACTION:

- A. Professional Services Agreement with Chevron Energy Solutions -- Manure-to-Energy Project

In 2008, Chevron Energy Solutions conducted a preliminary Horse Manure Conversion Feasibility Study for the City at no charge. The results of the preliminary feasibility study showed that thermal conversion of horse manure and bedding material into electricity appears to be a viable proposition, both technologically and financially. The City Council will now consider a Professional Services Agreement with Chevron Energy Solutions for the performance of a detailed energy audit analysis study, which is the next step towards a contract for the design and construction of a manure-to-energy facility. The Agreement is subject to confirmation that property at the Western Riverside County Regional Wastewater Authority (WRCRWA) plant is available for development of the manure-to-energy facility.

Recommended Action: Adopt Resolution No. 2009- ____, authorizing execution of a Professional Services Agreement with Chevron Energy Solutions for performance of a detailed energy audit analysis study leading to design and construction of a manure-to-energy facility, subject to designation of property by the Western Riverside County Regional Wastewater Authority. (City Manager, Director of Public Works, and Director of Fiscal & Support Services)

8. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:
9. PUBLIC COMMENTS OR QUESTIONS - THIS IS THE TIME WHEN PERSONS IN THE AUDIENCE WISHING TO ADDRESS THE CITY COUNCIL REGARDING MATTERS NOT ON THE AGENDA MAY SPEAK. PLEASE BE SURE TO COMPLETE THE CARD IN THE BACK OF THE ROOM AND PRESENT IT TO THE CITY CLERK SO THAT YOU MAY BE RECOGNIZED.
10. OTHER MATTERS - COUNCIL OR STAFF:

11. ADJOURNMENT:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's office, (951) 270-5623. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

Staff reports are on file in the Office of the City Clerk. 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.

/bj-71505



MINUTES
CITY OF NORCO
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
FEBRUARY 18, 2009

CALL TO ORDER: Mayor Azevedo called the meeting to order at 6:02 p.m.

ROLL CALL: Mayor Kathy Azevedo, **Present**
Mayor Pro Tem Malcolm Miller, **Present**
Council Member Frank Hall, **Absent**
Council Member Berwin Hanna, **Present**
Council Member Richard L. MacGregor, **Present**

Staff Present -- Allred, Cooper, Frye, Jacobs, King, Okoro, Oulman, Petree and Thompson

City Attorney John Harper -- **Present**

THE CITY COUNCIL/CRA RECESSED TO CLOSED SESSION (SECTION 54954) TO CONSIDER MATTERS:

Section 54956.8 – Conference with Real Property Negotiator

Street Address or Parcel Number: APNs 152-060-004-0; 152-060-011-6; 152-070-001-8; 152-070-002-9; & 152-070-011-7

Negotiating Parties: Norco Redevelopment Agency, Kosmont Companies and Belstarr Sports Management, LLC

Points Under Negotiation: Silverlakes Property Negotiations

RECONVENE PUBLIC SESSION: With nothing to report from Closed Session, the Mayor reconvened the meeting at 7:06 p.m.

PLEDGE OF ALLEGIANCE: Council Member MacGregor

INVOCATION: Pastor Vernie Fletcher
Grace Fellowship Church

REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

1. CRA CONSENT CALENDAR ITEMS:

M/S Miller/MacGregor to approve the CRA Consent Calendar Item as recommended. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HANNA, MACGREGOR & MILLER
NOES: NONE
ABSENT: HALL
ABSTAIN: NONE

- A. CRA Minutes, Regular Meeting of February 4, 2009. **Recommended Action: Approve the CRA Minutes** (City Clerk)

2. CRA ITEM FOR ACTION:

- A. Invitation to Become an Executive Partner of the Corona Chamber of Commerce

In an effort to stimulate business synergy in the Corona-Norco area and to provide Norco businesses with additional exposure in the region, the Norco Redevelopment Agency Board will consider an invitation to become an Executive Partner in the Corona Chamber of Commerce.

Recommended Action: Authorize an expenditure of \$10,000 to become an Executive Partner of the Corona Chamber of Commerce.
(Executive Director)

Executive Director Allred presented the CRA Item.

Bobby Spiegel, representing the Corona Chamber of Commerce located at 904 E. 6th Street in Corona, California. Mr. Spiegel expressed appreciation for the Norco City Council considering this matter. The City of Corona and County of Riverside are also government agency executive partners. Mr. Spiegel stated that the City of Norco would receive great exposure through this partnership and added that this partnership would benefit the City. The mission is to help stimulate the local economy and promote the community.

Rachel Rola, representing the Corona Chamber of Commerce located at 904 E. 6th Street in Corona, California. Ms. Rola joins Bobby Spiegel in looking forward to a partnership with the City of Norco.

Kevin Bash, 3678 Pedley. Mr. Bash spoke on the great experience it has been for the Lake Norconian Club Foundation to be a member of the Corona Chamber. Also stated that the Town & Country Day School is a member of the Norco Chamber of Commerce and joined the Corona Chamber last year. He added that because of the connections made through the Corona Chamber of Commerce, the Town & Country Day School has seen a return of dollars that has aided in the growth of business. Mr. Bash recommended that the City be a part of the Corona Chamber of Commerce.

Board Member Hanna believes this would be a good deal for the City. With small businesses struggling in the City and the fact that they are not receiving help from the local Chamber, this would help them get some exposure and possibly give them more staying power.

Vice Chairman Miller stated he is in support of this action and thinks it will be an extremely fruitful idea to try and explore a greater regional chamber of commerce, such as the Greater Riverside Chamber of Commerce and what they are doing in Chino and Chino Hills.

Chairman Azevedo stated that she also owns a small business and knows how important it is to "shop Norco" and do all we can to help the businesses in Norco survive.

M/S Miller/Hanna to authorize an expenditure of \$10,000 to become an Executive Partner of the Corona Chamber of Commerce. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HANNA, MACGREGOR & MILLER
NOES: NONE
ABSENT: HALL
ABSTAIN: NONE

3. OTHER CRA MATTERS: **No Other CRA Matters.**

ADJOURNMENT OF CRA: 7:23 p.m.

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

4. CITY COUNCIL CONSENT CALENDAR ITEMS:

Mayor Azevedo pulled Item 4.G. for Chief Frye

M/S Hanna/MacGregor to approve the City Council Consent amended Calendar Items as recommended. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HANNA, MACGREGOR & MILLER
NOES: NONE
ABSENT: HALL
ABSTAIN: NONE

- A. City Council Minutes, Regular Meeting of February 4, 2009.
Recommended Action: Approve the City Council Minutes (City Clerk)
- B. Project Status Update for Wyle Laboratories Norco Facilities Site.
Recommended Action: Receive and File (City Manager)
- C. Procedural Step to Approve Ordinance after Reading of Title Only.
Recommended Action: Approval. (City Clerk)
- D. **Ordinance No. 904, Second Reading.** City-Initiated Proposal to Add Chapter 9.10 Entitled "Social Host-Underage Drinking and Consumption Accountability" to the Norco Municipal Code to Protect and Promote the Health, Safety, and General Welfare of the Youth and Other Residents of the City of Norco – Code Change 2009-01. **Recommended Action: Adopt Ordinance No. 904** (City Clerk)
- E. Successful Completion of California Office of Traffic Safety Grant Program. **Recommended Action: Receive and File** (Lt. Cooper)
- F. Norco Horsemen's Association Request for a Five-Year Lease Agreement for use of Nellie Weaver Hall for its Annual Casino Night Fund Raiser.
Recommended Action: Approval (Director of Parks, Recreation & Community Services)
- G. Authorization to Purchase Mobile Data Computers (MDC's) for Fire Engines and Command Staff Vehicles. **Recommended Action: Authorize the purchase of Mobile Data Computers in the amount of \$42,093 by tagging on to a purchase program with the Riverside County Fire Department.** (Fire Chief) **Pulled for Discussion**
- H. Authorize Additional Modifications and Repairs to the Iron, Manganese and Arsenic Treatment Plant. **Recommended Action: Authorize an expenditure of up to \$75,000 and authorize the City Manager to approve contract change orders up to 10 percent of the contract amount.** (Director of Public Works)

- I. Action Minutes for Planning Commission Meeting of February 11, 2009.
Recommended Action: Receive and File (Planning Manager)

5. CITY COUNCIL PUBLIC HEARING:

- A. City Initiated Proposal to Add Chapter 14.04.670 to the Norco Municipal Code Regarding Restrictions of Additives to the Public Water Supply. (Code Change 2009-02)

Recommended Action: Continue the Public Hearing to March 4, 2009. (Director of Public Works)

M/S Hanna/Miller to continue the public hearing to March 4, 2009. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: HALL
ABSTAIN: NONE

6. CITY COUNCIL ITEMS FOR ACTION:

- A. Appointment to the Parks and Recreation Commission

There is currently one vacant seat on the Parks and Recreation Commission, which will be filled by this appointment for the remainder of an existing term that ends in June of 2009. Four (4) applications were received by the filing date and the Council is requested to appoint one member to serve on the Parks and Recreation Commission.

Recommended Action: Appoint one member to the Parks and Recreation Commission. (City Clerk)

Jeanine Adams, 3452 Broken Twig Dr. Ms. Adams introduced herself to the City Council Members and expressed how important the lifestyle that Norco has to offer is to her family. She also stated that her family is very involved in the City recreation programs. Ms. Adams is pleased with the direction the City is going and how fiscally responsible the City is. She offers what she has in her heart to give to the City and is thankful for the opportunity to be considered to serve on this Commission.

Pat Overstreet, 1231 Corona Ave. Ms. Overstreet spoke on behalf and in support of Robert Snyder.

Robert Snyder, 645 Silver Spur Way. Mr. Snyder stated that his family has lived in Norco since the end of 2001 and they are very involved in the City's recreation programs.

Randy Stolp, 5053 Bluff. Mr. Stolp is excited for the opportunity to participate in this way. He stated his family is involved in the City's recreation programs. Mr. Stolp looks forward to the opportunity to serve on this Commission.

Mayor Azevedo stated that this has been a very difficult decision for her because she knows some of the applicants personally. She wanted the applicants to know that there are so many other opportunities to serve in the City and there are many ways to help that are of equal merit.

Kevin Bash, 3678 Pedley. Mr. Bash stated that it was a difficult decision for him to leave the Parks and Recreation Commission. He stated that it is important that persons serving on this Commission have an equestrian understanding, as well as previous experience with youth sports, senior activities, and someone who is consistently active and understands the issues. Mr. Bash spoke in support of Jeanine Adams.

Paper ballot count resulted in unanimous vote to appoint Jeanine Adams to the Parks and Recreation Commission.

AYES: AZEVEDO, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: HALL
ABSTAIN: NONE

- B. Urgency Ordinance Establishing a City-Wide Temporary Moratorium on the Approval of New Plans for the Construction of Accessory Structures that Exceed 2,500 Square Feet on Residentially-Zoned Properties

As a result of a growing proliferation of large accessory structures that block existing animal-keeping potential on lots, it is being recommended that the City Council adopt a temporary moratorium on accessory structures that exceed 2,500 square feet on all residentially-zoned lots. This will allow staff and the Planning Commission to finish working on proposed regulations to preserve the animal-keeping potential of lots for the future.

Recommended Action: Adopt Urgency Ordinance No. ____.
(Planning Manager)

Planning Manager King presented the Council Item. A public hearing will be held on March 18, 2009 to extend the provisions of this Urgency Ordinance.

Mayor Pro Tem Miller inquired from Planning Manager King if there were any residents that would be affected during the duration of this moratorium. Planning Manager King stated that staff is not aware of any residents that would be affected and no plans for accessory structures have been submitted to this date.

M/S Hanna/MacGregor to Adopt Urgency Ordinance No. 905. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: HALL
ABSTAIN: NONE

7. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:

Item 4. G. Authorization to Purchase Mobile Data Computers (MDC's) for Fire Engines and Command Staff Vehicles. Recommended Action: Authorize the purchase of Mobile Data Computers in the amount of \$42,093 by tagging on to a purchase program with the Riverside County Fire Department. (Fire Chief)

Fire Chief Frye stated that the Fire Department was notified on February 17, 2009, that the mobile data computers to be purchased were no longer being manufactured. Research was conducted regarding possible suppliers to provide the hardware. Included in that search for replacement equipment were Riverside County Purchasing Agreement, CMAS, and a National Intergovernmental Purchasing Alliance Company (National IPA). The National IPA provider was able to provide the required hardware through CDCE, Inc. of Yorba Linda, California for a cost of \$44,143.29.

M/S Miller/MacGregor to authorize the purchase of Mobile Data Computers in the amount of \$44,143.29 from CDCE, Inc. of Yorba Linda, California. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: HALL
ABSTAIN: NONE

8. PUBLIC COMMENTS OR QUESTIONS:

Kevin Russell, Norco Chamber of Commerce. Mr. Russell thanked the Council Members for their interest in providing support to the Norco Chamber of Commerce. He further stated that the Norco Chamber of Commerce continues to provide services to the community during these difficult economic times. Mr. Russell stated that the Chamber must set an example to its business members by running its business well as a non-profit organization. He stated that the Chamber looks forward to working with the City of Norco as they share many of the same goals. Mr. Russell distributed an informational packet to each Council Member.

Julie Waltz, 3020 Broken Arrow. Ms. Waltz spoke on behalf of a number of other residents seated in the audience regarding the home-based business at 2984 Broken Arrow in Norco. She stated that she is tired of the lack of action from the City of Norco

regarding this home-based business. Ms. Waltz stated that Council Member Hall came to her home in 2005 and stated he would speak to the League of California Cities regarding these home-based businesses, but has not heard back from him. Ms. Waltz went to the League's web site and found some suggestions for these types of home-based businesses. Ms. Waltz asked that Lt. Cooper provide the Council with the list of calls that were made to the Sheriff's Department regarding this home-based business. She further stated that the lights from this home shine into her home all hours of the night and she would like to see some action taken regarding this. Ms. Waltz provided information for the record regarding that home-based business. She stated she would like to make an appointment with the Mayor next Wednesday to discuss this issue. Mayor Azevedo stated that she will speak with Lt. Cooper to set up a time next Wednesday to discuss this matter with her and any other interested persons.

Glenn Hedges, 4061 Temescal Ave. Mr. Hedges extended his thanks and appreciation on behalf of the 1,000 members of the Norco Horsemen's Association (NHA) for continuing the contract for the use of Nellie Weaver Hall for next 5 years. He further stated that the NHA will be donating the money back to the City in many different ways.

9. OTHER MATTERS - COUNCIL OR STAFF:

Council Member Hanna stated that the residents on Wraymar Drive thanked Public Works Director Thompson and his Public Works crew for coming out and sandbagging that area before the rains came. He also thanked Public Works Director Thompson for all the work on the trails.

Mayor Azevedo stated that she attended the Measure U Committee meeting at the Corona-Norco Unified School District. She stated that the goal still is to complete the stadium construction by graduation. Mayor Azevedo further noted that the bleachers have been purchased and that the rain has been the major downfall in the construction process.

Mayor Pro Tem Miller stated that he will be the guest speaker at RURAL at 7 p.m. on February 26th and added that if there are any problems facing the City of Norco, he "will have all the answers."

10. Mayor Azevedo adjourned the meeting at 7:58 p.m. to a Joint Special Meeting of the City Council/Community Redevelopment Agency/Norco Financing Authority on Monday, February 23, 2009 at 6 p.m. in Conference Rooms A and B at Norco City Hall, 2870 Clark Avenue, Norco, California.

BRENDA K. JACOBS
CITY CLERK

CITY OF NORCO STAFF REPORT

TO: Chairman and Members of the Norco Redevelopment Agency

FROM: Jeff Allred, Executive Director 

PREPARED BY: Dominic Milano, City Engineer 

DATE: March 4, 2009

SUBJECT: Acceptance of Bid and Award of Contract to Hardy & Harper, Inc. for the Street Improvements at River Road and Second Street Project

RECOMMENDATION: That the Agency Board accept bids submitted for the installation of street and traffic signal improvements at River Road and Second Street, award a contract to Hardy & Harper, Inc. in the amount of \$333,000, and authorize the Executive Director to approve contract change orders up to 10 percent of the contract amount.

SUMMARY: Bids for the Street Improvements at River Road and Second Street Project were opened on February 18, 2009 with Hardy & Harper, Inc. being the lowest responsible bidder. Therefore, it is recommended that the contract be awarded to Hardy & Harper, Inc. in the amount of \$333,000.

BACKGROUND/ANALYSIS: Staff completed plans and specifications for the Street Improvements at River Road and Second Street Project for bidding purposes and on February 18, 2009, bids were received. The contract consists of the installation of street and traffic signal improvements at River Road and Second Street.

Twenty two bids were received ranging from \$333,000 to \$475,891. The lowest bidder, Hardy & Harper, Inc. is 62% below staff's estimate of \$876,141. There was an error in the Engineer's Estimate that incorrectly inflated the overall cost of the project. The correct Engineer's Estimate is \$496,553. Hardy & Harper, Inc. has performed admirably on numerous projects for the City of Norco in the past. The bid summary sheet has been attached for Council's review.

FINANCIAL IMPACT: Funds in the amount of \$1,000,000 are included in the FY2008/09 Agency Capital Improvement Project Budget for this project.

/dgg-71789

Attachments: Bid Summary

Agenda Item 1.B.



BID SUMMARY SHEET

		STREET IMPROVEMENTS FOR RIVER ROAD AND SECOND STREET															
QUANTITY	UNITS	DESCRIPTION	Engineer's Estimate			Hardy & Harper, Inc.			Imperial Paving Co., Inc.			Tyner Paving Company			Grand Pacific Contractors, Inc.		
			UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	
1	LS	Clearing, Grubbing & Mobilization	\$20,000.00	\$20,000.00	\$34,000.00	\$34,000.00	\$20,000.00	\$20,000.00	\$36,500.00	\$36,500.00	\$20,000.00	\$20,000.00	\$36,500.00	\$36,500.00	\$20,000.00	\$20,000.00	
1	LS	Traffic Control	\$10,000.00	\$10,000.00	\$12,000.00	\$12,000.00	\$10,000.00	\$10,000.00	\$8,786.75	\$8,786.75	\$0.25	\$0.25	\$8,786.75	\$8,786.75	\$0.26	\$0.26	
35,147	SF	General Grading & Unclassified Excavation	\$50,000.00	\$50,000.00	\$10,000.00	\$10,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$40,100.00	\$40,100.00	\$10,000.00	\$10,000.00	\$17,500.00	\$17,500.00	
892	TON	Cold Plane Existing AC Pavement	\$1.00	\$35,147.00	\$0.25	\$8,786.75	\$0.25	\$8,786.75	\$0.25	\$8,786.75	\$0.25	\$8,786.75	\$0.25	\$8,786.75	\$0.26	\$9,138.22	
		Construct 13" CAB	\$25.00	\$22,300.00	\$26.50	\$23,638.00	\$15.00	\$13,380.00	\$15.00	\$13,380.00	\$18.08	\$16,127.36	\$25.00	\$22,300.00	\$25.00	\$22,300.00	
35,147	SF	Construct Variable Thickness AC Pavement (min. 0.17)	\$12.00	\$421,784.00	\$1.00	\$35,147.00	\$0.75	\$26,360.25	\$0.75	\$26,360.25	\$0.92	\$32,335.24	\$1.16	\$40,770.52	\$1.16	\$40,770.52	
107	TON	Construct 5.5" AC Pavement	\$80.00	\$8,560.00	\$68.00	\$7,276.00	\$90.00	\$9,690.00	\$90.00	\$9,690.00	\$65.00	\$6,955.00	\$71.85	\$7,687.95	\$71.85	\$7,687.95	
440	LF	Construct 6" PCC Curb Only	\$15.00	\$6,600.00	\$15.00	\$6,600.00	\$15.00	\$6,600.00	\$15.00	\$6,600.00	\$15.50	\$6,820.00	\$11.00	\$4,840.00	\$11.00	\$4,840.00	
1,528	LF	Construct 6" PCC Curb and Gutter	\$18.00	\$27,504.00	\$20.00	\$30,560.00	\$23.00	\$35,144.00	\$23.00	\$35,144.00	\$18.25	\$27,886.00	\$22.00	\$33,616.00	\$22.00	\$33,616.00	
1	EA	Construct Curb Ramp	\$2,750.00	\$2,750.00	\$1,600.00	\$1,600.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$900.00	\$900.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	
688	SF	Construct 4" PCC Sidewalk	\$12.00	\$8,376.00	\$7.00	\$4,886.00	\$10.00	\$6,960.00	\$10.00	\$6,960.00	\$5.50	\$3,835.30	\$4.85	\$3,385.30	\$4.85	\$3,385.30	
1	LS	Install Pavement Striping, Marking and Signing	\$20,000.00	\$20,000.00	\$8,332.25	\$8,332.25	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$9,260.00	\$9,260.00	\$10,775.00	\$10,775.00	\$10,775.00	\$10,775.00	
1	LS	Traffic Signal & Lighting Modification @ River Rd. & Second St.	\$50,000.00	\$50,000.00	\$21,000.00	\$21,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$21,000.00	\$21,000.00	\$36,500.00	\$36,500.00	\$36,500.00	\$36,500.00	
1	LS	Traffic Signal & Highway Lighting Improvement @ River Rd. & Springbrook	\$150,000.00	\$150,000.00	\$98,000.00	\$98,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$99,225.00	\$99,225.00	\$103,675.00	\$103,675.00	\$103,675.00	\$103,675.00	
380	SF	Construct Utility Trench Street Repair	\$20.00	\$7,600.00	\$10.00	\$3,800.00	\$5.00	\$1,900.00	\$5.00	\$1,900.00	\$8.85	\$3,385.30	\$9.50	\$3,610.00	\$9.50	\$3,610.00	
343	TON	Construct 5.5" AC Pavement	\$80.00	\$27,440.00	\$68.00	\$23,324.00	\$65.00	\$22,295.00	\$65.00	\$22,295.00	\$7.50	\$2,625.00	\$7.50	\$2,625.00	\$7.50	\$2,625.00	
450	SF	Construct Concrete Cross Gutter & Spandrel	\$18.00	\$8,100.00	\$9.00	\$4,050.00	\$15.00	\$6,750.00	\$15.00	\$6,750.00	\$7.50	\$3,375.00	\$9.50	\$4,275.00	\$9.50	\$4,275.00	
		TOTAL BID		\$876,141.00		\$333,000.00		\$346,326.00		\$347,267.35		\$354,082.99		\$354,082.99		\$354,082.99	



BID SUMMARY SHEET

STREET IMPROVEMENTS FOR RIVER ROAD AND SECOND ST

QUANTITY	UNITS	DESCRIPTION	C. L. Legacy Construction, Inc.		Sequel Contractors, Inc.		S & S Grading & Paving, Inc.		GMC Engineering, Inc.		Hillcrest Contracting, Inc.	
			UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL
1	LS	Clearing, Grubbing & Mobilization	\$19,617.00	\$19,617.00	\$15,000.00	\$15,000.00	\$29,000.00	\$29,000.00	\$39,455.00	\$39,455.00	\$16,250.00	\$16,250.00
1	LS	Traffic Control	\$8,254.00	\$8,254.00	\$12,000.00	\$12,000.00	\$7,700.00	\$7,700.00	\$5,000.00	\$5,000.00	\$3,600.00	\$3,600.00
1	LS	General Grading & Unclassified Excavation	\$28,313.00	\$28,313.00	\$37,000.00	\$37,000.00	\$48,205.00	\$48,205.00	\$30,000.00	\$30,000.00	\$34,000.00	\$34,000.00
35,147	SF	Cold Plane Existing AC Pavement	\$0.33	\$11,596.51	\$0.22	\$7,732.34	\$0.25	\$8,786.75	\$0.25	\$8,786.75	\$0.31	\$10,895.57
892	TON	Construct 13" CAB	\$25.00	\$22,300.00	\$33.00	\$29,436.00	\$18.50	\$16,502.00	\$22.65	\$20,203.80	\$44.00	\$39,248.00
35,147	SF	Construct Variable Thickness AC Pavement (min. 0.17')	\$1.26	\$44,285.22	\$0.80	\$28,117.60	\$0.87	\$30,577.89	\$1.20	\$42,176.40	\$0.84	\$29,523.48
107	TON	Construct 5.5' AC Pavement	\$89.00	\$9,523.00	\$120.00	\$12,840.00	\$117.00	\$12,519.00	\$118.00	\$12,626.00	\$123.00	\$13,161.00
440	LF	Construct 6" PCC Curb Only	\$13.00	\$5,720.00	\$28.00	\$12,320.00	\$22.40	\$9,856.00	\$16.15	\$7,106.00	\$19.60	\$8,624.00
1,528	LF	Construct 6" PCC Curb and Gutter	\$14.00	\$21,392.00	\$26.00	\$39,728.00	\$17.75	\$27,122.00	\$14.65	\$22,385.20	\$23.00	\$35,144.00
1	EA	Construct Curb Ramp	\$1,130.00	\$1,130.00	\$3,000.00	\$3,000.00	\$3,100.00	\$3,100.00	\$850.00	\$850.00	\$2,650.00	\$2,650.00
696	SF	Construct 4" PCC Sidewalk	\$5.00	\$3,480.00	\$5.00	\$3,480.00	\$6.50	\$4,537.00	\$3.85	\$2,687.30	\$2.95	\$2,059.10
1	LS	Install Pavement Striping, Marking and Signing	\$10,459.00	\$10,459.00	\$9,000.00	\$9,000.00	\$10,300.00	\$10,300.00	\$9,795.00	\$9,795.00	\$9,000.00	\$9,000.00
1	LS	Traffic Signal & Lighting Modification @ River Rd. & Second St.	\$22,923.00	\$22,923.00	\$17,500.00	\$17,500.00	\$22,000.00	\$22,000.00	\$31,000.00	\$31,000.00	\$34,250.00	\$34,250.00
1	LS	Traffic Signal & Highway Lighting Improvement @ River Rd. & Springbrook	\$108,310.00	\$108,310.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$96,950.00	\$96,950.00	\$97,150.00	\$97,150.00
380	SF	Construct Utility Trench Street Repair	\$5.00	\$1,900.00	\$10.00	\$3,800.00	\$3.50	\$1,330.00	\$10.00	\$3,800.00	\$7.75	\$2,945.00
343	TON	Construct 5.5' AC Pavement	\$89.00	\$30,527.00	\$80.00	\$27,440.00	\$70.00	\$24,010.00	\$85.00	\$29,155.00	\$80.00	\$27,440.00
450	SF	Construct Concrete Cross Gutter & Spandrel	\$11.38	\$5,121.00	\$8.00	\$3,600.00	\$16.70	\$8,415.00	\$4.50	\$2,025.00	\$14.50	\$6,525.00
		TOTAL BID		\$354,862.73		\$362,003.94		\$363,960.64		\$364,001.45		\$372,465.15



BID SUMMARY SHEET

STREET IMPROVEMENTS FOR RIVER ROAD AND SECOND S

QUANTITY	UNITS	DESCRIPTION	Peter's Concrete Company		Elite Bobcat Services, Inc.		Sukut Construction, Inc.		NPG Inc.		All American Asphalt	
			UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL
1	LS	Clearing, Grubbing & Mobilization	\$20,000.00	\$20,000.00	\$37,347.35	\$37,347.35	\$30,000.00	\$30,000.00	\$40,866.66	\$40,866.66	\$39,000.00	\$39,000.00
1	LS	Traffic Control	\$8,000.00	\$8,000.00	\$9,000.00	\$9,000.00	\$13,000.00	\$13,000.00	\$34,166.00	\$34,166.00	\$41,000.00	\$41,000.00
1	LS	General Grading & Unclassified Excavation	\$15,000.00	\$15,000.00	\$72,000.00	\$72,000.00	\$25,000.00	\$25,000.00	\$37,166.00	\$37,166.00	\$44,000.00	\$44,000.00
35,147	SF	Cold Plane Existing AC Pavement	\$0.45	\$15,816.15	\$0.25	\$8,786.75	\$0.20	\$7,029.40	\$0.27	\$9,489.69	\$0.50	\$17,573.50
892	TON	Construct 13" CAB	\$26.00	\$23,192.00	\$21.00	\$18,732.00	\$31.00	\$27,652.00	\$26.20	\$23,370.40	\$42.00	\$37,464.00
35,147	SF	Construct Variable Thickness AC Pavement (min. 0.17")	\$1.50	\$52,720.50	\$0.90	\$31,632.30	\$1.22	\$42,879.34	\$1.14	\$40,067.58	\$1.00	\$35,147.00
107	TON	Construct 5.5" AC Pavement	\$100.00	\$10,700.00	\$95.00	\$10,165.00	\$108.00	\$11,556.00	\$94.00	\$10,088.00	\$96.00	\$10,272.00
440	LF	Construct 6" PCC Curb Only	\$22.00	\$9,680.00	\$17.00	\$7,480.00	\$25.00	\$11,000.00	\$19.99	\$8,795.60	\$18.00	\$7,920.00
1,528	LF	Construct 6" PCC Curb andGutter	\$35.00	\$53,480.00	\$18.00	\$27,504.00	\$24.00	\$36,672.00	\$19.00	\$29,032.00	\$17.00	\$25,976.00
1	EA	Construct Curb Ramp	\$2,000.00	\$2,000.00	\$1,150.00	\$1,150.00	\$5,000.00	\$5,000.00	\$2,900.00	\$2,900.00	\$2,700.00	\$2,700.00
698	SF	Construct 4" PCC Sidewalk	\$5.00	\$3,490.00	\$3.50	\$2,443.00	\$8.00	\$5,584.00	\$5.00	\$3,490.00	\$3.00	\$2,094.00
1	LS	Install Pavement Striping, Marking and Signing	\$20,000.00	\$20,000.00	\$10,000.00	\$10,000.00	\$8,500.00	\$8,500.00	\$8,900.00	\$8,900.00	\$10,000.00	\$10,000.00
1	LS	Traffic Signal & Lighting Modification @ River Rd. & Second St.	\$22,000.00	\$22,000.00	\$18,000.00	\$18,000.00	\$35,000.00	\$35,000.00	\$35,193.52	\$35,193.52	\$10,000.00	\$10,000.00
1	LS	Traffic Signal & Highway Lighting Improvement @ River Rd. & Springbrook	\$96,000.00	\$96,000.00	\$97,500.00	\$97,500.00	\$94,250.00	\$94,250.00	\$99,905.00	\$99,905.00	\$105,000.00	\$105,000.00
380	SF	Construct Utility Trench Street Repair	\$10.00	\$3,800.00	\$24.32	\$9,241.60	\$30.00	\$11,400.00	\$4.85	\$1,767.00	\$27.00	\$10,260.00
343	TON	Construct 5.5" AC Pavement	\$80.00	\$27,440.00	\$76.00	\$25,068.00	\$68.00	\$23,324.00	\$79.00	\$27,097.00	\$67.00	\$22,981.00
450	SF	Construct Concrete Cross Gutter & Spandrel	\$12.00	\$5,400.00	\$11.00	\$4,950.00	\$12.60	\$5,670.00	\$16.50	\$7,425.00	\$4.61	\$2,074.50
		TOTAL BID		\$388,718.65		\$392,000.00		\$394,516.74		\$419,679.45		\$423,462.00

vs



BID SUMMARY SHEET

STREET IMPROVEMENTS FOR RIVER ROAD AND SECOND S

QUANTITY	UNITS	DESCRIPTION	R. J. Noble company		Cooley Construction, Inc.		DLB Construction, Inc.	
			UNIT BID	TOTAL	UNIT BID	TOTAL	UNIT BID	TOTAL
1	LS	Clearing, Grubbing & Mobilization	\$70,000.00	\$70,000.00	\$38,977.00	\$38,977.00	\$31,000.00	\$31,000.00
1	LS	Traffic Control	\$10,500.00	\$10,500.00	\$26,300.00	\$26,300.00	\$26,500.00	\$26,500.00
1	LS	General Grading & Unclassified Excavation	\$92,000.00	\$92,000.00	\$95,000.00	\$95,000.00	\$27,000.00	\$27,000.00
35,147	SF	Cold Plane Existing AC Pavement	\$0.35	\$12,301.45	\$0.30	\$10,544.10	\$0.47	\$16,519.09
892	TON	Construct 13' CAB	\$30.75	\$27,429.00	\$24.30	\$21,675.60	\$29.00	\$25,866.00
35,147	SF	Construct Variable Thickness AC Pavement (min. 0.17')	\$0.95	\$33,389.65	\$1.22	\$42,879.34	\$1.26	\$44,285.22
107	TON	Construct 5.5" AC Pavement	\$120.00	\$12,840.00	\$86.00	\$9,202.00	\$102.66	\$10,984.62
440	LF	Construct 6" PCC Curb Only	\$21.50	\$9,460.00	\$35.00	\$15,400.00	\$23.00	\$10,120.00
1,528	LF	Construct 6" PCC Curb and Gutter	\$24.00	\$36,672.00	\$17.50	\$26,740.00	\$27.17	\$41,515.78
1	EA	Construct Curb Ramp	\$2,700.00	\$2,700.00	\$1,480.00	\$1,480.00	\$1,680.00	\$1,680.00
698	SF	Construct 4" PCC Sidewalk	\$7.65	\$5,339.70	\$6.70	\$4,678.60	\$5.85	\$4,083.30
1	LS	Install Pavement Striping, Marking and Signing	\$9,700.00	\$9,700.00	\$9,300.00	\$9,300.00	\$10,577.00	\$10,577.00
1	LS	Traffic Signal & Lighting Modification @ River Rd. & Second St.	\$15,000.00	\$15,000.00	\$36,400.00	\$36,400.00	\$44,830.00	\$44,830.00
1	LS	Traffic Signal & Highway Lighting Improvement @ River Rd. & Springbrook	\$109,000.00	\$109,000.00	\$102.00	\$102.00	\$118,100.00	\$118,100.00
380	SF	Construct Utility Trench Street Repair	\$10.25	\$3,895.00	\$8.40	\$3,192.00	\$17.52	\$6,657.60
343	TON	Construct 5.5" AC Pavement	\$72.75	\$24,953.25	\$79.00	\$27,097.00	\$90.00	\$30,870.00
450	SF	Construct Concrete Cross Gutter & Spandrel	\$9.25	\$3,712.50	\$8.80	\$3,960.00	\$12.00	\$5,400.00
		TOTAL BID		\$472,892.55		\$372,925.64		\$455,980.59
					VS	\$474,823.64	VS	\$475,891.00

CITY OF NORCO STAFF REPORT

TO: Chairman and Members of the Norco Redevelopment Agency

FROM: Jeff Allred, Executive Director 

DATE: March 4, 2009

SUBJECT: Norco Chamber of Commerce Payment Request

RECOMMENDATION: Direction Requested.

The Agency Board will consider a request for funding from the Norco Chamber of Commerce. At the request of the Agency Board, the Chamber has submitted written informational materials, including a business plan, for consideration by the Board.

BACKGROUND/ANALYSIS: Over the past several years the Norco Redevelopment Agency has allocated funds to the Norco Chamber of Commerce, ranging from a low of \$13,000 to the \$25,000 paid in the previous fiscal year, for the purpose of supporting and promoting local business-related interests, activities and services. A total of \$25,000 has been allocated for this purpose in the current 2008/09 fiscal year budget.

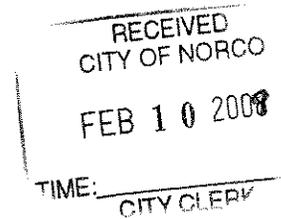
In July of 2008, the Chamber of Commerce was requested to provide financial statements of its activities for the past year inclusive of all revenues and expenditures related to the Norco Valley Fair prior to the release of funds. In fulfillment of this request, the Norco Chamber of Commerce provided the Agency with a copy of filed tax returns for calendar year 2007 to the Internal Revenue Service (Form 990--Return of Organization Exempt From Income Tax) and to the State of California (Form 199--California Exempt Organization Annual Information Return).

On February 4, 2009 the Agency Board considered the Chamber's request for payment and took action not to approve any payment to the Norco Chamber of Commerce at that time. The Board also directed that a letter be sent to the Chamber requesting a detailed report describing the Chamber's programs and activities that support local businesses and promote the City of Norco.

At the February 18, 2009 Redevelopment Agency meeting, Norco Chamber of Commerce President Kevin Russell distributed information packets to the Agency Board, which included a business plan for the Chamber. (Copies of the materials, with the exception of the membership directory, are attached.)

Attachments
/ja-71824

Agenda Item 1.C.



February 9, 2009

City Manager, Jeff Allred
2870 Clark Avenue
Norco, CA 92860

Dear Mr. Allred,

Thank you for the letter requesting a report from the Chamber of Commerce detailing our benefit to the City of Norco. It is completely understandable that before receiving monies from the city that we should provide our benefactor with documentation of our worth and what benefits the City will see from their investment.

I am in the process of preparing a Business Plan for the coming year for the Norco Chamber of Commerce. It will outline all of the necessary financial information as well as what services and programs we provide to the business community and community at large.

I believe this will answer any questions the City Council may have regarding their investment in the Chamber of Commerce. I will provide you with copies for all council members and will try to have it to you by the end of this week.

I am looking forward to working with you and your colleagues at the City. Please let me know if there is anything else that you need from the Chamber. As you know we are in a rebuilding phase and are trying to "dust off" our image. If you have any suggestions that would help in that regard please let me know.

Sincerely,

Laurie Stutzman
Chamber Office Manager



February 17, 2009

Norco City Counsel
2870 Clark Ave.
Norco, CA 92860

Dear Counsel Members

Let me take this opportunity to thank you for your time and interest in the Chamber of Commerce, by considering providing support for us for the coming year. The relevancy of the Chamber of Commerce has never been more important than now. Even on the national stage the Chamber of Commerce is looked to for their opinion on business matters. In President Obama's first press conference when he was looking for backing for his stimulus package, he quoted the Chamber of Commerce as having given their endorsement of the bill. The Chamber of Commerce served as a reference from the business community to the Washington politicians.

This is the relationship that exists between the Norco Chamber of Commerce and the Norco Business community. While the Chamber has gone through its share of ups and downs it has continued to provide services to the business community. Now with the economy in decline, businesses need our help more than ever. Many people who have lost jobs are looking to start their own businesses. These entrepreneurs come to the Chamber of Commerce for advice, information, and promotional help. Existing businesses that are struggling in a down economy turn to us for help promoting their business and providing them with insight and information from SCOPE and Cal Chamber.

Even though we are a non-profit organization we believe that to be successful we must operate with an entrepreneurial philosophy. We must set an example for our business members by managing our organization well. That means maintaining a diversified funding plan. Currently our funding comes from membership dues, advertising revenue, and events. The addition of City funding would help create more diversity and strengthen our prospects of long-term survival. With that, we can more readily focus on serving the needs of our community and membership.

Kevin Russell
President

Gary Hendrickson
Vice President

Velma Hickey
Treasurer

Jaime Rea
Secretary

2816 Hamner Avenue • Norco, CA 92860 • www.norcochamber.com
(951) 737-2531 • Fax (951) 737-2574



We look forward to working with the City of Norco in the coming year as we share many of the same goals.

Thank you

Sincerely,

A handwritten signature in black ink that reads "Kevin S. Russell". The signature is written in a cursive style.

Kevin Russell,
President, Norco Chamber of Commerce

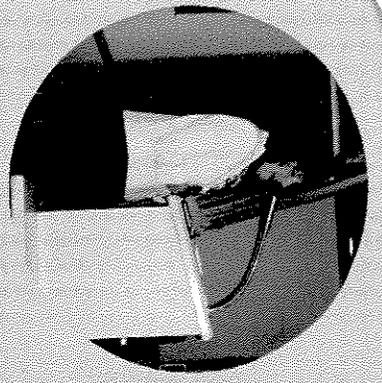
Kevin Russell
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Jaime Rea
Secretary

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We're taking care of business

2009 Business Plan

*Mission: To promote the development and prosperity of business
in the community through civic involvement*



Board of Directors

President - Kevin Russell

Goldmark Gallery

Vice President - Gary Hendrickson

Cowgirl Cafe

Treasurer - Velma Hickey

Norco News

Secretary - Jaime Rea

Colors Your Way

Director - Donnie Gouthro **Director - Dick White**

Mavericks Steakhouse

Dick White Radiator

Director - Dr Kevin Hajduk**Director - Phylliss Vaughan**

Norco Chiropractic

Vaughan Rentals

Director - Elizabeth Dietsch

Miss Liz's Precious Cargo

The Norco Chamber of Commerce has been the preeminent representative of business in Norco for over 50 years. During this time the Chamber of Commerce has played an important role in the planning, growth and development of Norco.

Our management team consists of a nine member Board of Directors and officers. The team works closely with the office manager and office assistant to help us affect desired outcomes.

The members of the Chamber staff work with an active corps of volunteers who willingly share time, talent, energy, ideas and expertise ensuring the decisions made are balanced and in the best interests of the community.

The Chamber is a nonprofit organization financed through its member's dues and revenue development programs like the Norco County Fair.

Business Development

Mission: The Business Development

Division is to be the voice of business in the creation of a strong local economy.

Business Benefits

Monthly meetings with speakers of political or business interest

Ribbon Cuttings/ Grand Openings

Web referrals through the online Business Directory at www.norcochamber.com

Norco Business Expo and Health Fair

Free access to Cal Chamber forums and same day advice on legal questions.

Free business consulting with a SCORE representative

Business Startup Guide, "The ABC's of Starting Your Own Business"

Human Resources compliance material resource

Relocation Packet

Business to Business Discount Guide

Membership Directory

Business Toolbox Packet

Advertising Opportunities

Networking Opportunities

Communication Channel for State, Local and Federal Business Issues

Promoting the Community

Mission: To foster, enhance and expand the development of the rich human, cultural and natural resources of the community, resulting in a more competitive economy and one of the nation's most visited communities.

Community Benefits

Visitor Center

provides information and brochures for visitors to the City of Norco while emphasizing our "Horseshoewn USA" lifestyle.

Welcome Wagon

provides information and business promotional items to new residents and new businesses.

Promotes a Community Wide "Christmas Decorating Contest" and Hayride

this uniquely Norco event confirms and endorses our small town atmosphere

Provides Opportunities for local volunteer programs

supports and provides thousands of hours for the "Community Service and ROP programs

The Norco Valley Fair

organizes and produces the premier local fair that promotes Norco's small town values throughout Southern California

Promotes and Supports the "Shop in Norco" program

through programs like the "shop n'win" contest, the value of shopping locally is rewarded and promoted.

Recognition of outstanding local citizens and businesses

the annual installation dinner recognizes and awards local citizens and businesses through the Citizen of the Year and Business of the Year program

Miss Norco Pageant

offers Scholarships and provides opportunities for young women in the community through the pageant process. This also brings recognition to the community as contestants go on to National and State competitions.

Community Service Council

supports and provides a voice for the local non-profit and service organizations.

Fictitious Business Name Publication

offers a convenient central location for businesses needing to apply for and publish fictitious business names. Also offers these individuals resources for starting a business.

Communications and Marketing

Mission: to utilize marketing and public relations techniques to communicate with members, perspective members and the community at large through a variety of mediums.

Communications

Business Review

is the monthly chamber newsletter, it is direct mailed to 500 members and over 100 other copies are distributed to the community. This publication offers advertising opportunities as well as informational articles for businesses and a community calendar.

Website www.norcochamber.com

is our electronic Business Directory and receives over 200 hits a day it is our window to the world. Advertising opportunities are offered as well as a community calendar. Members may post articles, events and photos free of charge.

Weekly Email Blast

the Weekly Chamber Update is emailed to all members and associates on Thursday of every week. It contains late breaking events in government affecting businesses, updates of community events, notification of Chamber events and a monthly calendar. Members are invited to submit items for inclusion in the Member Bulletin Board section.

Business Round Up

is the print version of the membership directory and available in the Chamber office as well at all events. It also provides general information about the area and is part of the Welcome Wagon packet.

Business Toolbox

this handy booklet is given to all members and is a guide to making the most of your chamber membership. It contains forms for free advertising as well as little known features that are available with Chamber membership.

ABC's of Starting A Business

this is a resource guide for prospective business owners, it offers a step by step guide to starting a business as well as all the necessary forms

Chamber Marquee

this free benefit to members allows them to post a message on the sign in front of the Chamber Office for 1 week. It is also used to advertise Chamber and City events.

Business to Business Brochure

is a tool for businesses to offer other Chamber members discounts or special offers . This is published and distributed to members and prospective members. It helps keep business here in Norco.

Finance

Mission: The financial focus is to maintain and expand the financial foundation to support and expand services, products and programs promoting member businesses.

2009 Objectives

Ensure financial viability and stability

Continue to work toward a stronger financial position

Review the Chamber's dues structure

Monitor and report on the Chamber's finances monthly

Review and recommend the 2010 budget for approval by the Board of Directors by December 2009

Develop a strong and active membership to provide the necessary resources to address future goals and priorities

Increase membership with a goal of 5% net growth

Strengthen relationships with prospective members and existing members through "goodwill" calls and visits

Survey businesses that choose not to rejoin the Chamber to determine how the organization can better meet its member's needs

Implement a contact program where all new members are contacted at least 3 times during the first year of membership

Provide adequate facilities and equipment for the chamber's operation and growth

Develop a plan to update the Chamber's technology

Determine building maintenance and enhancement requirements

Maintain a professional staff to lead and assist with the implementation of the goals

Review compensation and benefits for Chamber staff

Review and update policies and procedures for employees

Review staff development needs

Develop and support an organizational structure that maximizes its efficiency and effectiveness

Maintain an environment where the Board sets policy, committees define strategies and action steps, and staff implements the work of the organization.

Increase recognition of board members and increase board participation at events

Checklist

2009

A. Business Plan

US Small Business Administration
www.sba.gov

B. Business Structure

1. Sole Proprietorship
2. Corporation
3. Limited Partnership
4. General Partnership
5. Limited Liability Partnership

Make an appointment with an attorney and accountant

Need to file a Fictitious Name
Pick up form at Norco Chamber

C. ID and Tax Documents

1. Franchise Tax Board
2. Internal Revenue Service
3. State Board of Equalization
4. Employment Development Department

Contact about state income tax

www.ftb.ca.gov

Obtain Federal ID number (EIN)

www.irs.us/efca.gov

Obtain Resale Number

www.hoc.ca.gov

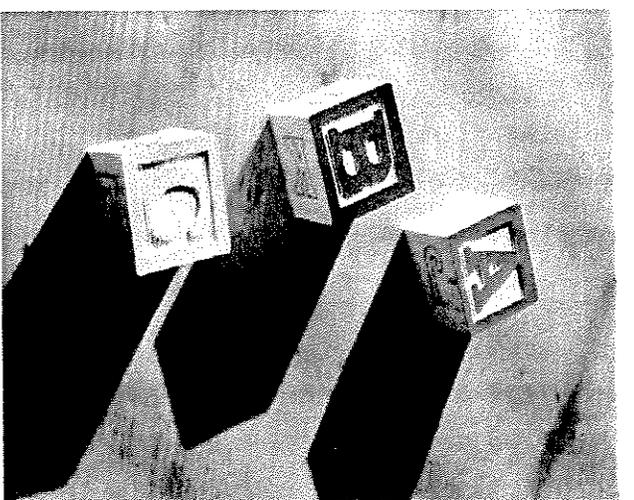
Obtain State ID number

www.edd.ca.gov

D. Business License & Permits

Obtain business license from
the City of Norco

www.ci.norco.ca



A Resource Guide

ABC's of Starting a Business

presented by:



ABC's of Starting a Business

Starting your own business can be a daunting task for even the most seasoned business entrepreneurs. Advice will come from all quarters about what to do first and what regulations, fees, and permits apply to your particular business. This brochure is not an attempt to teach all the finer points of starting a business. There are many fine resources in print, online and software that cover all aspects of starting your own business. What this brochure does attempt to do is to simplify the process and give you the most beneficial and accurate resources in an easy 4 step process.

A. Business Plan

This is probably the most important step and yet the most overlooked. Many people feel that unless your lender requires a business plan it is not necessary. Nothing could be further from the truth. It is not the final document that is so valuable, but the thinking process that is necessary to produce a business plan that is of incredible value. While going through this process many questions will arise and force you to address those. A business plan will serve you

well in your first steps as a business owner. It will serve as the blueprint for every aspect of your business. Sales, Marketing, Advertising, Promotion and Location are just some of the aspects of your plan. The best resource for writing a business plan is *FREE* and is available through the U.S.Small Business Administration.

Website: www.sba.gov
SBA Answer Desk
6302 Fairview Road, Suite 300
Charlotte, North Carolina 28210
1-800-827-5722

B. Business Structure

Once your business plan is formed a primary consideration is the type of business entity to form. Tax and liability issues, director and ownership concerns, as well as state and federal obligations pertaining to the type of entity should be considered when making your determination. Personal needs and the needs of your particular type of business should also be considered. It is best to contact a legal representative and accountant before making a determination as to the type of business entity to form.

There are many more websites and sources for information regarding starting a business. Sorting out which are the fastest and most complete can take up your valuable time. This is a condensed version and will get you the fastest and most accurate results. Other sources for general business information are:

California Chamber of Commerce
www.calchamber.com

California Business Portal
www.calbusiness.ca.gov

This website is sponsored by California Economic Development Partnership, it is a conglomerate of public and private resources, from State and Federal agencies to local private, non-profit organizations. This is definitely a one-stop website for business startup information.

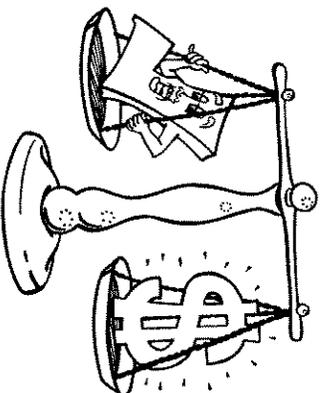
Good luck on your new venture.

Fees

Fictious Business Name publication: \$30.00

City of Norco Business License:Taxes:

See attached sheet



Employment Development Department (EDD)

This agency issues employer account numbers (sometimes call State employer identification numbers, SEINs, state ID numbers, or reserve account numbers) and administers California's payroll taxes, including Unemployment Insurance, Employment Training Tax, State Disability Insurance and California Personal Income Tax Withholding. For information on Requirements for Employers contact: www.edd.ca.gov

You may download a registration form and submit it at the local Employment Tax office. For payroll tax assistance call toll-free 1-888-745-3886

Employment Development Department
Employment Tax Customer Service
Office: 1180 Palmynria Ave, Suite B
Riverside, CA 92507

D.Business Licenses and Permits

Most businesses require licenses or permits in order to operate. There are many variations depending on the business. The city, county, state and federal regulatory agencies determine requirements for Licenses and/or Permits. To navigate this difficult area and to be sure that you have not overlooked any important requirements for your type of business go online to:

www.cdph.ca.gov

This is a very powerful tool and will steer you through all the regulations required for your business at every governmental level. It is truly "business permits made simple". Other agencies that will provide information regarding your specific business license are:

City of Norco
Business Licensing
2870 Clark Ave
Norco, CA 92860
(951) 270-5679
www.ci.norco.ca.us

Department of Consumer Affairs
1625 N. Market Blvd
Sacramento, CA 95834
(800) 952-5219
www.dca.ca.gov

to the type of business entity to form.

Before contacting a professional become familiar with the terms used to determine business structure. The following list is a brief overview of the principal types of legal business structures available in California. The information is intended to provide a basic understanding of the different business structures and is not intended to provide legal advice.

Sole Proprietorship

A sole proprietorship is set up to allow an individual to own and operate a business by him/herself. A sole proprietor has total control receives all profits from and is responsible for taxes and liabilities of the business. If a sole proprietorship is formed with a name other than the individual's name a Fictitious Business Name Statement must be filed with the county where the principal place of business is located. Other state filings may be required depending on the type of business. Riverside county form for fictitious business name can be downloaded on website:

www.asrclerk.com

The form and more information are available at the county clerks office or by calling: (951) 486-7000.

Corporation

A domestic corporation (Articles of Incorporation) generally is a legal entity, which exists separately from its owners. While normally limiting the owners from personal liability. Taxes are levied on the corporation as well as on the shareholders. The sale of stocks or bonds can generate additional capital and the longevity of the corporation can continue past the death of the owners. Legal counsel should be consulted regarding the variety of options available for formulation. Fees and forms are available on website: www.ss.ca.gov or contact:

Secretary of State
Business Programs Division
1500 11th Street
Sacramento, CA 05814
(916) 657-5448

Limited Partnership

A domestic limited partnership (Certificate of Partnership- LP-1) may provide limited liability for some partners. There must be at least one general partner that acts as the controlling partner while the liability of limited partner is normally limited to the amount of control or participation in which they are engaged. General partners of limited

General Partnership

A general partnership (Statement of Partnership Authority - GP-1) must have two or more persons engaged in a business for profit. Except as otherwise provided by law, all partners are liable jointly for all obligations of the partnership unless agree by the claimant. Profits are taxed as personal income for the partners. Filing at the state level is optional.

Limited Liability Partnership

A limited liability partnership (Registration of Limited Liability Partnership - LLP-1) is a partnership that engages in the practice of public accountancy, the practice of law or the practice of architecture, or services related to accountancy or law. A limited liability partnership is required to maintain certain levels of insurance as required by law.

Limited Liability Companies

A limited liability company (LLC) is a relatively new form of business entity for the state of California. At this time professional limited liability companies are prohibited from

forming or registering in California. The majority of limited liability company filings utilize forms prescribed by the Secretary of State, which were developed to simplify filing procedures. The prescribed forms provide for the statutory minimum requirements.

To obtain forms and more information go to: www.ss.ca.gov

C. ID Documents

There are several agencies in the State of California that administer a variety of taxes. While other state and local agencies may issue permits and assess fees or taxes, the following is a list of state agencies that can assist you in determining your tax obligations and provide you with information about tax reporting rights.

Franchise Tax Board (FTB)

This agency administers personal and corporate income and franchise taxes for the State of California.

If you have questions about state income taxes contact: www.ftb.ca.gov
Franchise Tax Board
Business Entities Division
P.O. Box 942857
Sacramento, CA 94257
1-800-852-5711

Internal Revenue Service (IRS)

This agency issues Federal Employer Identification numbers (EIN) and administers federal payroll taxes, including social security, Medicare, federal unemployment insurance and federal income tax withholding.

For information about federal Employer Identification Numbers contact:
www.irs.ustfca.gov
you may apply online and start using your EIN immediately.

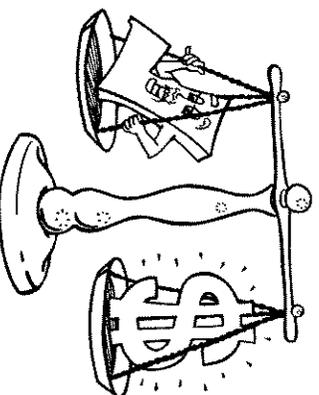
United States Department of Treasury
Internal Revenue Services
1-800-829-1040

State Board of Equalization (BOE)

This agency issues seller's permits and is responsible for the administration and collection of the state's sales and use, fuel, alcohol, tobacco and other special taxes and fees. The BOE plays a significant role in California property tax assessment and administration. The BOE also acts as the appellate body for franchises and personal income tax appeals.

Applications are available online but you must submit the application by mail or in person at the closest field office
For information on Resale Certificates contact: www.boe.ca.gov

State Board of Equalization
Field Office
3737 Main St. Suite 1000
Riverside, CA 92501
(951) 680-6400



"To Promote The Development and Prosperity of Business In
The Community Through Civic Involvement."

Mayor offers encouraging economic report

Mayor Kathy Azevedo gave a rousing "State of the City" address at the monthly general membership meeting Wednesday January 28. The overall tone was upbeat and reassuring to business people that the city is in a good fiscal position. While they are continuing to be fiscally prudent, they are looking to the future and want to be positioned to take advantage of the eventual upturn in the economy. One of the resounding themes of Mayor Azevedo's address was "Shop Norco". This was music to the ears of the over 50 business, civic and educational leaders in attendance at this Chamber sponsored luncheon. Mayor Azevedo urged everyone to "buy your cars here, buy your gas here, dine here, and shop here." The overall message was that the key to weathering this down turn in the economy is by keeping sales tax dollars in Norco.

The Mayor was very excited about the proposed Silverlakes Equestrian Sports Park to be built on the 122 acres north of the Santa Ana River on Hamner. This multi use facility has already filed their Environmental Impact Report and is looking to break ground soon

This complex should bring visitors from all across the country to Norco. The City is looking to attract those tourist dollars by having plenty of Hotels and Restaurants to accommodate the visitors. It is expected that additional horse related businesses will be added to the 6th street



Mayor Azevedo gives the "State of the City" address at the Norco Chamber of Commerce January's general membership meeting

corridor. There is an in depth description of this project on the City of Norco website.

In the area of education the Mayor revealed that Riverside Community College, Norco Campus will be renamed Norco College. She also outlined and showed plans for the improvements that will be done to Norco High School. These included new swim facility and an all weather track.

Norco is on track to "Go Green". The Mayor outlined a project

that is in the planning stages, that is to use manure to create energy. This project would take care of two problems at once. It would give Norco a perpetual place to dispose of its manure and also develop green energy at the same time.

The Mayor is definitely optimistic about the economic future of Norco and its businesses. She stressed that Norco's unique image of "Horsetown USA" positions us very favorably in the marketplace.



Miss Norco, Nicole Shulz welcomes news members Bill Melanson of A&L Auto, Reggie Monday of Bagolitas and Karla Ray of Mary Kay Cosmetics

PRESIDENT'S MESSAGE

Fellow Members,

As we roll into 2009 the chamber has rededicated itself to its members. On the 17th of January your new board and staff attended a "Strategic Planning Session" at the Hampton Inn. Our Goal was to plan the year and find ways to increase the chamber's role in Norco's business community. We have scheduled a full year of events, forums, meetings, and pertinent speakers designed to help us increase our bottom line. Some examples;

- Business Expo
- Legislative Forum
- Legislative Luncheons
- Food and Safety Fair
- Hanging out on Hamner
- Deadwood Dick

Each event offers our members advertizing and sponsorship opportunities. Inexpensive advertizing, helping get your companies name in front of potential customers. Other opportunities will include;

- Grand Openings
- Mixers
- Membership Lunches
- B2B Breakfast and Networking
- New Member Orientation
- Membership Tool Kits
- Member to Member Discounts
- Membership Directory
- Web Advertizing
- Business owners advisory group

No other business organization can offer you as much for your buck. If you are interested in or want to take advantage of an opportunity. Stop by the office and get more information.

I would like to share with you a little of the philosophy that helped direct our meeting as much of it can be applied to business and life. You must plan. Not planning is like sailing without proper equipment or direction, if you do get there it may not be where you wanted to go.

Do not build the future out of fear of the past, but of what the future can be. Have a profitable February, please call the chamber office with thoughts, ideas or questions talk to you soon. Kevin Russell, President, Norco Chamber of Commerce

Board of Directors
President - Kevin Russell
VP- Gary Hendrickson
Secretary - Jamie Rea
Treasurer - Velma Hickey
Directors:
Elizabeth Dietsch,
Dr. Kevin Hajduk,
Donnie Gouthro
Phylliss Vaughan
Dick White
Staff
Laurie Stutzman
Kathleen Moon
Location: 2816 Hamner Avenue
Norco, CA 92860
Phone: 951-737-2531 Fax: 951-
737-2574
email: norcochamber.com
staff@norcochamber.com

MAYOR'S MESSAGE

Dear Norconians,

I would like to take this opportunity to thank the Chamber of Commerce for allowing me the opportunity to give the State-of-the-City address at their last general membership meeting. I was so pleased with the attendance. It is great to know that so many people care about the wonderful town of Norco, HorseTown USA.

For those of you who did not attend, I will give a brief highlight of my report.

1. Our reserve account ("rainy day" bank account) doubled in the past four years. They reached a record high in 2007 at 8.4 million and are projected to be at about 6 million at the end of the fiscal year. We must stay fiscally prudent.

2. During the past five years we have eliminated 24 full-time positions thru "attrition management. When employees retire or resign, we do not automatically replace them.

3. Redevelopment funds can be used for two purposes. One to promote economic development and the second use is to build infrastructure. With those funds we will be building a new Animal Shelter, Ingall's Parks second arena and several street projects.

4. The Silverlakes Equestrian and Sports Park will feature high-end national competitions and local equestrian events. It will have 122 acres of grass fields and a large barn for indoor events. It will be an economic engine for the City of Norco. There will be an 11 acre campground with entry to the River Trails Park. Silverlakes will make Norco a destination point for thousands of visitors.

5. Norco is going green by working with Chevron Energy Solutions to build a manure-to-energy plant. This will stabilize our rates and produce energy to

power the wastewater plant and perhaps even generate revenues!

6. Norco is working to preserve our history. A historic Preservation Commission has been formed with a focus on the Norconian Hotel and surrounding properties. We will be working to get CLG status, something necessary to aid in applying for grant funding.

The most important message that I tried to impress on everyone, was the importance of shopping in Norco. With the economic downturn, it is more important than ever! Not only are you helping the local businesses, you are helping the city to sustain. 33% of the cities general fund account comes from sales tax. Less than 10% comes from property tax. Remember, SHOP NORCO! Together we will weather this storm.

I hold office hours every Wednesday afternoon. Please feel free to come see me on any issue, or just come to visit. What I love most about being the Mayor is serving the residents. You can call me anytime at 951-258-9711. Sincerely, Kathy Azevedo

**THIS SPACE
 COULD
 BE WORKING
 FOR
 YOU
 FOR MORE
 INFO
 CALL**

951.737.2531

CalChamber Emphasizes Economic Stimulus Need

(January 12, 2008) While agreement on a budget package continues to elude state policymakers, the California Chamber of Commerce is emphasizing the importance of action to stimulate economic recovery and spur employment in the state.

Last week, Governor Arnold Schwarzenegger vetoed the budget proposal passed by the Legislature's Democratic majority before Christmas, although it in effect increased taxes, an action requiring approval by two-thirds of legislators.

"We agree with the Governor that a budget solution cannot be solved solely with program cuts or revenue increases and needs an economic stimulus component," said Allan Zarembeg, CalChamber president and chief executive officer.

"We strongly applaud the Governor's veto of the Democrats' proposal that would have raised taxes with a majority vote and targeted only oil extracted in California for a huge tax increase," Zarembeg said. "The Constitution requires a two-thirds vote for taxes and any budget solution cannot violate that constitutional requirement and cannot single out a specific industry for tax increases.

"Every component of a budget solution needs to consider its impact on California's fragile economy. We cannot sacrifice private sector jobs to protect public sector jobs. We must find an appropriate balance that protects our private sector economy and provides necessary and essential government services."

The budget deficit now is estimated to reach \$41.6 billion over the next 18 months. The recession and stock market decline have contributed to a drastic drop in state revenues. State officials have said the state will run

out of cash by February or March if policymakers don't act in the coming month to better align spending with revenues.

On December 31, 10 days earlier than required by the state Constitution, the Governor released a proposed budget plan for 2009-10. The proposal includes more than \$17 billion in spending cuts affecting all areas of government and \$14 billion in new revenues. The Governor also proposed

measures to improve efficiency within state operations, including eliminating or consolidating dozens of boards and commissions.

The Governor, in a letter to Assembly Speaker Karen Bass (D-Los Angeles) and Senate President Pro Tem Darrell Steinberg (D-Sacramento), following the veto of the Democrats' budget, said the proposal would "punish people with increased taxes," and that it did not "make the serious cuts in spending necessary to balance our budget."

The Governor also has noted that the package did not include economic stimulus provisions that were needed, including relaxed state workplace and environmental laws to expedite public works projects.

Three-Point Plan

The CalChamber outlined a three-point plan to stimulate the economy in November 2008 (see [November 21, 2008 Alert](#)):

1) Create and seize economic development opportunities. The Governor should establish a focused economic development

effort, led by his office, including assembling "Strike Forces" of key state, local, utility and private officials to streamline permits, identify financial incentives and involve all decision makers on a project team; identifying and packaging statewide incentives, such as federal grants and special fee-supported revenues, which can be used to entice new business development; and reinitiating, both domestically

and internationally, his successful sales pitch on the California economy.

2) Reduce the cost and risk of keeping and growing jobs.

Reducing costs on California employers will result in more employment and free up money for capital expansion, which will in turn create more jobs. To accomplish this, all government mandates should be examined with the aim of reducing employer costs without sacrificing important public policies.

For example, California should conform its out-of-date overtime laws to the rest of the country. This would allow employers to offer four-day workweeks without incurring additional wages. It is also good for workers because they can reduce commutes and the costs that go with them by 20 percent. Governor Schwarzenegger proposed changing overtime rules for high-wage employees, but this reform should be made available to all California workers.

California should clarify its rules regarding meal and rest periods

to allow more flexibility for employers and employees. Again, the Governor took an initial, important step on this issue, but a comprehensive fix is necessary to reduce costs and save jobs.

3) Jump-start public and private infrastructure and commercial projects. Public projects can be a catalyst, but private construction projects can produce many more jobs and create the foundation for ongoing economic development. Investment in public and private infrastructure is imperative for California to take advantage of the eventual economic recovery.

In particular, the Legislature should provide a temporary safe harbor from California Environmental Quality Act private causes of action on climate change impacts until actual significance thresholds are adopted by lead agencies, such as the Air Resources Board. Until such standards are adopted, there should be even greater deference to a lead agency; otherwise, these cases will inevitably wind up in court.

The Governor should also direct his administration to quickly identify every short-term, appropriate public works project financed by general obligation bonds, lease-revenue bonds, federal funds or other dedicated funds and set aggressive goals for advancing those projects into construction phase within six months.

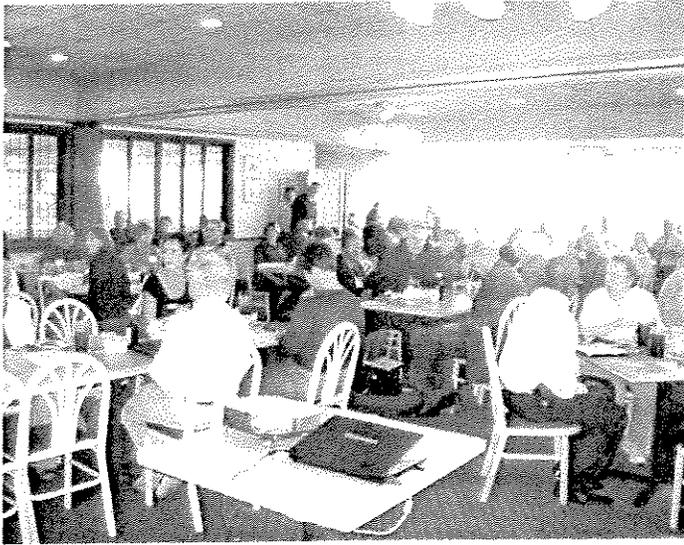
The CalChamber believes that ultimately, a common-sense approach that minimizes harm to the existing economy and aggressively promotes growth will spark and sustain recovery. A recovered economy is the only way to get the state budget back on track.

Three-Point Plan to Stimulate Economy

- 1 Create and seize economic development opportunities.**
- 2 Reduce the cost and risk of keeping and growing jobs.**
- 3 Jump-start public and private infrastructure and commercial projects.**

**SHOP CHAMBER
MEMBERS FIRST**





Norco Makes National Economic News

It is not everyday that the City of Norco is featured and praised in the National News media. Since the City of Norco has helped finance a bailout of the local car dealerships praise and publicity from the likes of The Wall Street Journal, NPR and Automotive News has been showered on Norco. The most complimentary article was on NPR's website where the article is titled "City Helps Car Dealers Saddle Up in Rough Times". They then go on to describe how Norco earns the title "Horsetown USA. There are very flattering pictures of equestrians in front of the fire station. To buy that kind of media coverage would have cost a fortune.

Automotive News leads off with "Auto Bailout, Main St. Style" and then describes how the city came to the rescue of the Auto dealerships with monies from the city's redevelopment funds. The Wall Street Journal cites two other cities that have assisted their ailing local car dealerships. Victorville and Redlands as well as Norco are solving their local economic woes locally. If you would like to read these articles in their entirety go to the following websites. www.online.wsj.com - 1/26/09
www.autonews.com - 1/12/09 www.npr.org - 1/29/09

Family and Medical Leave Act

Overview

Covered employers must grant an eligible employee up to a total of 12 workweeks of unpaid leave during any 12-month period for one or more of the following reasons:

- for the birth and care of the newborn child of the employee;
- for placement with the employee of a son or daughter for adoption or foster care;
- o care for an immediate family member (spouse, child, or parent) with a serious health condition; or
- to take medical leave when the employee is unable to work because of a serious health condition.

Key News

•The Department of Labor's Wage and Hour Division published a •**Final Rule** under the Family and Medical Leave Act. **The final rule becomes effective on January 16, 2009**, and updates the FMLA regulations to implement new military family leave entitlements enacted under the National Defense Authorization Act for FY 2008. It also includes revisions in response to public comments received on the proposed rule issued in February 2008. The Federal Register Notice and related documents are available at Wage and Hour's • [FMLA Final Rule website](#). (November 17, 2008).

•The President signed into law H.R. 4986, the National Defense Authorization Act for FY 2008 (NDAA), Pub. L. 110-181. Among other things, section 585 of the NDAA • **amends the Family and Medical Leave Act of 1993 (FMLA)** to permit a "spouse, son, daughter, parent, or next of kin" to take up to 26 workweeks of leave to care for a "member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness." The NDAA also permits an employee to take FMLA leave for "any qualifying exigency (as the Secretary [of Labor] shall, by regulation, determine) arising out of the fact that the spouse, or a son, daughter, or parent of the employee is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation." By its express terms, this provision of the NDAA is not effective under the Secretary of Labor issues final regulations defining "any qualifying exigency." Additional information and a copy of Title I of the FMLA, as amended, are available on the • [FMLA NDAA Web site](#). (January 28, 2008)

SHOP NORCO CHAMBER MEMBERS FIRST

Employee Polygraph Protection Act (EPPA) Overview

The EPPA prohibits most private employers from using lie detector tests, either for pre-employment screening or during the course of employment. Employers generally may not require or request any employee or job applicant to take a lie detector test, or discharge, discipline, or discriminate against an employee or job applicant for refusing to take a test or for exercising other rights under the Act. Employers may not use or inquire about the results of a lie detector test or discharge or discriminate against an employee or job applicant on the basis of the results of a test, or for filing a complaint, or for participating in a proceeding under the Act. Subject to restrictions, the Act permits polygraph (a type of lie detector) tests to be administered to certain job applicants of security service firms (armored car, alarm, and guard) and of pharmaceutical manufacturers, distributors and dispensers.

Subject to restrictions, the Act also permits polygraph testing of certain employees of private firms who are reasonably suspected of involvement in a workplace incident (theft, embezzlement, etc.) that resulted in specific economic loss or injury to the employer. Where polygraph examinations are allowed, they are subject to strict standards for the conduct of the test, including the pretest, testing and post-testing phases. An examiner must be licensed and bonded or have professional liability coverage. The Act strictly limits the disclosure of information obtained during a polygraph test.

Employee Polygraph Protection Act (EPPA) Poster

Basic Provisions/Requirements

The EPPA prohibits most private employers from using lie detector tests, either for pre employment screening or during the course of employment.

Employers generally may not require or request any employee or job applicant to take a lie detector test, or discharge, discipline, or discriminate against an employee or job applicant for refusing to take a test or for exercising other rights under the Act.

Employers may not use or inquire about the results of a lie detector test or discharge or discriminate against an employee or job applicant on the basis of the results of a test, or for filing a complaint, or for participating in a proceeding under the Act.

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Where polygraph examinations are allowed, they are subject to strict standards for the conduct of the test, including the pretest, testing, and posttesting phases. An examiner must be licensed and bonded or have professional liability coverage. The Act strictly limits the disclosure of information obtained during a polygraph test.

Employee Rights

The EPPA provides that employees have a right to employment opportunities without being subjected to lie detector tests, unless a specific exemption applies. The Act also provides employees the right to file a lawsuit for violations of the Act. In addition, the Wage and Hour Division of the Department of Labor's Employment Standards Administration accepts complaints of alleged EPPA violations.

Compliance Assistance Available

The Wage and Hour Division of the Employment Standards Administration administers and enforces the Act. More detailed information, including copies of explanatory brochures and regulatory and interpretative materials, may be obtained from your local [Wage and Hour office](#). Additional compliance assistance information may be found on the [Wage and Hour Division's Web site](#) or by contacting the Wage and Hour Division help line at 1-866-4USWAGE.

Penalties/Sanctions

The Secretary of Labor can bring court action to restrain violators and assess civil money penalties up to \$10,000 per violation. An employer who violates the law may be liable to the employee or prospective employee for legal and equitable relief, including employment, reinstatement, promotion, and payment of lost wages and benefits.

Any person against whom a civil money penalty is assessed may, within 30 days of the notice of assessment, request a hearing before an Administrative Law Judge. If dissatisfied with the Administrative Law Judge's decision, such person may request a review of the decision by the Secretary of Labor. Final determinations on violations are enforceable through the courts.

2009 Membership Renewal

Why to renew your membership? Here are 10 Reasons to Renew!

1. Networking and new business contacts to help your business grow.
2. Free Business counseling and resources
3. Business Workshops and Seminars
4. Member to Member Discount Program helps you save
5. Referrals and unique sales opportunities
6. Heightened name recognition so customers know who you are
7. Targeted, effective and affordable advertising
8. Promote the community
9. Create a strong local economy
10. Information source for laws, policies, and compliance issues for business.

TOP 10 THINGS

Employers Do To Get Sued

What risks are you running that could get you sued?
Check out this countdown and find out.

1. Classify all employees as exempt, whether they are or not.
2. Be flexible by letting employees work through lunch so they can take off early.
3. Make everyone an "independent contractor" because having employees is too much trouble.
4. Don't bother providing harassment and discrimination prevention training to managers and supervisors.
5. Let employees decide their hours and how many hours they want to work each day.
6. Terminate any employee who takes a leave of absence, whatever the reason.
7. Withhold a final paycheck until the employee returns company property.
8. Provide loans to employees and deduct the money from their paychecks.
9. Use non-compete agreements and protect "confidential" information about customers and pricing.
10. Implement a "use it or lose it" vacation policy and avoid paying out all that money at termination.

Don't put your business in harms way. See the Norco Chamber of Commerce for the things that you are legally required to do.

Strata Realty Hosts B2B

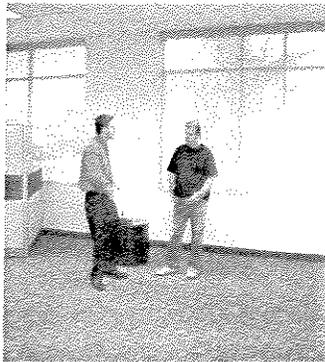
The January B2B networking mixer was held in the stylish new surroundings of Strata Realty's Norco Campus Business Park. Robert Hicks was our host and he gave the group a guided tour of the facility showing off the innovative architecture and as well as the thoughtful landscaping of their project. They have really given a lot of thought to creating a beautiful and functional business atmosphere for their clients. If any of you are looking for new office space or know of someone who wants to relocate, please give Robert a call at (951)280-1733.

Other businesses in attendance were: Corona Cages, Farmer's Insurance, Load N'Go Moving, Republican Women's, Goldmark Gallery, Citizens Business Bank, Landscaping Development, Minuteman Press and a Representative from State Assemblyman Jeff Miller's office.

Guests enjoyed gracious hospitality by the Strata Realty staff and were awarded numerous raffle prizes. Hopefully new friends were made and new business connections established. Look for the B2B next month to be at Corona Cages, 1148 California, Corona, February 10 at 7:30 AM. Owner Alexis Hedgpeth will be hosting the event and showing us all her fabulous facility. Should be loads of fun, mark your calendars.

**THANK YOU FOR
YOUR HELP
VOLUNTEER
BUSINESSES FOR
JANUARY
NORCONES
NORCO CHIROPRACTIC
COWGIRL CAFE
GOLDMARK GALLERY
NEW YORK LIFE**

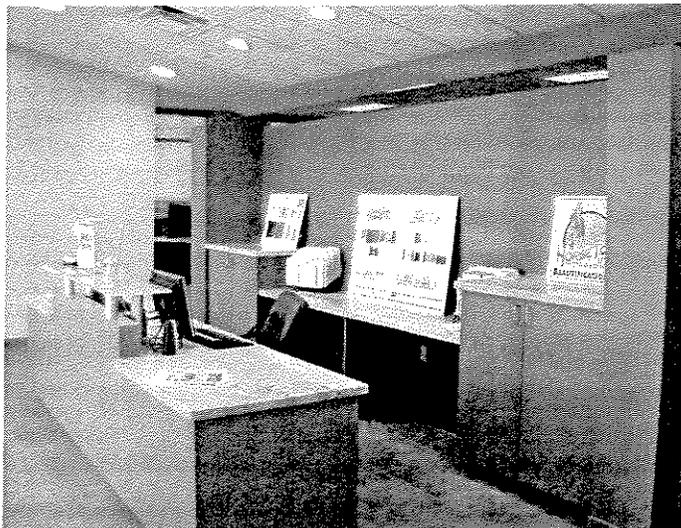
BRIEFCASE NOTES



Kevin Russell and Robert Hicks at Strata Realty B2B



Dale and Kimberly Roberson of Minuteman Press at Strata Realty B2B



Staffing changes at the Chamber office

Norco Chamber of Commerce would like to welcome our newest employee Kathy Moon. Kathy was hired for the Office Assistant position and has already made herself at home. Kathy is a true Norco Girl, she went to Norco high and started her work career at Maverick's. She then went on to run an office for several years, gaining lots of experience which she will now share with us. Presently Kathy has two lovely sons who take up most of her spare time. Kathy is very excited to be working at the Chamber as she loves to spread the word about how great Norco is. If you get a chance drop by the office and meet Kathy, I know she will be an asset to the Norco Chamber of Commerce.



Chamber set goals for year in strategic planning workshop

On a gorgeous Saturday in January while other folks were enjoying outdoor pursuits, the Norco Chamber of Commerce board of directors was sequestered away at the Hampton Inn for a strategic planning session. Before you start feeling sorry for them realize that the room they were "cooped" up in was the lovely appointed conference room at the Hampton Inn. In addition the Hampton Inn offered us every amenity possible and provided a lovely brunch service and beverages throughout the day.

In addition to great atmosphere for a productive meeting the board enjoyed encouraging words of wisdom from Shannon Barnas. Shannon's company Imagen Consulting provides strategic, organizational and creative services for businesses.

Armed with the skills that Shannon provided, the Board dug into their planning duties and mapped out the entire year's events. Based on the plan created at this session we will roll out the year's event calendar soon.

Thanks go to the board for their dedicated service to the Chamber. It should be a very productive and exciting year

CONTACT US

Norco Chamber of
Commerce
2816 Hamner Ave. /Norco,
CA 92860
Telephone: (951) 737-2531 /
Fax: (951) 737-2574
www.norcochamber.com
email:
staff@norcochamber.com



*You are invited to the
Norco Chamber of Commerce
B2B Professional Network Breakfast*

Tuesday, March 10th 7:30 - 9:00 am Member \$8.00 Visitors \$10.00

Norco Chamber of Commerce B2B is a morning breakfast mixer hosted on-site at a Norco Chamber of Commerce member's facility.

These are scheduled on the 2nd Tuesday each month and provide an excellent opportunity to meet local business owners and Chamber members.

Visit our website at www.NorcoChamber.com

Call us today to reserve your seat!

Lori Stutzman (951) 737-2531

staff@norcochamber.com



Lisa Shaver, CLTC

Financial Services Professional
New York Life Insurance Company
CA. Ins. Lic. # 0E29231
Agent

1700 Hamner Ave. # 204
Norco, CA 92860
(951) 582-3008
www.LisaShaver.net



Committed to providing individuals, families, and businesses with life insurance and financial products and services that meet their needs. We strive to offer outstanding service by keeping up with current insurance and financial product trends. We hope to earn your trust with commitment, integrity and by showing true concern for you and your situation.

The Company You Keep

Accepting Nominations for 2008 Female and Male Citizen, Business and Service/Charitable Organization or Legislator of the Year

Do you know...

A Citizen who: Actively participated in the business community and volunteered hours in the civic community without regard for recognition or reward. An individual who possesses strong leadership qualities and a dedication to others. Nominate a female and male citizen deserving of recognition for their efforts in the year 2008 for Man and Woman of the year.

A Citizen who: Dedicated the past five to ten years of their life to serving others and the community while bringing honor to the Norco Chamber of Commerce, City of Norco and their family. Nominate a male and female citizen for the Award of Merit

A Business that: Fosters a healthy, positive business environment. Promotes and preserves Norco's quality of life. Nominate local businesses that maintains civic responsibility through programs, donations and volunteering in the community and promoting business. Categories:

SILVER – 1-10 employees; **GOLD**- 11-49 employees; **Platinum** –50 or more employees

A Service/Charitable Organization that: Is proactive in community and philanthropic activities, programs and legislation. Actively promotes civic duties and community service in Norco.

A Legislator who: continues to support community development, embraces positive business legislation, provides leadership that is inclusive to residential, business and educational growth. Please take a moment to nominate an outstanding business, person or organization by contacting the Norco Chamber of Commerce at 951-737-2531 or emailing staff@norcochamber.com and requesting an application. Winners will be announced at the Norco Chamber of Commerce Annual Awards Installation Dinner in April

Membership Benefits

The mission of the Norco Chamber of Commerce is to be the leading proponent for the interests of local business, which include the prosperity of its individual members, the vitality of its marketplace and the quality of its community life.

Advocate for Business

Involved with issues on local, county, state and national levels, the Chamber is the leading proponent for the interests of local businesses.

Referral Service

All inquiries received at the Chamber are referred directly to Chamber members first.

Networking

Weekly luncheon leads group. Plus monthly business breakfast and business after hours mixer offering substantial networking opportunities.

Community Development

Benefiting all members of the community with groups such as the Legislative Committee. Preparing students for the workplace through partnerships between businesses and schools and by providing scholarships for students attending Orange Coast College.

Economic Development

The Chamber is a primary contact for information and direction for businesses relocating into the city or expansion of existing businesses.

Free Publicity

A "New Member Profile" detailing your business published in the Chamber newsletter, *The Business Review*.

Additional Benefits of Membership

- Annual membership plaque for display at your business
- Low cost advertising in Chamber newsletter
- Membership roster on disk
- Internet listing with hyperlink to your website

For further information on joining the Chamber please contact Laurie Stutzman 951-737-2531



Advertising and Flyer Insert Rates for Business Review Ad

Rates Monthly

Ad Size	One Month	Three Months	Six Months
4" x 4"	\$80.00	\$70.00	\$50.00
4" x 8"	\$125.00	\$100.00	\$90.00
2" x 4"	\$35.00	\$30.00	\$25.00
8" x 10"	\$250.00	\$225.00	\$200.00

Deadline: Camera ready ad copy must be in Chamber office by first Monday of the month preceding the issue in which you wish it to appear.

Norco Chamber of Commerce
2816 Hamner Avenue
Norco, CA 92860

Business Toolbox



NORCO
Chamber
OF COMMERCE



Make the Most of Your Chamber Membership

The Norco Chamber works daily to strengthen the local economy, promote our community, represent the interests of business with government, and provide our members with networking opportunities. **Make the most of your Chamber membership by becoming actively involved.**

- **Support your fellow Chamber members.** By choosing to do business with Chamber members first, you keep dollars where they are desperately needed – right here in our own community. Increasing your investment in the community through purchases helps to stimulate our local economy. Your sales tax dollars support vital City services that improve our streets and parks, as well as expand our fire and sheriff services.
- **Join a committee.** Your participation in the operation of the Chamber will enrich the services we provide our members. There are a wide variety of committees to choose from, including Ambassadors, Publications and Marketing, Events, Member Services, and Norco Valley Fair. Each committee also provides unique and invaluable networking opportunities for its members.
- **Stay informed.** The Chamber offers professional development workshops and forums to keep you informed of legislation relating to business. Our Annual Legislative Forum offers the general public an evening with national, state, county and city officials. After the presentation of annual briefings, a question and answer period is provided.
- **Promote your business.** Take advantage of the many advertising and sponsorship opportunities the Chamber offers. Our monthly membership meetings and mixers are great places to bring your marketing materials. Our annual events, such as the Legislative Forum, Business Expo and Norco Valley Fair, all have sponsorships that any business can afford. We also provide advertising opportunities in our monthly newsletter, Member Directory and web site, www.norcochamber.com, as well as event programs and tickets. Donate 250 items to our Welcome Wagon program and every new resident in town will know who you are. Realtors also request these “goody bags” from us to give to people thinking of locating to the area.
- **Network with other members.** Every event the Chamber holds is a chance to make a new business connection. Arrive a few minutes early to the next general membership or committee meeting and get to know someone new. Exchange business cards with everyone at your table during the Legislative Forum. Attendance is your key to success.
- **Want individual attention?** We can provide a grand opening or ribbon cutting ceremony. If you're an established business, you can host a “get to know us mixer”. You take care of the food and drinks, and we'll handle the invitations and publicity. Need general help or assistance dealing with the City? Don't hesitate to call the Chamber office. **We're here for you.**

The Chamber is always working to increase the visibility of its members. Events, such as our Norco Valley Fair, entice people to Norco who normally don't come to our area. We urge our Members to “piggy-back” on our events and offer special sales to attract these people into your establishments. Many of these visitors come back to Norco over and over again because they need our businesses and enjoy our lifestyle.

WHAT is a Chamber of Commerce?

A Chamber of Commerce is a voluntary federation of the business community uniting the efforts of business, industrial and professional individuals to ensure an enhanced healthy economic and socioeconomic base to benefit the entire community. The Chamber of Commerce harnesses the tremendous potential of the private enterprise system and enables its membership to accomplish collectively what no one could do individually.

HOW does it work?

The policies and programs of the Chamber are determined by its Board of Directors, elected by the membership. They, in turn, employ a paid chief executive officer, whose basic responsibility is to organize and execute the Chamber's program and carry out its policies. Depending upon the size of the community, the executive's title may vary, from president to manager, and that person could be a full-time, part-time employee or unpaid volunteer.

WHAT does it do?

The variety and scope of Chamber activities is unlimited, depending on the needs of the community and the desire and ability of the Chamber to carry them out. The Chamber represents and promotes the area's economy, and encourages business and industrial investment, broadening the tax base and providing employment. To business prospects and newcomers, the Chamber represents the community's "front door." Contemporary Chambers of Commerce are increasingly involved in non-commercial areas, such as education, human relations, environmental, cultural, and governmental concerns. These challenges have caused Chambers of Commerce to become a viable force in seeking solutions of today's social problems. The ability of Chambers of Commerce to exert influence in national, state and local legislation affecting business is evidential now more than ever before.

WHO finances the Chamber?

The Chamber of Commerce is a "business" and it incurs costs of operation and expenses similar to any other type of business. Those expenses are apportioned among its members, individuals and firms, representing all types of business, industry and the professions. All share a mutual desire to achieve a better community for all its citizens,

thus making Chamber of Commerce membership a tangible investment in the present and future welfare of both the individual and their community.

WHY join the Chamber?

The Chamber of Commerce is the salesman for its community and businesses – increasingly promoting their products and services – and at the same time is their watchdog – protecting their interests, particularly in the political arena. The united voice of the Chamber of Commerce has often proven effective and beneficial to business where a single voice can go unheard. The rewards to belonging to the Chamber are full-time representation and year-round results.

YOU and your Chamber

Basic to all activities of the Chamber is its unifying influence. In serving on committees, coordinating activities and attending meetings, every Chamber member becomes involved in an organizational effort that is mutually beneficial to his community, his neighbors and to himself.

YOU and Your Chamber of Commerce

Partners for a better America

Over the years, Chamber of Commerce operations, attitudes and programs have changed to meet the challenges of today. However, one premise remains inviolate – the integral role of involved and concerned citizens to protect and preserve our free enterprise system.

Today, as it was in 1768 when the first Chamber of Commerce in America was formed 8 years before the Declaration of Independence, the basic concept of a Chamber of Commerce remains the same: a voluntary organization representing all segments of the business community with the potential for marshalling the energies and efforts of its membership toward the accomplishment of common goals for the betterment of community, state and country.

YOU and your CHAMBER OF COMMERCE

is produced by the California Association of Chamber of Commerce Executives, Inc., 1027 10th Street, Sacramento, California 95814. (Mailing address, P.O. Box 1736, Sacramento, CA 95808.



Spotlight on New Member Official Form

Spotlight of a new member is featured in our Chamber Newsletter. It gives other members the opportunity to get to know you and to see what your business is all about. Please take a few minutes and write a 3-5 sentence paragraph based on some of the questions listed below. You can fax this back to the chamber office and we will have it in the newsletter as soon as possible. Please send faxes- Attention Laurie.

Business Name: _____

Owner Name: _____ Address: _____

City: _____ Zip Code: _____ Phone: () _____

Business Established in what year? _____ By _____

What kind of Business are you? _____

What kind of products do you sell? _____

Does your business have more than one location? _____

What are your business hours? _____

Is your business family owned and operated? _____

Do you have any specialties? _____

Why did you decide to go into business? _____

Why did you choose your location for your business? _____

What activities have you recently participated in at the Chamber? _____

What awards, if any has your business received and why? _____

What goals have you set for your business? How do you plan to reach them? _____



Member to Member Discounts Program

Name of Business: _____

Type of Business: _____

Address: _____

Phone #: _____

Fax #: _____

E-mail: _____

Contact: _____

Title: _____

I would like to offer _____% off any purchase by Chamber of Commerce member

I would like to offer a buy one get one free to any Chamber of Commerce member.
Specify the item. _____

I would like to offer

to any Chamber of Commerce member.

I am not able to participate at this time. _____

Please help us to make this a viable, working tool in the Norco business community.

Mail to: Norco Chamber of Commerce
2816 Hamner Avenue
Norco, CA 92860

FAX to: (951) 737-2574

Attention Members!!

Having a sale or Special Promotion?

How about an event that you would like the community to know about?

Well let us know so that we can help get the word out. Send the Chamber the appropriate information on the event and we will put an article in the monthly Newsletter, as well as promote it through the community. If you have any questions please call the Chamber at (951) 737-2531.

Event or Promotion _____

Brief Description _____

Time _____

Contact Name _____

Contact Number () _____

Contact Address _____



DATE RECEIVED	
DATE APPROVED BY CHAMBER MANAGER	
POSTING DATE	
PULL DATE	

Sign Request Form

Please fill out the information in the spaces provided below. We will make every effort to post your information. If for some reason we are unable to post your information, we will contact you.

Contact Name _____ Phone # _____

3 lines of 20 letters and spaces

Event:	
Date & Hours	
Location or Phone Number	

Advertise in the Chamber Newsletter

Advertising Rates for the *Business News*

Monthly

<u>Ad Size</u>	<u>1 Month</u>	<u>3 Months</u>	<u>6 Months</u>
4"x 4"	\$80.00	\$70.00	\$50.00
4"x 8"	\$125.00	\$100.0	\$90.00
2"x 4"	\$35.00	\$30.00	\$25.00
8"x 10"	\$250.00	\$225.00	\$200.00

Deadline – Camera ready ad copy must be in the Chamber office by **first Monday** of the month preceding the issue in which you wish it to appear.

Commercial Flyer Insert Rates – Monthly

Cost - \$50.00 per issue – you supply 450 copies, 8.5x11 inch inserts on 20# stock.

Glossy or extra heavy stock will be charged \$75.00.

Reservations for inserts must be accompanied by payment.

Note: First insert is FREE

Deadline – All ad materials must be in the Chamber office by the **third Monday** of the preceding month.



**Member Update
2009**

Dear Fellow Members:

In order for us to best serve our membership, we are updating our files and information. Please take a few moments and fill out the information below and return via fax or mail at your earliest convenience.

Date: _____

Business Name: _____

Owner Name: _____ Contact Name: _____

Mailing Address: _____

City: _____ Zip Code: _____

Office # () _____ Fax # : () _____

Please list your business category (i.e.: Florist, Restaurant, Retail, etc.) _____

Do you have a web site? _____ Address: _____

Do you have e-mail? _____ Address: _____

Number of employees _____

Which correspondence do you prefer? FAX E-MAIL POSTAL

Any other comments/feedback that would help us serve you better?

Thank You



2009
Grand Opening / Ribbon Cutting / Mixer

This request is from:

(NAME OF BUSINESS)

(ADDRESS OF BUSINESS)

(Phone number)

(Cell number)

(Fax number)

(E-mail address)

Will host a grand opening ribbon cutting on:

(DATE AND TIME OF REQUESTED RIBBON CUTTING)

Thank for hosting a Grand Opening/Ribbon Cutting/Mixer. The event provides a wonderful opportunity for members to become more familiar with your business and network with you and your employees in a festive setting. The information below will describe the responsibilities of the Chamber in helping you plan a successful event. If you need assistance, at any time, please call the Chamber office at 737-2531.

The Chamber:

- Invitations will be sent to City, Board of Directors, and Courts. If you would like invitations sent to all members there will be a fee of \$100.00. Also, the event will be included in our weekly update e-mail.
- Provides a plaque, Red Ribbon & Scissors for the Ribbon Cutting Ceremony
- Will publish a photograph of your event in the "Business review" (Due to deadlines the photo will appear in an issue following the Grand Opening).

To confirm your request for the Grand Opening/Ribbon Cutting/Mixer and your understanding of the Chambers responsibilities as listed above, please sign and return to the Chamber, as early as possible, before your event.

(Date)

(Print Name)

(Signature)



2009
Grand Opening / Ribbon Cutting / Mixer

Checklist:

- Yes Please order me a Specialty Grand Opening Cake - \$40.00
 (Includes business name and Chamber logo)

- Yes, please send invitations to all Chamber members – \$100.00

- Yes, please supply a PA system – \$10.00

Any additional things needed:

Bill me Check Enclosed Credit Card

Credit Card number _____ - _____ - _____ - _____
 Exp. ____ / ____ Type: _____

Date: _____

(Signature)

Office Use Only:	Notes:
Received:	
Approved:	



Use of Chamber Facility Policy

A portion of the mission of the Norco Chamber of Commerce is “to promote development, expansion and prosperity of business and industry in the community”. To that end, members whose membership is current have the ability to occasionally utilize the office and facilities for activities that will help in their business. The policy for the use of the facility is as follows:

The intent of this policy is to give small and home-based businesses an additional resource to help in their occasional dealings with the public, trainees, clients, visitors and vendors. It is not to be a replacement for a regular office.

1. The chamber’s meeting rooms will be available for meetings, greeting and entertaining business visitors, recruiting meetings or interviews, company training sessions (not for-profit) or staff meetings.
 - a. The meeting shall be scheduled in advance with the Office Administrator.
 - b. The meeting shall not conflict with standing meetings or regularly scheduled meetings.
 - c. Use shall be on first come-first served basis.
 - d. The meeting shall not interfere with the regular business of the office.
 - e. Participants must handle themselves in a business-like manner and dress in a manner consistent with a business office.
 - f. All meetings shall conclude by 5:00 PM, unless authorized and arranged in advance with the Office Administrator.
 - g. The member shall be responsible for the behavior of the participants, the stocking of refreshments for the participants and cleanliness of the office and restroom after the meeting.
2. Participants shall have the use of the restroom facilities in relationship to the authorized meetings, described above.
3. The Office Administrator shall have the right to cancel the event at any time if it is discovered that the meeting is not as described in the original request or the participants are not acting in a business-like manner.
4. The member may have limited use of the office computer and copy machine with approval and general supervision of the Office Administrator.
 - a. Any chamber supplies used by the member shall be reimbursed at the regular retail rate or with a replacement supply, within five days.
5. The member shall NOT use the Chamber address, PO Box, e-mail address, phone number or fax number and/or lead the public to believe that they (addresses/numbers) belong to their business.
6. The member shall not use the office staff to answer the phone for them, or take message(s).
7. The member shall have a valid business license.
8. Members shall not represent themselves as employees of the Chamber or present any activity or information as being endorsed by the Chamber.
9. Advertisements of/invitations to activities held in the Chamber Office must include the statement “Use of the Chamber of Commerce facilities does NOT constitute an endorsement by the Norco Chamber of Commerce or its Board of Directors”.
10. Members who desire to use the facilities as a “for-profit” training or meeting facility can do so with prior approval of the Board of Directors. All of the above rules relating to the use of the facility shall still apply.

I agree to all of the above conditions of use. Signature: _____ Date: _____
Print Name: _____



MINUTES
CITY OF NORCO
JOINT SPECIAL MEETING
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY/
NORCO FINANCING AUTHORITY
CONFERENCE ROOMS "A" & "B"
NORCO CITY HALL – 2870 CLARK AVENUE
FEBRUARY 23, 2009

1. CALL TO ORDER: Mayor Azevedo called the Joint Special Meeting to order at 6:02 p.m.

2. ROLL CALL:
Mayor Kathy Azevedo, **Present**
Mayor Pro Tem Malcolm Miller, **Present**
Council Member Frank Hall, **Present**
Council Member Berwin Hanna, **Present**
Council Member Richard L. MacGregor, **Present**

Staff Present -- Allred, Cooper, Frye, Jacobs, King, Okoro, Oulman, Paakkonen, Petree and Thompson

City Attorney John Harper -- **Present**

3. PLEDGE OF ALLEGIANCE: Mayor Azevedo

JOINT CITY COUNCIL/NORCO FINANCING AUTHORITY (NFA) AGENDA AS FOLLOWS:

4. CITY COUNCIL/NFA ITEM FOR ACTION:
 - A. Issuance of the Norco Financing Authority's Enterprise Revenue Refunding Bonds, Issue of 2009

In order to consolidate currently outstanding debt, eliminate interest rate uncertainty with respect to the City's share of the Western Riverside County Regional Wastewater Authority's 1996 Variable Rate Bonds and generate new funding for Water and Sewer Systems capital improvement projects, staff is recommending the issuance of the Norco Financing Authority's Enterprise Revenue Refunding Bonds, Issue of 2009 for an amount not exceeding \$40 million. The Bonds will provide new funds for capital improvement projects to the Water and Sewer Systems as identified in recent rate studies. The Bonds will also generate amounts necessary to refund the City's 1998 Certificates of Participation (COP), and the City's share of the Western Riverside County Regional Wastewater Authority's 1996 Variable Rate Revenue Bonds. The refunding of the 1998 COP issue and the City's share of the 1996 Bonds will provide several benefits, including: 1) conversion of a variable rate structure on the 1996 Bonds to a fixed rate structure, which will allow for stable annual debt service costs; and 2) consolidation of annual administration and reporting functions, which will reduce the cost of those functions.

Recommended Action to Adopt:

Resolution No. 2009-___, Providing for Final Approval of an Installment Purchase Agreement, Continuing Disclosure Agreement and Preliminary Official Statement in Connection with the Issuance by the Norco Financing Authority of Not to Exceed \$40,000,000 Principal Amount of Norco Financing Authority, Enterprise Revenue Refunding Bonds, Issue of 2009; and

NFA Resolution No. 2009-___, Authorizing the Issuance of Not to Exceed \$40,000,000 Principal Amount of Norco Financing Authority, Enterprise Revenue Refunding Bonds, Issue of 2009, Authorizing and Directing Execution of a Trust Agreement, Installment Purchase Agreement, Refunded Bonds Escrow Agreement, A Refunded Certificate Escrow Agreement, A Continuing Disclosure Agreement and a Bond Purchase Agreement, Authorizing the Sale of Bonds, Approving an Official Statement and Providing other Matters Properly Relating Thereto.

(Director of Fiscal & Support Services)

Director Okoro briefly introduced this agenda item as stated in the staff report and attached resolutions and stated that additional documents are available for review in the office of the City Clerk. The Bonds will provide new funds for capital improvement projects to the Water and Sewer Systems as identified in recent rate studies. The Bonds will also generate amounts necessary to refund the City's 1998 Certificates of Participation (COP), and the City's share of the Western Riverside County Regional Wastewater Authority's 1996 Variable Rate Revenue Bonds. City Attorney Harper stated that this special meeting was required because of the critical timing required in the refunding of the bonds prior to the end of March. Doug Anderson, representing Urban Futures, presented additional information on this item. Mr. Anderson stated that the timing is good and interest rates have come down. He added that 5.2% is the expected interest rate as of today. Mr. Anderson further noted that the documents are in final form, awaiting the final numbers.

Council/Board Member Hanna asked if the variable rate would change to a fixed rate. Mr. Anderson stated that it would now be a fixed rate.

Mayor/Chairman Azevedo asked about the risk factors that were detailed. Mr. Anderson stated that these risk factors are really just standard and once the bonds are insured, the risk factors go away.

M/S Hall/Hanna to Adopt Resolution No. 2009-06. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HALL, HANNA, MACGREGOR & MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

M/S Hall/Hanna NFA Resolution No. 2009-01. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HALL, HANNA, MACGREGOR & MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

ADJOURNMENT OF NFA: 6:10 p.m.

JOINT CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

5. OTHER MATTERS – COUNCIL/AGENCY BOARD MEMBER OR STAFF:

A. Preliminary Overview Discussion of 2009-10 Fiscal Year Budget

City Manager/Executive Director Allred stated that based on recent information received from our sales tax consultant, along with the downturn of the economy, revisions were made to the General Fund estimated revenues and expenditures.

Director Okoro presented the following information based on the updated information received. He noted that the highlighted figures on the handouts reflect numbers that have been adjusted.

Revenues

Property Tax:

- Current year estimated receipts have been reduced by \$60,000 due to drop off in supplemental tax receipts for the first half of the Fiscal Year.
- FY 2010 net taxable value for the City of Norco reflects a 0.7% increase before Prop 8 re-valuations, which is expected to result in a net taxable decrease of 7%.
- FY 2010 General property tax revenues from secured valuation projects are projected to decrease by 7%.

Mayor Pro Tem/Vice Chairman Miller asked if these amounts are taking into consideration foreclosures. Director Okoro stated that it has been taken into consideration for FY 2009.

Sales Tax is taking the biggest hit:

- FY 2009 estimated receipts have been reduced by \$556,000 based on the first quarter receipts reconciliation.
- In FY 2010, staff projects that sales tax revenues will be flat, even though the City's sales tax consultant, Hdl Companies, estimates further erosion of \$400,000 from the FY 2009 level.

Development and Engineering Fees:

- Reductions totaling \$170,000 were made in the mid-year budget adjustment based on slow down in activity.
- Activity levels are not expected to improve in FY 2010. Consequently, the projection for FY 2010 is at the same level.

Expenditures

Wages and Salaries:

- FY 2009 budgeted wages and salaries were reduced by \$292,000 during the mid-year budget adjustments.
- FY 2010 projections assume that reductions to miscellaneous categories will continue; concessions made by safety employees will continue; and no salary adjustments will be made for either safety or miscellaneous employees.

Self Insurance Programs:

- FY 2009 budget was reduced by \$77,000 due to the return of premium.
- FY 2009 estimated amount assumes no premium return.

Contractual/Professional Services:

- The Sheriff Contract cost was reduced by \$143,000 during the FY 2009 mid-year budget adjustments.
- FY 2010 estimates assumes additional cost reductions of \$143,000 due to a full year cost savings from eliminating three Community Service Officers.
- The remaining contract cost is assumed to increase by 5% due to annual cost increases by the County.

Discussion was held regarding the Governmental Accounting Standards Board (GASB), which prescribes accounting rules for public entities approved Statement No. 45 (GASB 45), "Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions" in 2004. The provisions in GASB 45 require that the cost/obligations of providing post retirement medical benefits be measured on an accrual (when services are performed by employees), rather than on a pay-as-you-go basis. The provisions of GASB 45 became effective for the City of Norco on July 1, 2008. The City Council approved the execution of the Trust Agreement and other documents necessary to comply with the provisions of GASB 45 including "12-year phased-in" pre-funding of Other Post Employment Benefits (OPEB) liabilities beginning in FY 2010. The City already made a one time payment of \$1.9 million towards the Unfunded Actuarial Accrued Liability (UAAL.)

The Estimated Fiscal Year 2010 General Fund Budget Summary was discussed showing an estimated shortfall of \$2.7 million. Director Okoro noted that in FY 2009, there will be an estimated \$5.6 million in reserves, but he cautioned that the City cannot rely on that reserve to fill that shortfall. Director Okoro presented the Estimated General Fund Balance Breakdown as of July 1, 2009:

Estimated Fund Balance	\$5,636,968
Designated for Emergency Reserve – 25% of Expenditures	(4,484,836)
Designated for Future Projects	(850,000)
Designated for Self Insurance	(500,000)
Designated for Lease Payments	(75,087)
Designated for Rate Stabilization	<u>(36,500)</u>
Amount Available for Appropriation	\$(309,455)

Director Okoro stated that he does not see the current economic cycle as an "emergency" for consideration of the use of the designated emergency reserves. Director Okoro also stated that many of the City's infrastructure projects have been funded through RDA bond proceeds (one time money) and when those bond proceeds run out, the City will need to find another source for these projects.

City Manager/Executive Director Allred again went over the details of the Estimated Fiscal Year 2010 General Fund Budget Summary and stated that if we do nothing, we will be down to a Fund Balance of \$5.6 million. And then if we do nothing again, we will be down to a Fund Balance of \$2.9 million. City Manager/Executive Director Allred presented potential Budget options as follows:

Revenue Increases:

- Sale of non-potable irrigation water to other entities
- TOT (Bed Tax) increase on November 2009 ballot

Expenditure Reductions:

- Sheriff Department staffing
- Fire Department staffing*
- Animal Shelter operation RFQ/P
- RFQ/P for operation and maintenance of George Ingalls Equestrian Event Center (including Nellie Weaver Hall)

If not, then increase Ingalls fees to cover costs (eliminate Group 2 rates)

- Eliminate Lincoln's Birthday Holiday (President's Day holiday is observed)*
- Cap medical insurance contributions for employees and retirees*
- Youth sports organizations reimbursements for field lighting costs

**Requires "meet and confer" with employee organizations*

Discussion was held regarding the field lighting costs and what could be done to reduce those costs.

Council/Board Member Hall asked if staff had done any estimates for cost savings. City Manager/Executive Director Allred responded affirmatively.

Director Petree discussed the memo he wrote and included in the Agenda packet regarding the implementation of a Grounds Fee at Ingalls Park as it relates to the FY 2009-10 Budget overview.

Mayor/Chairman Azevedo stated she believes that the horse groups could pay per-person/horse. She is in full support of the same fee for residents/non-resident.

Council/Board Member Hanna stated that the fee should be per horse and not per trailer. He would like to see the manager of each event be in charge of collecting the fees and they in turn would pay the City for those fees. He further stated that it is time people learn that the free days are over and the City should charge residents and non residents the same amount. City Manager/Executive Director Allred stated that the implementation of these ground fees could be brought to Council for consideration as soon as possible.

Discussion was held regarding the future concession licensing of the George Ingalls Equestrian Event Center. It was noted that there are a number of high quality concessionaires that are interested.

6. PUBLIC COMMENTS OR QUESTIONS:

Staff inquired if a utility tax is still being considered. The City Manager stated that it is not a viable action in these difficult economic times and does not believe that a vote would pass.

Council Member Hanna complimented Lt. Cooper on the capture of the bank robber. He also complimented him on the new decals on the Sheriff Department vehicles.

ADJOURNMENT OF CRA: 7:15 p.m.

7. FOLLOWING A 10 MINUTE BREAK, THE CITY COUNCIL RECESSED TO CLOSED SESSION (SECTION 54954) TO CONSIDER MATTERS:

Section 54956.8 – Conference with Real Property Negotiator

Street Address or Parcel Number:	APN 121-110-001 Bluff Street and River Road
Negotiating Parties:	City Manager Allred and Public Works Director Thompson
Points Under Negotiation:	Price and Terms of Payment

Section 54957.6 – Conference with Labor Negotiator

Negotiating Parties:	City Manager Jeff Allred, Director of Fiscal & Support Services Okoro, Human Resources Analyst Myrna Paakkonen and Fire Chief Jack Frye
Employee Organization:	Norco Firefighters Association Norco Battalion Chiefs Association Norco General Employees Association Norco Public Works & Parks Maintenance Workers Association

8. Mayor Azevedo adjourned the Special Joint Meeting at 9:05 p.m. to the Regular Meeting of the City Council/Community Redevelopment Agency/Norco Financing Authority on Wednesday, March 4, 2009 at 6 p.m. in the City Council Chambers at 2820 Clark Avenue, Norco, California.

/bj-71771

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jeff Allred, City Manager 

DATE: March 4, 2009

SUBJECT: DTSC Project Status Update for Wyle Laboratories Norco Facilities Site

RECOMMENDATION: Receive and File.

Attached is the latest Former Wyle Laboratories -- Weekly Project Status Update from the Department of Toxic Substances Control (DTSC) dated February 24, 2009.

/bj-69994
Attachment



Linda S. Adams
Secretary for
Environmental Protection



Department of Toxic Substances Control

Maureen F. Gorson, Director
5796 Corporate Avenue
Cypress, California 90630



Arnold Schwarzenegger
Governor

Department of Toxic Substances Control (DTSC) Project Status Update for Former Wyle Laboratories Norco Facility Site February 24, 2009

Hydraulic Containment System (HCS)

The HCS started operations in March 2008. After operating for nine months, the HCS has removed approximately 1.37 million gallons of contaminated groundwater and approximately 125 pounds of trichloroethylene volatile organic compounds (VOCs).

In-situ Chemical Oxidation

DTSC staff continues to review the final report associated with the results of pilot test for in-situ chemical oxidation using sodium permanganate. The objective of the pilot test was to evaluate the effectiveness of sodium permanganate technology in treating trichloroethylene in groundwater.

Activities completed last week

Onsite:

- Conducted routine operations and maintenance (O&M) for HCS;
- Conducted O&M activities for soil vapor extraction system;

Activities planned for this week

Onsite:

- Continue O&M activities for soil vapor extraction system;
- Perform O&M activities for HCS.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jeff Allred, City Manager 

PREPARED BY: Steve King, Planning Manager 

DATE: March 4, 2009

SUBJECT: Amendment Number 3 to the Joint Exercise of Powers Agreement Creating the Western Riverside Regional Conservation Authority

RECOMMENDATION: Approve Amendment Number 3 to the Joint Exercise of Powers Agreement to Add the Cities of Menifee and Wildomar to the Joint Powers Authority of the Western Riverside County Regional Conservation Authority.

SUMMARY: The Western Riverside County Regional Conservation Authority (RCA) Board of Directors has approved this amendment to add the cities of Menifee and Wildomar as member agencies to the Joint Powers Authority to which the City of Norco is a signing member agency. The City, along with all of the other current cities that are member agencies (western Riverside County cities), is requested to approve the amendment before it can take affect.

BACKGROUND: Section 5(C) of the Joint Powers Agreement allows for the addition of new member agencies to the Joint Powers Authority provided all the member agencies are in agreement.

FINANCIAL IMPACT: None.

/sk-71786

Attachment: Exhibit "A" – Amendment Number 3 to Joint Exercise of Powers Agreement

1 **AMENDMENT NO. 3 TO JOINT EXERCISE OF POWERS AGREEMENT CREATING**
2 **THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY**

3 This Amendment dated _____, 2009 ("Third Amendment"), is made by
4 and between the COUNTY OF RIVERSIDE, the Cities of BANNING, BEAUMONT,
5 CALIMESA, CANYON LAKE, CORONA, HEMET, LAKE ELSINORE, MORENO
6 VALLEY, MURRIETA, NORCO, PERRIS, RIVERSIDE, SAN JACINTO, TEMECULA,
7 hereinafter sometimes referred to collectively as the "Parties", and the CITY OF
8 MENIFEE and the CITY OF WILDOMAR.
9

10 **RECITALS**

11 WHEREAS, the Parties, and each of them, have executed a Joint Exercise of
12 Powers Agreement Creating the Western Riverside County Regional Conservation
13 Authority ("Agreement"); and

14 WHEREAS, section 5(C) of the Agreement states that the Agreement may be
15 amended to add new parties provided there is mutual consent by the governing bodies
16 of each of the Parties to the Agreement; and

17 WHEREAS, the Parties and the City of Menifee desire that City of Menifee
18 become a member of the Western Riverside Regional Conservation Authority ("RCA").

19 WHEREAS, the Parties and the City of Wildomar desire that City of Wildomar
20 become a member of the Western Riverside Regional Conservation Authority ("RCA").
21

22 NOW, THEREFORE, for and in consideration of the mutual covenants and
23 conditions hereinafter stated, the Parties, the City of Menifee and the City of Wildomar
24 agree as follows:
25

26 **Section 1A. Add City of Menifee.** The City of Menifee agrees to the terms and
27 conditions of the Agreement hereto and by this reference incorporated herein as Exhibit
28

LAW OFFICES OF
BEST, BEST & KRIEGER LLP
3750 UNIVERSITY AVENUE
P.O. BOX 1028
RIVERSIDE, CALIFORNIA 92502

1 "A" and any previous amendments thereto. The City of Menifee shall become a member
2 of the RCA upon the Effective Date as defined in section 5 of this Third Amendment.

3
4 **Section 1B. Add City of Wildomar.** The City of Wildomar agrees to the terms
5 and conditions of the Agreement hereto (Exhibit "A") and any previous amendments
6 thereto. The City of Wildomar shall become a member of the RCA upon the Effective
7 Date as defined in section 5 of this Third Amendment.

8
9 **Section 2. Revise the first sentence of Section 7(C)(III) of the Agreement**
10 **regarding Quorum and Voting as follows.** "The item shall be approved by Board
11 members present at the meeting who represent Cities representing a majority of an
12 equal combination of 1) the population of the county living in incorporated areas within
13 the boundaries of the MSHCP Plan area, and 2) the number of acres currently within the
14 Criteria Area in the incorporated areas as follows: Banning – 78 acres; Beaumont –
15 10,098 acres; Calimesa – 3,380 acres; Canyon Lake – 303 acres; Corona – 2,315 acres;
16 Hemet – 1,158 acres; Lake Elsinore – 13,917 acres; Menifee – 249 acres; Moreno
17 Valley – 2,325 acres; Murrieta – 8,722 acres; Norco – 681 acres; Perris – 3,181 acres;
18 Riverside – 1,201 acres; San Jacinto – 4,224 acres; Temecula – 3,903 acres; and
19 Wildomar – 4,152 acres."

20
21 **Section 3. Revise Section 24 of the Agreement to add Notice address for**
22 **City of Menifee and the City of Wildomar.**

23 Q. City of Menifee
24 City Manager
25 29683 New Hub Drive, Suite C
26 Menifee, CA 92586
27 (951) 672-6777
28

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BEST BEST & KRIEGER LLP
3750 UNIVERSITY AVENUE
P.O. BOX 1028
RIVERSIDE, CALIFORNIA 92502

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R. City of Wildomar
City Manager
23738 Clinton Keith Rd
Wildomar, CA 92595
(951) 677-7751

Section 4. Other Provisions to Remain in Effect. Except as set forth herein, all provisions of the Agreement shall remain in full force and effect, and shall govern the actions of the parties hereto and the amended provisions set forth in this Third Amendment.

Section 5. Effective Date. This Third Amendment shall become effective on the date that execution of this Third Amendment is authorized by all of the governing bodies of each party to the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be executed and attested by their proper officers thereunto duly authorized as of the date first above written.

Dated: _____

CITY OF BANNING

Attest: _____

By: _____

City Clerk

Mayor

Dated: _____

CITY OF BEAUMONT

Attest: _____

By: _____

City Clerk

Mayor

Dated: _____

CITY OF CALIMESA

Attest: _____

By: _____

City Clerk

Mayor

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3750 UNIVERSITY AVENUE
P.O. BOX 1028
RIVERSIDE, CALIFORNIA 92502

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Dated: _____

CITY OF CANYON LAKE

Attest:

City Clerk

By: _____
Mayor

Dated: _____

CITY OF CORONA

Attest:

City Clerk

By: _____
Mayor

Dated: _____

CITY OF HEMET

Attest:

City Clerk

By: _____
Mayor

Dated: _____

CITY OF LAKE ELSINORE

Attest:

City Clerk

By: _____
Mayor

Dated: _____

CITY OF MENIFEE

Attest:

City Clerk

By: _____
Mayor

Dated: _____

CITY OF MORENO VALLEY

Attest:

City Clerk

By: _____
Mayor

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3750 UNIVERSITY AVENUE
P.O. BOX 1028
RIVERSIDE, CALIFORNIA 92502

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Dated: _____

Attest:

City Clerk

CITY OF MURRIETA

By: _____
Mayor

Dated: _____

Attest:

City Clerk

CITY OF NORCO

By: _____
Mayor

Dated: _____

Attest:

City Clerk

CITY OF PERRIS

By: _____
Mayor

Dated: _____

Attest:

City Clerk

CITY OF RIVERSIDE

By: _____
Mayor

Dated: _____

Attest:

City Clerk

CITY OF SAN JACINTO

By: _____
Mayor

Dated: _____

Attest:

City Clerk

CITY OF TEMECULA

By: _____
Mayor

Dated: _____

Attest:

City Clerk

CITY OF WILDOMAR

By: _____
Mayor

LAW OFFICES OF
BEST BEST & KRIEGER LLP
3750 UNIVERSITY AVENUE
P.O. BOX 1028
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Dated: _____

COUNTY OF RIVERSIDE

Attest:

By: _____
Chairman, Board of Supervisors

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jeff Allred, City Manager 

PREPARED BY: Deborah L. DeGrado, Housing Manager 

DATE: March 4, 2009

SUBJECT: Request for Additional Deferred Loan Funding for Housing Rehabilitation Case #2NR10.08.02 in the Amount of \$15,000

RECOMMENDATION: Approve Additional Loan Funding for Deferred Loan No. 2NR10.08.02 in the amount of \$15,000.

SUMMARY: In May 2006, the Agency Board approved CRA Resolution No. 2006-09 approving modifications to existing home improvement programs. One modification authorized the Executive Director to grant an additional loan amount up to 50% of the program limit to address code issues on the property. Any required funding over the Executive Director approval limit would require Agency Board approval.

The same guidelines exist for the City's Community Development Block Grant Home Improvement Program. Staff is requesting City Council approval of additional funding for Deferred Loan Case #2NR10.08.02 in the amount of \$19,580 to complete the code items and general improvements.

BACKGROUND/ANALYSIS: Home Improvement Case 2NR10.08.02 will require additional funding to complete the project and bring all rooms up to code. This case involves a disabled homeowner whose disability requires major accessibility accommodations. A bedroom constructed by a previous owner is not up to code, and is not accessible to the homeowner.

Because Redevelopment Agency funding was extremely low at the time of application, this project was placed on a waiting list for almost nine months until the City Council appropriated a portion of Community Development Block Grant funds for home improvement projects. The project was finally started in November 2008 using Block Grant Funds.

In order to comply with Building Code regulations, the illegally-added room had to be demolished and rebuilt with a legal foundation and the garage, which contained illegal wiring and bath hookups, had to be converted back to a garage with full access.

The bedroom and an additional bathroom are both sorely needed to accommodate the disabled homeowner; the existing bathroom is extremely small and cannot be enlarged to accommodate the disabled homeowner. An additional amount of \$20,000 was requested for code compliance issues, to be added to the loan portion of the project, and was approved by the City Manager.

However, to finish the project, \$19,850 will be needed to complete code infractions, and will also be added to the loan portion of the project, to be repaid to the City upon sale, refinance or change of title on the property. The homeowner has ample equity in the property to sustain the loan.

Staff recommends the additional funding be awarded to complete the project up to code.

FINANCIAL IMPACT: Funds are available in the Community Development Block Grant Home Improvement Program #2NR10-08, reimbursable by the Riverside County Economic Development Agency.

/dg – 71677



ACTION MINUTES
CITY OF NORCO
PLANNING COMMISSION
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
REGULAR MEETING
FEBRUARY 25, 2009

[Handwritten signature]

1. CALLED TO ORDER: 7:00 p.m.
2. ROLL CALL: **Chair Wright, Vice-Chair Jaffarian, Commission Members Harris, Hedges, Newton**
3. STAFF PRESENT: **Planning Manager King, Senior Planner Robles, Executive Secretary Dvorak**
4. PLEDGE OF ALLEGIANCE: **Commission Member Harris**
5. APPEAL NOTICE: **Read by staff.**
6. HEARING FROM THE AUDIENCE ON ITEMS NOT LISTED ON THE AGENDA: **No items.**
7. APPROVAL OF MINUTES: Minutes of February 11, 2009; **Approved, 5-0.**
8. CONTINUED ITEMS: **None**
9. PUBLIC HEARINGS: Resolution No. 2009-___; A Request for Approval to Allow a Martial Arts Studio within an Existing Building at 1780 Town and Country Drive Suite 107, Located within the M-1 (Heavy Commercial/Light Manufacturing) Zone. Conditional Use Permit 2009-01 (Kvenbo) Recommendation: Approval (Senior Planner Robles). **Action: Approved, 5-0.**
10. BUSINESS ITEMS:
 - A. Proposed Façade Renovation of the Senior Center at 2690 Clark Avenue. Recommendation: Receive and File (Housing Manager DeGrado). **Action: Received and filed 5-0. This action is final.**
 - B. Resolution No. 2009-___; A Request for Site Plan Review and Approval to Allow Four Temporary Office Trailers at 1811 Mountain Avenue within the Industrial District of the Gateway Specific Plan. Site Plan 2008-03 (Norco Ranch) Recommendation: Approval. (Senior Planner Robles). **Action: Approved 5-0 with a modification to the conditions to require a one-year update on the status of the trailers. This action is final unless appealed to the City Council.**

- C. Manure Amendment Memo. Recommendation: Receive and File (Planning Manager King). **Action: This was agendized from a letter written to the Planning Commission requesting that the City Code be amended to require that neighbors have control over the placement of manure bins on adjacent property lines. After discussion regarding the City's manure ordinance the report was received and filed 3-2. Commission Members Harris and Newton stated that something more needed to be done, but that a universal change in the ordinance regarding this one property, which would affect everyone, would be problematic. This action is final.**

11. CITY COUNCIL:

A. City Council Action Minutes dated February 18, 2009

B. City Council Minutes dated February 4, 2009

Action: Received and filed.

12. PLANNING COMMISSION: Oral Reports from Representatives on Various Committees/Commissions. **No reports.**

13. STAFF: Current Work Program. **Received and filed.**

14. OTHER MATTERS

Chair Wright and Commission Member Newton stated that the conditional use permit for the sale of hard liquor on Hamner Avenue that was denied by the Planning Commission and then approved by the City Council on appeal, had not been presented to the Commission in the same way it was to Council and that the action taken by the Planning Commission was a good one in light of what was presented.

Vice-Chair Jaffarian reported that, at the behest of staff, he had provided preliminary architectural review comments on a proposed Fairfield Inn & Suites Hotel that will be coming later to the Planning Commission for review.

15. ADJOURNED: 8:10 p.m.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jeff Allred, City Manager 

PREPARED BY: William R. Thompson, Director of Public Works 

DATE: March 4, 2009

SUBJECT: A City-Initiated Proposal to Add Chapter 14.04.670 Entitled "Restrictions of Additives to the Public Water Supply" to the Norco Municipal Code (Code Amendment 2009-02)

RECOMMENDATION: **Adopt Ordinance No. _____** for first reading.

SUMMARY: The former City of Norco Community Services Commission recommended that staff develop an ordinance establishing criteria that assures that if the City or any other entity choose to add a substance to the public water supply for the specific purpose of treating people rather than water, the substance must have gone through the appropriate approval process prior to being added to the water supply. The proposed Ordinance is intended to ensure water supplied by the City of Norco is safe to drink.

BACKGROUND/ANALYSIS: The 1974 Federal Safe Drinking Water Act established standards for drinking water. That Act requires the Environmental Protection Agency (EPA) to establish national public drinking water standards and prohibits states from relaxing those standards. The State of California Department of Public Health was established to provide a regulatory program intended to be more protective of public health than the minimum federal requirements.

The proposed Ordinance modification is intended to ensure water supplied by the City of Norco is safe to drink as follows:

It shall be unlawful and a public nuisance for any person, agent, or any public or private water system to add any product, substance or chemical to the water supply for the purpose of treating people. Substances required to treat the water to improve the quality or to provide a safe drinking supply must meet the following criteria:

(a) All additives must have been specifically approved by the United States (U.S.) Environmental Protection Agency (EPA) for safety and effectiveness with a margin of safety that is protective for all adverse health and cosmetic effects at all ranges of unrestricted consumption.

(b) All additives, at Maximum Use Levels, must contain no contaminants at concentrations that exceed established U.S. Maximum Contaminant Level Goals or the State of California Public Health Maximum Contaminant Levels or Goals, whichever is more protective.

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA ADDING CHAPTER 14.04.062 ENTITLED "RESTRICTIONS OF ADDITIVES TO THE PUBLIC WATER SUPPLY" TO THE NORCO MUNICIPAL CODE PROVIDING REGULATIONS TO ENSURE THAT THE PUBLIC WATER OF THE CTIY OF NORCO IS SAFE TO DRINK. CODE AMENDMENT 2009-02

WHEREAS, the City of Norco owns and operates a public water supply system; and

WHEREAS, the 1974 Federal Safe Drinking Water Act establishes water quality standards for drinking water; and

WHEREAS, the State of California Department of Public Health regulates a drinking water program that establishes standards more stringent then the minimum federal level, and

WHEREAS, the Community Services Commission has recommended certain additional restrictions be established pertaining to additives to the city water supply; and

WHEREAS, the City Council of the City of Norco determines that this Ordinance is a reasonable and necessary means to protect the public water system; and

NOW, THEREFORE, the City Council of the City of Norco does hereby ordain as follows:

SECTION 1: CHAPTER 14.04.062 OF THE NORCO MUNICIPAL CODE IS HEREBY ESTABLISHED TO READ AS FOLLOWS:

14.04.62 Restrictions of Additives to the Public Water Supply

It shall be unlawful and a public nuisance for any person, agent, or any public or private water system, to add any product, substance, or chemical to the public water supply for the purpose of treating or affecting the physical or mental functions of the body of any person, rather than to make the water safe or potable, unless the substance meets the following criteria:

(a) All additives must have been specifically approved by the United States (U.S.) Environmental Protection Agency (EPA) for safety and effectiveness with a margin of safety that is protective for all adverse health and cosmetic effects at all ranges of unrestricted consumption.

(b) All additives, at Maximum Use Levels, must contain no contaminants at concentrations that exceed established U.S. Maximum Contaminant Level Goals or the State of California Public Health Maximum Contaminant Levels or Goals, whichever is more protective.

SECTION 2: COMPLIANCE WITH CALIFORNIA ENVIRONMENTAL QUALITY ACT. The City Council finds that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Further, if the activity is deemed a project this City Council finds that this Ordinance is exempt pursuant to Section 15061(b)(3) of the State CEQA Guidelines.

SECTION 3: SEVERABILITY. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof.

SECTION 4: EFFECTIVE DATE. This Ordinance shall become effective thirty (30) days from its adoption.

SECTION 5: POSTING. The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall cause the same within 15 days of its passage to be posted at no less than five public places within the City of Norco.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on March 18, 2009.

ATTEST:

Mayor of the City of Norco, California

Brenda K. Jacobs, City Clerk
City of Norco, California

Ordinance No. _____

Page 3

March 4, 2009

I, Brenda K. Jacobs, City Clerk of the City of Norco, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Norco, California, duly held on March 4, 2009 and thereafter at a regular meeting of said City Council duly held on March 18, 2009, it was duly passed and adopted 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 March 18, 2008.

Brenda K. Jacobs, City Clerk
City of Norco, California

/wrt-71659

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jeff Allred, City Manager 

PREPARED BY: Steve King, Planning Manager 
Brian Petree, Parks, Recreation & Comm. Services Director
Bill Thompson, Public Works Director

DATE: March 4, 2009

SUBJECT: Silverlakes Equestrian and Sports Park--Conditional Use Permit and Environmental Impact Report

RECOMMENDATION: Streets, Trails, and Utilities Commission: Approval
Parks and Recreation Commission: Approval
Planning Commission: Approval
Staff:

1. Adopt Resolution 2009-___ certifying that the environmental impact report is complete and has been prepared in accordance with the California Environmental Quality Act.
2. Adopt Resolution 2009-___ approving Conditional Use Permit 2008-09 in accordance with conditions of approval set forth in said resolution.

SUMMARY: Belstarr Sports Management, LLC, in cooperation with the City of Norco and the Norco Redevelopment Agency, plans to develop a high quality equestrian and sports park on the Silverlakes property. Belstarr will enter into a long-term lease agreement in order to develop the project on the 122-acre property owned by the Norco Redevelopment Agency. The proposed equestrian and sports park is a permitted use upon approval of a conditional use permit (CUP). An environmental impact report (EIR) has been prepared to address potential significant impacts that could be anticipated from construction and implementation of this "public-private" project. Mitigation measures have been recommended for potential environmental impacts as feasible, and they have been incorporated as conditions of approval on the project. The Final EIR includes a Statement of Overriding Considerations for environmental impacts that, after mitigation, cannot be reduced to less-than-significant levels.

DESCRIPTION: The project site is located in the Open Space (OS) zone on the east side of Hamner Avenue north of the Santa Ana River and north of the Rivertrails Riding Stables on property known as the Silverlakes property. In the OS zone (Chapter 18.10.08) public or privately owned parks and recreation areas, including equestrian centers and campgrounds, are permitted uses upon approval of a conditional use permit. Other allowed uses include commercial uses incidental to the operation of

and private recreational facilities that include the sale of food and refreshments and the assemblage of people for profit-making recreation and entertainment purposes.

The proposed project will consist of extensive lawns, both natural and artificial, to accommodate equestrian shows and soccer along with football and other field sports events. The project will also include a public equestrian staging area, equestrian trails through the park that access the Santa Ana riverbed trails, a climate-controlled multi-use barn and event building, portable hay barns, all-weather surface areas for riding arenas, and speed and agility training fields. An existing ranch style residence will be considered for preservation and may be converted for use as a reception hall, first aid station, and business offices. The project will also include a playground and camping area with recreational vehicle hook-up facilities, permanent and temporary lighting, and ancillary restroom, storage and maintenance facilities. Lastly, the project will include a large electronic multi-media pylon sign for visibility from the freeway.

The main access to the project site will be across from Citrus Street at the intersection with Hamner Avenue. There is also a proposed secondary access at the northern project boundary that will be right-in, right-out only. Eventually, Schleisman Road is planned to be re-aligned southward and extended eastward to the I-15 freeway where it will run along the northern project boundary to a future freeway interchange. When the Schleisman Road extension is complete another entrance into the project site from Schleisman Road will be constructed. However, the extension of Schleisman Road is not anticipated for the foreseeable future and so is not included in the project design or traffic impact analysis.

CONDITIONAL USE PERMIT (CUP): The proposed project, along with all of the related events, is an allowed use upon approval of a CUP. The attached resolution contains all of the conditions normally applied to CUPs along with the recommended mitigations from the EIR. Where there is an overlap of standard conditions to recommend mitigations covering the same issue, one of the two have been eliminated.

The project has been conditioned so that any event that is not a previously-calendared event with the Parks and Recreation Department (PRD) will need approval of either a special event permit or an event consultation with the PRD so that the City can ensure that no adverse significant impacts (i.e., noise) will be created for neighboring residents. The condition is written so that the City has the discretion to waive the requirement for a special event permit or event consultation.

The most significant part of the project will be the extensive lawns that will be used for a number of uses and events under scenarios that can change from day to day based on the type and size of an event. For the most part the lawns will be interchangeable between equestrian, soccer, other sporting events, and other types of events. The lawns will also be used for parking when events are moved from one part of the project site to another. The natural turf areas will be irrigated with reclaimed water or non-potable well water.

An area equivalent to the size of seven soccer fields is being proposed for synthetic grass (four fields at the main project entry, and three at the most southeast corner of the project.) The reason for synthetic grass is that it provides fields that can be played on every day without interruption whereas natural turf needs time to recuperate between events.

In the center of the project site there is a central arena/staging area/field that will have a permanent berm around it for seating and for viewing the main event. One part of the project may ultimately include a running electronic reader sign along this berm which is about 5 feet in height. Approval of the CUP does not approve this reader board. That proposed feature would have to come back to the Planning Commission at a later date for approval and the project has been conditioned for that potential.

Another main feature of the project is a proposed 135,000 sq. ft. multi-purpose barn/event structure. As with the lawns, the multi-purpose building can be modified to accommodate several types of uses. The structural floor of the building will be concrete. However, much like modern indoor arenas, different materials will be placed over the concrete to create "floor" and "field" surfaces thus accommodating the different uses. Exhibit "N" shows some of the different use scenarios that the will be able to be accommodated in the multi-purpose event structure.

A conceptual architectural elevation has been attached for the multi-purpose building which shows what Belstarr wants to accomplish. The final design will depend on the final contract so it is anticipated that there will be architectural design modifications. The project has been conditioned so that approval of the conditional use permit does not mean approval of the elevations. The final elevations, design and color scheme will have to go back to the Planning Commission for approval.

Finally, Belstarr will be conditioned to provide, at the discretion of the Fire Department, private on-site ambulance service during scheduled equestrian or sports events. For special events, not including equestrian or sports activities, requirements will be specified by the City in a Special Event Permit. The ambulance service must comply with emergency medical standards as determined by the Fire Chief, and generally includes one certified paramedic and one certified emergency medical technician.

ENVIRONMENTAL ANALYSIS: A Draft Environmental Impact Report (DEIR) has been prepared to analyze potential impacts of the proposed project including short and long-term effects on the environment and the potential of the project to cause direct and indirect growth-inducing impacts, as well as cumulative impacts. Mitigation measures have been proposed for potentially significant impacts when feasible.

For impacts that cannot feasibly be mitigated to a level considered to be less than significant after mitigation, a Statement of Overriding Considerations is included as part of the EIR. A statement of overriding considerations is a statement by the Lead Agency that the positive benefits of a proposed project outweigh the potential negative impacts that cannot be effectively and feasibly mitigated.

The conclusion of the EIR is that the only significant impacts, after implementation of mitigation measures, are the long-term emissions of air pollutants associated with traffic, on site operational fugitive dust emissions, long-term emissions known as greenhouse gases that effect global climate change, and cumulative traffic impacts on Sixth Street at the intersections of Hamner Avenue, and the northbound and southbound freeway off-ramps. All other impacts can be reduced to less than significant levels with feasible mitigation measures.

Aesthetics. This is an evaluation of the visual impacts, or adverse changes including scenic resources, scenic vistas, changes in visual character, and lighting and glare. Development of the project will change direct views of the site. However, the site does not contain any unique features (i.e., rock outcroppings), nor is the site located within a scenic highway corridor under the State Scenic Highway program. The appearance of the site will change but the change will be to a "soft" appearance consisting mostly of open grass areas. The biggest change will be for homes located on the north side of the site and on the west side across Hamner Avenue that currently look into a vacant and generally un-maintained weedy property. The view will change but will be consistent with the ultimate use of the property as park and open space and so is not considered a significant adverse impact.

The project will create a new source of light and glare that is a potentially significant impact. To mitigate the potential impacts the project has been conditioned to develop a lighting management plan to minimize light intrusion into neighborhoods to the north and west. Also, the project has been conditioned so that any lighting incorporates the latest design technology for cutoff and control. Also, certain fields are restricted from being lighted that are immediately adjacent to residential areas. Lastly, to help reduce impacts from lighting, the project has been conditioned to plant extensive landscaping in the areas immediately adjacent to residential areas to help diffuse the impact of the lighting.

Agricultural Resources. The Silverlakes site has supported a number of agricultural and related uses mostly centered on horse training and racing. Former ranch facilities have fallen into disrepair and the site is currently unused and un-maintained. There is an on-site guard who provides some maintenance but the site currently has extensive weedy growth.

The California Department of Conservation established the Farmland Mapping and Monitoring Program to monitor agricultural land use changes throughout the state. There are three designations of farmland depending on the importance to the economy: farmlands of local importance, farmland of statewide importance, and prime farmland. The project site does contain land designated as prime farmland (61.77 acres) and farmland of statewide importance (18.21 acres). There is also a small area of unique farmland (2.55 acres) that corresponds to a sloped area on the northern boundary that slopes up to an adjacent plant nursery. Because of the steep slope, the area is not useful for agricultural purposes.

The permanent loss of prime farmland and farmland of statewide importance can be considered significant. It has been a number of years since the site has been used for agricultural purposes. Secondly, most of the site is being left open so it is possible that the site could be used for agricultural purposes in the future. The most important factor is that the park will be used for equestrian purposes, which is consistent with the historical agricultural use of property in the City of Norco. Since only a small portion of the site will be lost due to the multi-use barn structure, and since it has been some time since the site has been used for agricultural purposes, the impacts of the project to agricultural resources is considered less than significant and no mitigations measures are warranted.

Air Quality. To determine if this project will have a significant effect on air quality, it needs to be determined whether it will conflict with the implementation of an applicable air quality plan, violate an air quality standard, or contribute to an existing or projected air quality violation. Additionally, it needs to be determined if the project will result in a cumulatively considerable net increase of any criteria pollutant for which the area is already categorized as a "non-attainment" area under federal or state air quality standards. The analysis needs to also determine if the project will expose sensitive receptors to substantial pollutant concentrations or create objectionable odors affecting a substantial number of people.

This project would exceed significant threshold levels established by the South Coast Air Quality Management District (SCAQMD) during construction phases. Compliance with the conditions of approval recommended in the EIR will reduce these short-term impacts to less than significant. An analysis of on-site operational fugitive dust emissions revealed that mitigation measures will not be enough to reduce levels of fugitive dust to levels less than significant and are therefore considered significant and unavoidable. The significant amount of grass area being proposed, however, is a big deterrent to the overall levels of fugitive dust emissions.

The air quality analysis included a carbon monoxide (CO) hotspot analysis to determine if project operation would create localized concentrations of CO as a result of increased traffic congestion and idling. It was assumed for the study that the highest point of potential concentration would be at the main project entrance. The analysis revealed that CO concentrations from motor vehicles would not exceed threshold levels and are not considered significant impacts. No mitigation measures are needed.

The air quality analysis also addresses compliance with the applicable air quality plan (AQMP). The project would comply with applicable AQMP rules and regulations established by the SCAQMD. This analysis also requires that the project be in compliance with projected emissions and concentrations of pollutants as contained in the AQMP based on the City's General Plan. The project is consistent with the Land Use Element of the General Plan that designates the site as Public Land, being zoned for Open Space. However, it is unlikely that the overall traffic projections used in the AQMP for an Open Space land use designation assumed the levels of traffic that are

projected for this project. Therefore, the project has been determined to not be in compliance with the AQMP as it relates to the City's General Plan. This impact is considered significant and unavoidable.

The South Coast Air Basin, which includes the City of Norco, is a non-attainment region for particulate matter (PM) and ozone. Levels of PM are locally high enough that a new source may add to the concentration of these pollutants locally and contribute to an air quality violation. The Localized Construction Analysis is used to determine the impact of more PM pollutants. It is based on Localized Significant Thresholds (LST's) that are specific to each resource area. In Norco, the contribution of more PM pollutants would exceed the LST's for this area even after mitigation and therefore would result in a significant impact.

The CO Hotspot Analysis is used to determine if LSTs for ozone would be exceeded as a result of the project. That analysis determined that the LSTs for ozone would not be exceeded, and would therefore be a less-than-significant impact when considered on a local scenario. The project would, however, contribute to cumulative ozone and PM pollutants for which the region is considered non-attainment. As such the impacts on a regional scenario are considered significant and unavoidable, since the project will be contributing to overall significant levels that already exist at the regional scale.

The air quality analysis also looks at impacts to sensitive receptors. The Air Quality and Land Use Handbook contains recommendations that will "help keep California's children and other vulnerable populations (sensitive receptors) out of harm's way with respect to nearby sources of pollution," including distance recommendations between sensitive receptors and certain land uses. The recommendations are that sensitive receptors not be located within 500 feet of a freeway which is considered a high source of pollutants. The project has been conditioned such that soccer fields are not located within 500 feet of the freeway which reduces this potential impact to a level that is not significant.

The last analysis under air quality impacts are the creation of potentially objectionable odors. The project will create odors from diesel exhaust during grading operations but these are temporary and will disperse quickly and so are not considered significant. Project operations will involve a large amount of horses for certain events which some may associate with objectionable odors. The closest barns to any residential area would be 300 feet to the residences on the north, and 400 feet to the residences on the west. The prevailing winds in the area blow from the west and the homes would be on the leeward side of the prevailing wind about two-thirds of the year. The impact due to odors is therefore not significant and no mitigation measures are needed.

Biological Resources. The potential impacts to biological resources are analyzed in reference to the Endangered Species Act (ESA), Federal Migratory Bird Treaty Act (MBTA), California Endangered Species Act (CESA), California Environmental Quality Act (CEQA), and the California Fish and Game Code. The site remains heavily disturbed from years of use for equestrian and recreational uses. The site is presently un-used but remnants of structures and ornamental landscaping occur over much of it.

As a result, the site is predominantly covered (92 percent) with ruderal non-native grasses. The remaining 8 percent consists of other vegetative communities that include ornamental woodland, tree tobacco scrub, southern willow scrub, and mulefat scrub.

A delineation of jurisdictional waters and wetlands was performed which concluded that the project site contains a drainage feature and no wetlands so there is no land that would fall under the jurisdiction of the U.S. Army Corp of Engineers (USACE) and the site is not located in any designated critical habitat area. There is one potential area where the USACE may ultimately determine it has jurisdiction. Along side Hamner Avenue there is a small riparian area that is completely supported by run-off from the street. If it is ultimately determined by USACE that it has jurisdiction, the mitigation that would apply is discussed further in the report.

The Western Riverside County Multi-Species Habitat Conservation Plan (MSHCP) is a multi-jurisdictional plan that includes Norco, and is intended for the conservation of certain species and their associated habitat in the western county area. Areas with high potential for containing habitat are contained in Criteria Cells within the plan. Most of the project site is not within a Criteria Cell; however, a narrow strip along the western boundary (1.7 acres) is located in a Criteria Cell as is a narrow strip on the east side (.2 acres). Both of these strips are adjacent to full sections on the USGS map that are identified as Criteria Cells in their entirety. No portion of this project site, including the two narrow strips, is targeted for conservation.

The first point of discussion for a biological resource analysis is a determination of effects on species (and their related habitat) that are listed as a candidate species, sensitive species, or special status species. Compliance with conditions of approval as discussed in the following two paragraphs will mitigate impacts of the project on these species and the related habitat so that the impacts are less than significant.

Least Bell's vireo (LBV) is one such species for which there is only a relatively small area that has suitable habitat. However, the project site is near the Santa Ana River where there is a large suitable habitat area. On two occasions a LBV was observed foraging but it is not known if there was one bird seen twice, or two different birds. No nesting was observed. Since there is suitable nesting habitat for avian species, ground disturbances should be avoided during nesting season (February through August). If grading is proposed during nesting season, on-site assessments should be done not earlier than seven days prior to grading to insure that nesting birds will not be disturbed.

The project site is also a habitat assessment area for the Burrowing Owl (BUOW); however, the site is not suitable due to the high, dense growth of vegetation on site. Nonetheless, the site should be monitored for activity no more than 30 days prior to ground breaking. The site is also in a habitat assessment area for narrow endemic plants, none of which are expected to occur on site and so no mitigation is needed. Lastly there is a small low-lying area in the northwest portion of the site that receives run-off from Hamner Avenue and is continually moist and sometimes pools. This has the potential of supporting fairy shrimp which thrive in the habitat of vernal pools that

eventually dry up. Since this site does not dry up, the habitat is not suitable for fairy shrimp and the impacts are less than significant.

There are three identified areas of potential riparian habitat on the project site. The first was discussed above and is a result of run-off from Hamner Avenue. It supports a small isolated willow scrub habitat but the bed of the drainage channel is largely un-vegetated and does not support riverine habitat. Because of this, the site does not meet the definition of riparian/riverine habitat in the MSHCP and any impact to this feature will be less than significant.

A second willow scrub community is located in the southern central part of the site and was originally established as part of an irrigated pasture and man-made pond. The pond has since dried up but the willow scrub habitat is now self-sustaining on high water tables from the Santa Ana River and therefore does meet the definition criteria for a riparian habitat in the MSHCP. A third potential riparian habitat is a mulefat scrub area in the southern portion of the project site approximately 100 feet west of the Santa Ana River. This area is also self-sustaining on the high water table and is considered a riparian habitat under MSHCP definitions.

The mitigation measures proposed will preserve and enhance the southern willow scrub habitat area since it is the highest quality riparian habitat on-site. The impact of losing the mulefat scrub area is off-set by the condition requiring eradication of non-native species from the willow-scrub area and thereby promoting better establishment of the native riparian species there. If USACE ultimately determines that it has jurisdiction over the small riparian area adjacent to Hamner Avenue (.003 acre), mitigation is proposed at a 2:1 ratio or payment of an in-lieu fee into an established mitigation bank fund. The California Department of Fish and Game and Riverside County Flood Control may also have jurisdiction over this small area. Any mitigation for these jurisdictions will be determined when and if such findings are made.

In the MSHCP, for a project that is located next to, or near, a core conservation area (i.e., the Santa Ana River) an Urban/Wildlands Interface analysis is required to reduce secondary impacts from drainage, toxins, lighting, noise, grading, and invasive plant species that could be introduced into a core conservation area as a result of spillover effects from nearby urbanization projects. Secondary impacts regarding hydrology and water quality, geology and soils, and noise are addressed in other sections discussed below. This project has been conditioned to plant additional trees between the project and the river to reduce potential indirect impacts. The project has also been conditioned that only native or non-invasive species are used in the proposed project plant palette and that final landscaping plans are reviewed by the City for compliance with the listed plant species of the MSHCP. With these mitigations, the impact of the project on conservation plans will be less than significant.

Cultural Resources. There are three categories for analysis when looking at cultural resources. The first is historical resources that can be national, state, or local in scope. A cultural resource literature search was conducted for the area within one mile of the

project site revealing no previously recorded resources. A pedestrian research of the site revealed a historic-age ranch complex and an isolated find. The historic-age ranch house complex, however, does not meet the criteria to be categorized as either a national or state historic resource. The ranch house does appear to qualify as a historical resource in Riverside County. It is being considered to be retained for use as a center for social events. The project has been conditioned so that upon restoration of the structure it will be consistent with the State Secretary of the Interior's guidelines and standards. The "isolated find" was some shards of tile from a previous wave machine that no longer exists on the site. These were reported on an Isolated Find Report and recorded with the Eastern Information Center at the University of California, Riverside. With the report any potential negative impact has been effectively reduced to less-than-significant.

The cultural resource analysis also looked at potential impacts to archaeological and paleontological resources. Based on a records search, an on-site investigation and consultation with local bands of Native American tribes, the likelihood of discovering subsurface cultural deposits is low. However, given the historic use of the property there is sensitivity to the possibility of undiscovered subsurface artifacts which is a potentially significant impact. The project has been conditioned for monitoring and re-analysis after initial clearing and grubbing of the site with emphasis on the central and southern portions. With mitigations the project impact will be less than significant.

In a response to the Draft EIR, the Soboba Band of Luiseño Indians requested that it be allowed, upon its request, to have Native Americans to monitor all grading, excavation and groundbreaking activities. The EIR concluded that the likelihood of finding any artifacts is low and a condition was added to require a re-review of the site after clearing and grubbing. The following condition has been added in reference to the stated request:

107. At the request of the Soboba Band of Luiseño Indians, or the Morongo Band of Mission Indians, Native American monitors shall be allowed to monitor all grading, excavation and groundbreaking activities with the cost of said monitoring to be borne by the requesting agency, and only upon prior 24-hour notice for said monitoring to ensure that entrance to the site is safe.

Under wash sediments that cover the site, there are layers of Pleistocene sediments that may have high fossil bearing potential. The project has been conditioned for periodic monitoring of the grading operation with a re-analysis after 50 percent of the grading is completed. Any discoveries will need more thorough monitoring along with preservation as needed. With the mitigation measures, potential impacts to cultural resources are reduced to a level that is less than significant.

Geology and Soils. This section looks at the potential impacts from the project with regards to soils, seismic activity, and erosion that may occur from project implementation. This section analyzes impacts to the project from earthquake faults and seismic ground-shaking. The impacts are anticipated to be potentially significant without

project mitigations. With conditions of approval requiring design for expected ground-shaking, general grading guidelines, and foundation studies the project impacts are reduced to less than significant. The potential impact to soil erosion and loss of topsoil are potentially significant during construction activities. Compliance with conditions of approval reduces this impact to less than significant. Because of alluvial soils having been deposited from river sedimentation and existing high groundwater levels, the site is identified as lying within a high-risk liquefaction zone and is therefore susceptible. Again, compliance with the City's standard grading practices will reduce this impact to less than significant.

Hazardous Materials. Grading and construction activities could involve the transport of some hazardous materials including the fueling/servicing of construction equipment or the transport of hazardous building materials. These activities are short-term and compliance with federal, state, and local health and safety requirements will reduce potential impacts to less than significant. Another potential short-term impact is the potential need to remove hazardous materials that may exist in the ranch home. This also can be reduced to a less than significant level upon compliance with the conditions of approval and standard building safety requirements.

Potential long term impacts associated with the project will be the handling and removal of agricultural waste associated with equestrian events. Again, adherence to federal, state, and local health and safety requirements will reduce this impact to less than significant.

Hydrology and Water Quality. This analysis addresses the control of development in floodplains and what impacts are anticipated in that regard as well as construction and operational run-off and the potential impacts to water quality. Short-term construction related impacts to water quality will be controlled through the issuance of a National Pollutant Discharge Elimination System (NPDES) permit that includes the preparation of a Storm Water Pollution Prevention Plan (SWPPP). Compliance with the Best Management Practices (BMPs) outlined in the SWPPP will reduce any potential impact to less than significant.

The potential long-term impacts to water quality will come from the operational aspect of the project for equestrian events and the need to safely temporarily store and then periodically remove animal wastes. Project design and event layouts will incorporate operational-level water quality BMPs that will reduce potential impacts to less than significant. Compliance with the conditions of approval will also reduce potential operational water quality impacts to less-than-significant.

According to the Riverside County Flood Control and Water Conservation District, the project site is within the 100-year flood zone. The project includes the construction of permanent structures that are conditioned to be moved out of the flood zone before construction can begin. Compliance with this requirement and the conditions of approval will reduce potential impacts to less than significant.

In its response to the Final EIR the Riverside County Flood Control and Water Conservation District asked the following conditions be added:

108. Any development or encroachments made to the Special Flood Hazard Area associated with the Santa Ana River floodway shall be reviewed by the City floodplain administrator to determine whether proposed building sites will be reasonably safe from flooding. This may include the submittal of studies, calculations, plans and other information to meet FEMA requirements; and may require the submittal of a Conditional Letter of Map Revision (CLOMAR). If a CLOMAR is required than the developer shall submit a Letter of Map Revision (LOMAR) immediately following completion of the project.
109. Any work that involves Riverside County Flood Control District right-of-way, easements or facilities shall be required to obtain an encroachment permit from the District. The construction of facilities within road right-of-way that may impact District storm drains shall also be coordinated with the District.
110. The developer shall provide a MSHCP consistency report for all encroachment permits on or near portions of the project located within Riverside County Flood Control District rights-of-way, easements or facilities for consistency with MSHCP requirements.

Land Use and Planning. In the land use analysis, there are three points that are typically addressed. The first is whether or not the project will physically divide an existing community. The second is whether or not the project will conflict with adopted land use plans, policies, or regulations of agencies that have jurisdiction. And finally the third is whether the project will conflict with any habitat conservation plan. In all three analyses the project will have a less-than-significant impact. The project is consistent with regional growth objectives to move jobs and regional attractions to housing-rich areas where there is an imbalance between the number of housing units as opposed to the number of jobs and so no mitigations are needed.

Mineral Resources. The State Geologist has researched and prepared reports on mineral resources with regional or statewide significance. Sites are then categorized into one of four Mineral Resource Zones. The project site is located in a Mineral Resource Zone-3 which means that it is in an area containing mineral deposits, the significance of which cannot be determined from available data. "It may contain deposits that are marketable under present technologic and economic conditions, or which can be estimated to exist in the near future." No active resource recovery operations currently exist on or near the property. The depth to bedrock combined with the soil composition and the limited size of the property make the site unattractive to possible sand and gravel extraction operations. Since the site does not contain significant mineral resources, the impact of the project will be less than significant and no mitigation measures are needed.

Noise. The noise analysis looks at whether a project will expose people to significant noise levels, or whether it will create noise levels that negatively impact the area. The problem is that CEQA does not define what “significant” is in terms of noise increase, and neither does the City. Generally speaking, a noise level increase of 3dBA is recognizable by the human ear whereas an increase of 10dBA is perceived as a doubling of sound. For the analysis an increase was considered significant if the increase was 3dBA or more and the existing ambient noise level already exceeded 60 dBA at an existing residence; or the projected noise increase from the project would increase noise levels from below 65dBA to over 70dBA. The City of Norco standard for exterior noise levels is 65dBA.

The project has the potential to increase noise levels during construction phases because of construction vehicles. The project has been conditioned so that construction vehicles are equipped with properly operating and maintained mufflers and that staging areas are located away from nearby residential areas. Compliance with these conditions will reduce the potential impact level to less than significant.

Long term impacts with regards to the generation of noise occur with specific events and with the overall increase in traffic as a result of those project events. The increase in traffic-related noise would only be in the 0.0 percent to .5 percent range and is not considered a significant impact so no mitigation measures are needed. To control event-related noise the project has been conditioned with a number of conditions controlling the location of events, the location and installation of any public address systems, and a limitation on event hours. Compliance with the conditions of approval will reduce any noise-related impacts to less than significant.

Transportation. The transportation impact analysis (TIA) of the project combined with cumulative development in the region concluded that without traffic improvements at a number of streets and intersections certain intersections would operate at unacceptable levels of service if the project opened in 2010. Based on that, a list of needed regional traffic improvements was compiled. These are improvements that are funded through the Riverside County Transportation Commission using Transportation Uniform Mitigation Fees (TUMF) to which all eligible projects constructed in western Riverside County are conditioned to pay. This is the mechanism in western Riverside County for fair-share funding among jurisdictions for regional traffic improvements.

Since the project is a public park, the project is exempt from TUMF. The improvements to reduce traffic impacts have already been identified as county or regionally-required improvements and can be accomplished with minor traffic signal modifications, or the improvements are not feasible:

- Hamner Avenue at Limonite Avenue – One northbound right-turn overlap.
 - The existing signal heads at this intersection have already been designed to accommodate this type of modification. The modification will be completed when it is warranted by traffic levels.

- Hamner Avenue at Schleisman Road – One northbound right turn lane with overlap.
 - Schleisman Road east of Hamner Avenue currently tapers down to a local street in a residential neighborhood. There is no need for a northbound turn lane since the street only leads into an adjacent residential neighborhood and terminates there.
- Hamner Avenue at A Street – One northbound through lane and one southbound through lane.
 - Hamner Avenue is a TUMF project and is being built ahead of schedule as a joint project between the City and the County with ultimate reimbursement to the City at a later date. This improvement will be accomplished with the current widening project.
- Hamner Avenue at Citrus Street – One northbound right turn lane, two southbound left turn lanes, one eastbound through lane, one eastbound right turn overlap, two westbound left turn lanes, and one westbound through lane.
 - Hamner Avenue is a TUMF project and is being built ahead of schedule as a joint project between the City and the County with ultimate reimbursement to the City at a later date. This improvement will be accomplished with the current widening project. Improvements east of Hamner Avenue will be constructed when the Silverlakes project is developed.
- I-15 Freeway (SB) at Sixth Street – One southbound right-turn lane and one westbound left turn lane.
 - Sixth Street is included as a TUMF program project. The timing improvements to Sixth Street in general, and these intersections in particular, are not being planned until other improvements in the area are completed that will ultimately relieve traffic at these intersections and a better determination can be made as to what ultimate improvements should be. Project traffic at these intersections is minimal; however, the intersections will operate a level of service “F” with or without the project. Since it is not feasible to propose mitigations at this time this is a significant and unavoidable impact.

The County of Riverside Transportation and Land Management Agency submitted a response letter to the Final EIR (ref. Exhibit “H” – Letter, received February 3, 2009) after the public review period of the Draft EIR had expired. The letter requests that the City set aside the appropriate right-of-way for the future extension of Schleisman Avenue and the future interchange at the I-15 Freeway. Since there is no adopted route for the extension or the interchange improvement there can be no request for, or dedication of, right-of-way at this point. No condition has been added to the project but

the City remains dedicated to working with the County when the time comes for constructing the street and the interchange, as it will be in everyone's best interest for that construction to occur.

Climate Change. In 2006 Governor Schwarzenegger signed AB 32 charging the California Air Resources Board with developing regulations addressing climate change. So far there have not been any guidelines developed by an appropriate government agency. The EIR suggests thresholds of significance and evaluates the potential of the project with regards to greenhouse gases based on the intent of AB 32. It needs to be noted that these thresholds have not been adopted by any state agency and therefore serve as a point of discussion on ways to reduce the emissions of greenhouse gases.

It is potentially a significant impact that the project could hinder or delay the state's ability to meet reduction targets by 2020 as established by AB 32. To reduce potential short-term impacts from construction, the project has been conditioned to require that where applicable, B5 biodiesel fuel be used for on-site construction equipment. B5 biodiesel fuel is 5 percent biodiesel mixed with 95 percent regular diesel. The use of this fuel would reduce carbon dioxide emissions by 4 percent.

The operational emissions of the project are over the draft threshold suggested by SCAQMD for greenhouse gases since users of the project will have to drive to the facility. The project, therefore, could hinder or delay the state's ability to meet the reduction targets in AB 32. This is a significant and unavoidable impact.

Other EIR Issues not Summarized in this Report; and other Draft EIR Responses. The project will not create any significant impacts with regards to population and housing, public services, and utilities so discussions were not included in the staff report. Full discussion of these issues and those summarized above are contained in the attached EIR (Draft and Final versions) (ref. Exhibits "E" – Draft EIR, "F" – Final EIR).

The Northwest Mosquito and Vector Control District upon review of the Draft EIR asked that the following condition be added:

111. The developer and/or project operator shall provide mosquito control for the on-site lake and any other impoundments of water by maintaining vegetation growth in the impoundment and perimeter areas on a regular basis. This measure shall be implemented to the satisfaction of the City and be consistent with maintenance guidelines provided by the Mosquito and Vector Control District.

From the Joint Commission meeting on December 1, 2008 the following conditions were added and/or revised:

104. Sporting and equestrian events calendared on the annual reviews with the Parks and Recreation Department will not need Special Event Permits. All other events shall require a Special Event Permit from the Planning Division,

- or an event consultation with the Parks and Recreation Department, unless waived by the City.
105. The owner/operator of the business, regardless of any changes in ownership, shall provide a self audit of compliance with the conditions of approval to the Planning Division on a self-audit form inclusive of the payment of fees as set by the City Council. Said report shall demonstrate that the project is in compliance with all the conditions of approval and shall be submitted for review no later than six months from receiving the Certificate of Occupancy, and then by December 31 thereafter. The owner/operator shall be responsible for all staff and attorney fees that may be incurred in the enforcement of the terms of the conditions of approval, whether they are annual inspections or compliance hearings.
 106. The pond shall be stocked for fishing and shall meet depth requirements as per Riverside County Vector Control in regards to mosquito control.
 112. Non-participants in equestrian, sporting, or other events in the main park site shall be limited to a maximum stay of five days in the recreational vehicle park with a minimum of thirty days between stays unless otherwise approved by the leaser or administrator. Participants in on-site activities in the main park area shall be limited to a maximum stay of three weeks unless otherwise approved by the leaser or administrator.
 113. The developer or operator of the facility shall be required to have regular certified pest control inspections, as determined necessary by the City, to make sure there are no problems with displacement of rodents and vermin to neighboring areas during operation of the facility.
 114. During grading and construction of the project, the north end of the site shall have pest control measures approved by the City, with inspections by a certified pest control inspector to help minimize the off-site travel of rodents to the north and west.

In addition the following standard condition was inadvertently left out and needs to be added:

115. A City of Norco Encroachment Permit shall be obtained for all work in the public right-of-way prior to the start of work. All work shall be done in accordance with City Standards, and/or as otherwise specified to the satisfaction of the City Engineer and completed prior to certificate of occupancy.

Environmental Process and Determination: The City as Lead Agency determined that the proposed project warranted preparation of an EIR. The EIR conducted by an impartial third party has concluded that the project will not intensify the land use beyond

the levels designated by the General Plan. The EIR did identify potential significant impacts of the project and the mitigations that will reduce those levels of impact to less-than-significant. Once the Draft EIR was completed a Notice of Completion was circulated that began a 45-day public review period. At the conclusion of the public review period response letters to the Draft EIR were compiled and addressed in the Final EIR. Any changes to conditions, or discussions related to recommended changes, were included in the summaries above.

The EIR identified issues that, even after feasible mitigation measures, cannot be reduced to less-than-significant levels. The first is the long-term impact to air quality from vehicle emissions; the second being the impact to climate change from the same source; the third is the long-term impact to air quality from the operational generation of fugitive dust; and the fourth is the cumulative traffic impacts to Sixth Street at Hamner Avenue and the freeway off-ramps, even though this project by itself, does not create a significant impact. For these impacts a Statement of Overriding Considerations is included as part of the Final EIR.

FISCAL IMPACT: Development and operation of the project will require additional City resources in the form of public services and utilities. These costs should be off-set by impact fees, on-going service fees, lease payments and indirect economic development related revenues to the City.

/sk-71759

Attachments: Resolution No. 2009-___ (EIR)
Resolution No. 2009-___ (CUP 2008-09)
Exhibit "A" – Location Map
Exhibit "B" – Assessor Parcel Map
Exhibit "C" – Master Site Plan (disk 2)
Exhibit "D" – Conceptual Event Structure Elevations (disk 2)
Exhibit "E" – Draft EIR (disk 1)
Exhibit "F" – Final EIR (disk 1)
Exhibit "G" – Environmental Findings of Fact for the EIR (disk 1)
Exhibit "H" – Letter, received 2-03-09, County Trans. & LMA (disk 2)
Exhibit "I" – Joint-Commission Meeting Minutes, 12-01-08 (disk 2)
Exhibit "J" – Planning Commission Minutes, 1-14-09 (disk 2)
Exhibit "K" – RV Camping and Staging Area Concept Drawing (disk 2)
Exhibit "L" – Conceptual Soccer Field Event Layout (disk 2)
Exhibit "M" – Conceptual Equestrian Field Event Layout (disk 2)
Exhibit "N" – Alternate Event Building Floor Layouts (disk 2)

RESOLUTION NO. 2009-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO CERTIFYING THE COMPLETION OF AN ENVIRONMENTAL IMPACT REPORT FOR SILVERLAKES EQUESTRIAN AND SPORTS PARK. CONDITIONAL USE PERMIT 2008-09

WHEREAS, the City of Norco has prepared an Environmental Impact Report (EIR) for Conditional Use Permit 2008-09 (CUP) pursuant to the California Environmental Quality Act (CEQA) and procedures adopted thereto by the City Council for the City of Norco relating to environmental evaluation of public and private projects; and

WHEREAS, notice of preparation to all interested persons and agencies inviting comments on the Draft EIR was issued April 3, 2008 and re-issued on May 2, 2008 to clarify the type of environmental impact report in accordance with the provisions of CEQA; and

WHEREAS, the City transmitted on October 16, 2008 for filing a Notice of Completion and Availability of the Draft EIR to the State Clearinghouse for distribution to those agencies which have jurisdiction by law with respect to the Project and to other interested persons and agencies, and sought the comments of such persons and agencies; and

WHEREAS, the 45-day public review period on the Draft EIR ended on December 1, 2008; and

WHEREAS, the Final EIR was duly submitted to the City of Norco Planning Commission for review and recommendation at a public meeting for which proper notice of the meeting was given; and

WHEREAS, at the time set; at 7 p.m. on December 1, 2008, being continued to January 14, 2009, within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, said Planning Commission considered the aforesaid EIR and received both oral and written testimony pertaining thereto; and

WHEREAS, said Planning Commission adopted Resolution 2008-35 recommending to the City Council that the EIR for CUP 2008-09 be approved and certified as complete; and

WHEREAS, the Final EIR, incorporating the City's responses to comments on the Draft EIR, has been submitted to the Norco City Council; and

WHEREAS, the EIR was duly submitted to said City Council for review and approval at a public meeting for which proper notice of the meeting was given; and

WHEREAS, at the time set; at 7 p.m. on March 4, 2009 within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, said City Council considered the aforesaid EIR and received both oral and written testimony pertaining thereto; and

WHEREAS, all interested persons expressing a desire to comment thereon or object thereto have been heard, and the EIR and all comments thereon with the responses thereto have been considered.

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

SECTION 1: The City Council hereby certifies that the EIR for CUP 2008-09 has been completed in compliance with CEQA, and local procedures adopted by the City Council pursuant thereto, and that the City Council has reviewed and considered the information contained in the EIR.

SECTION 2: The City Council has evaluated all comments, written and oral, received from persons who have reviewed the Draft EIR.

SECTION 3: The City Council finds that the environmental impacts for the following, identified in the EIR, are less than significant, and as a result, no mitigation is required under CEQA: Agricultural Resources; Land Use and Planning; Mineral Resources; Population and Housing; Public Services and Recreation; Utilities.

SECTION 4: The City Council finds that the environmental impacts for the following, identified in the EIR, are potentially significant but can be mitigated to a less than significant level through the imposition of mitigation measures and/or conditions of approval: Aesthetics, Light, and Glare; Biological Resources; Cultural Resources; Geology and Soils; Hazards and Hazardous Materials; Hydrology and Water Quality; and Noise.

SECTION 5: The City Council finds that with consideration of information contained in the EIR, and with the implementation of mitigation measures, the following identified in the EIR, are potentially significant and unavoidable: impacts to air quality criteria pollutants; cumulative traffic impacts to the intersections of Sixth Street with Hamner Avenue, northbound and southbound freeway ramps, and operational emissions toward climate change.

SECTION 6: The City Council finds that the project site is not isolated and does not require a substantial extension of new infrastructure and that the proposed project is consistent with growth projections by the Southern California Association of

Governments. The project, therefore, does not contribute significantly to growth, either directly or indirectly.

SECTION 6: The City Council finds that the benefits provided to the public through approval and implementation of the Project outweigh the identified significant adverse impacts of the Project that cannot be feasibly mitigated or avoided, and that each of the project benefits identified in Environmental Findings of Fact outweigh the unavoidable adverse environmental impacts identified in the EIR, and, therefore, finds those impacts to be acceptable. The list of benefits identified in the Environmental Findings of Fact standing alone is sufficient justification for the City to override the unavoidable adverse impacts.

SECTION 7: The City Council hereby finds that no substantial changes have been proposed in the Project which will require major revisions of the EIR, no substantial changes have occurred with respect to the circumstances under which the Project is being undertaken which will require major revisions in the EIR, and no new environmentally significant information, which was not known and could not have been known at the time the Final EIR was completed, has become available.

SECTION 8: The City Council hereby adopts the Mitigation Monitoring and Reporting Program set forth in the Final EIR, and on file at City offices, as the official mitigation monitoring plan for the project.

SECTION 9: Upon approval and adoption of the Project, the City Clerk is hereby directed to file a Notice of Determination with the County Clerk of the County of Riverside pursuant to the provisions of Section 21152 of the Public Resources Code and the State Environmental Impact Report Guidelines adopted thereto.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on March 4, 2009.

Mayor of the City of Norco, California

ATTEST:

Brenda K. Jacobs, City Clerk
City of Norco, California

I, BRENDA K. JACOBS, 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 March 4, 2009 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 March 4, 2009.

Brenda K. Jacobs, City Clerk
City of Norco, California

/sk-71785

RESOLUTION NO. 2009-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO GRANTING WITH CONDITIONS, A CONDITIONAL USE PERMIT FOR THE DEVELOPMENT OF A 122-ACRE EQUESTRIAN AND SPORTS PARK LOCATED ON THE EAST SIDE OF HAMNER AVENUE NORTH OF THE SANTA ANA RIVER AND RIVERTRAILS RIDING STABLES IN THE OPEN SPACE (OS) ZONE. CONDITIONAL USE PERMIT 2008-09

WHEREAS, BELSTARR SPORTS MANAGEMENT, LLC, submitted an application for a conditional use permit to the City of Norco, California, under the provisions of Chapter 18.45, Title 18 of the Norco Municipal Code, on property generally described as:

Parcels 4, 11, being POR. PSEC 31 T. 2S., R. 6W; as shown on ASSESSORS MAP BK152, PG.06; and Parcels 1, 2, 11, of SEC.31 T.2S, R. 6W as shown on ASSESSOR MAP BK152 PG.07 of Parcel Maps, Records of Riverside County, California;

More generally described as an irregular-shaped area of about 122 acres, located on the east side of Hamner Avenue, northerly of the Santa Ana River, (Assessor's Parcel Numbers 152-060-004, 011; 152-070-001, -002; 152-170-011); and

WHEREAS, the application for conditional use permit was duly submitted to the City of Norco Planning Commission for review and approval at a public meeting for which proper notice of the meeting was given; and

WHEREAS, at the time set; at 7 p.m. on December 1, 2008 within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, said Planning Commission considered the aforesaid conditional use permit and received both oral and written testimony pertaining to said application; and

WHEREAS, the Planning Commission continued said item to January 14, 2009; and

WHEREAS, at the time set, at 7 p.m. on January 14, 2009 said Planning Commission re-considered the aforesaid conditional use permit and received both oral and written testimony pertaining to said application and adopted Resolution 2008-35 recommending that Conditional Use Permit 2008-09 and the associated environmental impact report be approved; and

WHEREAS, the application for conditional use permit was duly submitted to the City of Norco City Council for review and approval at a public meeting for which proper notice of the meeting was given; and

WHEREAS, at the time set; at 7 p.m. on March 4, 2009 within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860, said City Council considered the aforesaid conditional use permit and received both oral and written testimony pertaining to said application; and

WHEREAS, the City of Norco, acting as the Lead Agency, determined that the project may have potential significant impacts and an Environmental Impact Report has been prepared in accordance with the California Environmental Quality Act (CEQA) and the City of Norco Environmental Guidelines with recommended mitigations that reduce potential significant impacts to less than significant; except

WHEREAS, the Environmental Impact Report contains a Statement of Overriding Considerations for impacts that cannot be reduced to a less than significant level after feasible mitigation measures.

NOW, THEREFORE, the City Council of the City of Norco does hereby make the following FINDINGS AND DETERMINATION:

I. FINDINGS:

- A. The proposal does comply with all applicable requirements of the Norco Municipal Zoning Code and the General Plan in that the site is designated by the General Plan as Public Use and the OS zoning (Open Space) is consistent with that General Plan Land Use designation. The nature of the proposed use as an equestrian and sports park is consistent with the land use designations.
- B. The overall site and architectural design is consistent with the intent and purpose of the Norco General Plan and the Norco Municipal Zoning Code, as well as the general nature of the area in which the development is to be located.
- C. The proposal is reasonably compatible with the area immediately surrounding the site in that the area is developed with residential uses on the north and west and a commercial nursery to the northwest. The proposed use is a permitted use upon approval of a conditional use permit, and has been designed or conditioned with mitigations to be compatible with adjoining land uses.
- D. The proposal is not detrimental and will be desirable to the overall public convenience or general welfare of the persons residing or working in the neighborhood. The development is not injurious to surrounding properties nor does the project adversely impact the use of adjoining parcels.
- E. The City of Norco, acting as Lead Agency, determined that the project could have had potentially significant impacts and an environmental impact report

was prepared pursuant to the California Environmental Quality Act (CEQA) and the City of Norco Environmental Guidelines to mitigate potential impacts to less than significant levels; or for impacts that could not be effectively reduced to less than significant levels, a Statement of Overriding Considerations was included as part of the Environmental Impact Report.

DETERMINATION:

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Norco, California, in session assembled March 4, 2009 that the application for Conditional Use Permit 2008-09 is recommended for approval, subject to the conditions provided in Section 18.45.10 of the Municipal Code of Norco, and including but not limited to the following conditions:

STANDARD PLANNING CONDITIONS:

1. Approval is based on Exhibit "C" – Master Site Plan dated November 24, 2008, Exhibit "D" – Elevations, and Exhibit "E" – Floor Plan dated November 21, 2008 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 facility operator of the property shall submit to the Planning Division, for recorded 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 not specifically waived or conditioned by the Planning Commission in compliance with City procedures shall constitute cause for revocation and/or termination of the approvals granted under authority of 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. The subject property shall be developed in accordance with approved plans and specifications on file with the City of Norco Planning Division.
6. The developer shall pay all applicable City of Norco development fees prior to issuance of any permits.
7. Said approval shall become null and void unless building permits for all construction authorized by this approval have been issued within two years after

the granting of such approval and pursued diligently to completion. Provided, however, that the Planning Manager may extend approvals for up to six months, and provided that after consulting with the City Engineer and Fire Chief, it is found that there would be no new requirements due to changes in the Code and the plan as approved meets all present development standards.

8. This is not an approval to begin work. No work shall be commenced until the City of Norco has issued grading permits, and building permits, and all other appropriate permits.
9. 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 Manager 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 thereto.

Equestrian and sporting events are considered part of the daily operations of the facility and do not require special event approval. Other events not involving equestrians or sporting events shall require approval of a Special Event Permit, including the payment of a fee, two weeks prior to the date of said event.

10. Building elevations and building colors and materials shall be as approved by the Planning Commission. Minor deviations from the approved colors and materials approved shall be subject to the approval of the Planning Division prior to their application. Material boards and colored renderings shall be presented to the Planning Division as part of the permanent file. The multi-purpose barn/event structure is only conceptually approved with this application. Final building elevations shall be submitted to the Planning Commission for approval prior to submittal of building plan check plans.
11. No sign is authorized by approval of this site plan. Plans for any sign(s) proposed to be placed upon this site shall first be submitted to the Planning Division for approval of a sign permit, and to the Building Division for issuance of a building permit. Prior to any sign permit the project developer shall submit for review and approval of the Planning Commission a sign program for the proposed project, including payment of a fee, that will include all on-site signage including any proposed scrolling electronic sign wall around the central arena/field that may be proposed.
12. The proposed freeway sign is not authorized with this approval. Plans for said sign shall first be submitted to the Planning Commission for approval, including payment of a fee. Upon approval by the Planning Commission, the developer shall submit said plans for a sign permit to the Planning Division, including payment of a fee; and to the Building Division for issuance of a building permit.

13. A registered civil engineer or landscape architect shall prepare on-site landscaping, and irrigation plans on standard size sheets for approval by the City Engineer and Planning Division. Plans shall be submitted, including the payment of a fee, at the time of initial submission of all public improvement plans or prior to submittal of building plan-check plans (ref. to Condition 71).
14. All landscaped areas shall be provided with a water-conserving automatic irrigation system as the City encourages all water conservation practices. Reclaimed water, if available, shall be used for all irrigation systems. Irrigation systems shall meet all reclaimed water requirements in terms of design utilizing the color purple on the irrigation system to identify the use of non-potable water. Plans shall indicate plant and tree types and sizes, and the location and dimensions of all landscaped areas and irrigation lines. Trees to be installed shall be minimum 15-gallon container or 24-inch planter box trees whichever is more conducive to survival for a particular species. Shrubs to be installed shall be minimum 5-gallon container shrubs (ref. to Condition 71).
15. All landscaped areas shall be maintained in a healthy and thriving condition free from weeds, trash and debris as a condition of this approval. The property lessee is responsible for maintenance of on-site landscaping, and off-site landscaping in street right-of-way (ref. to Condition 71).
16. Landscaping plans, including the payment of processing fees, shall be submitted separate from and prior to submittal of building plan-check plans. Building plan-check plans shall not be released for issuance by the Planning Division until after landscaping plans have been approved (ref. to Condition 71).
17. All ground-mounted utility appurtenances such as transformers shall be located out of public view of the main building area and adequately screened through the use or combination of concrete masonry walls, berms, and landscaping to the satisfaction of the Planning Division.
18. Any mechanical equipment such as air conditioning, heating or cooling equipment, etc. and/or appurtenant ducts, vents, pipes or cable which are proposed to be mounted either on top of, or outside of, any building or structure shall be subject to review and approval by the Planning Division prior to the issuance of building permits. Plans showing the nature, extent, and location of all such appendages and method of architectural integration, visual, and acoustical treatment of the same shall be submitted to the Planning Division for review and approval prior to issuance of building permits.
19. Permanent trash enclosures shall be constructed near the proposed permanent building and shall be designed to meet City standards in locations as approved by the City and the City's waste hauler. The trash enclosures shall be placed on concrete pads and screened on three sides with a six-foot high solid masonry wall

in conformance with City standards, and shall be equipped with a six-foot high sight-obscuring gate and "man" entrance, subject to approval of the Planning Division. Trash enclosures shall be a minimum size for two bins, one bin for trash and the other bin for recycling.

Moveable manure bins shall not be stored in any areas in close proximity to residential areas and shall be picked up on a continuing basis with the schedule for pick-ups by the City's waste hauler being approved by the City and the City's waste hauler based on the type and duration of events. Bins used for manure shall not be used for trash and vice-versa.

20. The proposed project lies within the Western Riverside Council of Governments (WRCOG) area-wide Multi-Species Habitat Conservation Plan (MSHCP). The City has adopted the MSHCP program, and this project may be subject to the payment of these fees prior to the issuance of building permits.
21. No construction activity work shall be permitted before 7 a.m. or after 6 p.m. on weekdays, or on Saturdays, Sundays or holidays without prior written approval from the City Engineer.

STANDARD PUBLIC WORKS/ENGINEERING CONDITIONS

22. Driveway approaches shall be constructed in accordance with City standards as approved by the City Engineer.
23. The applicant shall obtain written authorization granting permission for any work to be completed on property in which they are not the sole owner. A copy of this written authorization shall be submitted to the City Engineer's office prior to start of work.
24. The applicant shall submit a soils investigation report prepared by a California-licensed soils engineer specifying grading recommendations for this site, including minimum pavement design prior to issuance of a grading permit. In no case shall public pavement design be less than 4-inch asphalt concrete over 6-inch aggregate base.
25. A registered civil engineer shall prepare an on-site precise grading, paving, and drainage plan for approval by the City Engineer. Plans shall be 24"x36", ink on mylar, with elevations to the nearest 0.01 foot, and scale of 1" = 20,' unless approved differently (ref. to Condition 86).
26. Prior to issuance of a grading permit, a complete hydrology and hydraulic study shall be prepared by a registered civil engineer for approval by the City Engineer. Those recommendations of the report, as approved by the City Engineer, shall be incorporated into the public improvement plans and site development plans prior to their approval.

The pad sites for any proposed permanent structures shall be removed out of the 100-year flood plain before any construction shall be permitted.

27. Prior to the issuance of a grading permit, the applicant's engineer shall prepare and submit a Storm Water Pollution Plan (SWPPP) covering all phases of construction. Said grading permit shall not be issued until after the Engineering Department has approved the SWPPP (ref. to Condition 85).
28. Maintenance of the necessary erosion control devices shall be the responsibility of the applicant. Any emergency repair to these devices performed by City forces shall be billed to the applicant and paid for prior to the release of certificate of occupancy.
29. The project engineer shall include an erosion control plan as part of the precise grading plan, providing for installation of approved erosion control devices (sandbags, desilting basins, etc.) during all phases of construction.
30. This development shall be served by underground utilities. All utility locations shall be incorporated into the on-site utility plan and shall be prepared on 24"x36" mylar, by a registered civil engineer, for approval by the City Engineer. A plan check fee of 4.5 percent of the estimated public improvement costs shall be paid prior to plan approval.
31. The applicant shall submit separate on-site utility plans for the installation of on-site sewer, water and any necessary storm drain systems in a manner meeting the approval of the City Engineer.
32. If any water softening equipment is proposed to be used, the applicant shall first obtain all of the requirements for such systems from the Public Works Director, the installation of which shall be subject to approval by the Public Works Department.
33. The project shall be connected to the City's water system; and the applicant shall pay all associated connection fees to the City of Norco, prior to building permit issuance.
34. Irrigation lines require reduced pressure backflow preventors and shall be installed to City standards.
35. A preliminary Water Quality Management Plan (WQMP) shall be submitted prior to site grading plan submittal. A Final WQMP shall be submitted and approved by the City Engineer. Prior to issuance of a grading permit, the facility operator shall record a Covenant and Agreement, or other approved instrument, with the County Clerk Recorder's Office (ref. to Condition 85).

36. Prior to the issuance of a grading permit, the applicant shall apply for a National Pollutant Discharge Elimination System (NPDES) permit. Proof of compliance (a copy of the Notice of Intent and application fee) shall be submitted to the Engineering Division prior to start of work. No work shall be done that causes a violation of the City-wide NPDES Permit (ref. to Condition 85).

STANDARD FIRE DEPARTMENT CONDITIONS

37. Fire hydrants shall be provided as approved by the Fire Department. The applicant shall meet with the Fire Department to determine locations of fire hydrants, red curbing and signage by fire hydrants, Fire Department connections, and designated fire lanes on-site.
38. Fire lanes, turn-around/access and yard hydrants shall be in accordance with the latest adopted California Fire Code. See the Norco Fire Department Standards for fire lane, fire access, and fire hydrant guidelines.
39. Fire Department roof access ladders are required when buildings have a parapet wall which is three feet or greater. See the Norco Fire Department for "Roof Access" requirements.
40. The developer/general contractor is responsible for reasonable continuous cleanup of the development during construction to avoid hazardous accumulations of combustible trash and debris both on- and off-site. Open fires are not permitted as they pose a hazardous situation; consequently, the developer/general contractor would be cited for this.
41. Complete architectural and structural building plans, including all specifications, shall be submitted to the Fire Department for review prior to the issuance of any building permits. These plans and specifications shall include, but not be limited to, construction type, exits, fire protection equipment, building protection, and interior finish. The developer is responsible for, and shall apply for and receive, all Fire Department permits, paying all necessary fees prior to beginning construction.
42. Portable fire extinguishers shall be installed in accordance with Fire Department standards prior to occupancy. The developer should contact the Fire Department to determine the exact number, type, and placement required. Where exterior-mounted extinguishers are provided, installation shall be in recessed cabinets for aesthetics and to reduce theft or vandalism.
43. A fully supervised automatic fire sprinkler system is required for buildings of 2,500 square feet or greater. Supervision must include monitoring to a listed and U.L. certified Central Station. Said system design to include provisions for future tenant improvement, if applicable. Plans must be submitted to the Building Division. (Information sheet available from the Fire Department.)

44. All roof coverings shall be of fire-resistive materials only (Class A or Class B according to the Uniform Building Code). The Building Division shall approve materials.
45. The following is a list of possible plan reviews necessary for completion of this project. Some of these are "shop drawings" and specifications done by sub-contractors. Plan review fees and permit fees may apply - check with the Fire Department for confirmation.
 - Building Architectural Plans
 - On-Site Water & Fire Hydrant Utility Plans
 - Detailed Site Plan with Islands and Drive Aisles
 - Fire Sprinkler
 - Fire Alarm/Sprinkler Monitoring
 - Fire Lanes
 - Flammable Liquid/Hazardous Materials
46. Private on-site ambulance service shall be provided at the discretion of the Fire Chief during scheduled equestrian or sports events. For special events, not including equestrian or sports activities, requirements will be specified by the City in a Special Event Permit. The ambulance service must comply with emergency medical standards as determined by the Fire Chief, which generally includes one certified paramedic and one certified emergency medical technician.

STANDARD SHERIFF'S DEPARTMENT CONDITIONS

47. Address numbers shall be placed on the building in such a position as to be plainly visible and legible from the main parking lot drive aisle. Numbers must contrast with their background and be 12 inches high minimum on building front and rear, and 6 inches high minimum on suites, both front and rear doors.
48. Lessee must file an emergency notification form with the Sheriff's Department prior to obtaining certificate of occupancy.

STANDARD GENERAL CONDITIONS

49. The areas of the project site that are under construction shall be screened during construction process.
50. The applicant shall meet all standards and conditions of Planning Division, Fire Department, Engineering Division, Building and Safety Division, and all other applicable departments and agencies.

ENVIRONMENTAL MITIGATIONS: LIGHTING

51. The project developer shall develop a Lighting Management Plan (LMP) for approval by the City to minimize light intrusion into neighborhoods to the west and north of the project site. The LMP shall preclude, or at least minimize, any lights directed to the west or north anywhere on the site. Any lights oriented in those directions shall be elevated and directed down to the greatest extent feasible to minimize visual "hot spots" or glare during nighttime events. Failure to comply with the requirements of the LMP may be cause for revocation of the conditional use permit, or cancellation of the event.
52. All event lighting (exclusive of building and/or walkway security lighting) shall be the highest state of the art equipment in terms of light cutoff and control (i.e., "tunable"). The operator of the facility or event in question shall install and locate lighting to minimize spillover onto existing residential areas to the greatest extent feasible.
53. The LMP shall preclude lighting on any fields immediately adjacent to Hamner Avenue and north of Citrus Avenue to minimize lighting impacts to residences across Hamner Avenue.
54. The developer shall provide mass plantings of trees of various types along the west boundary of the project site north of Citrus Avenue, and along the north boundary, exclusive of the portion adjacent to the nursery, to help reduce potential spillover effects of light and to soften views onto the site from adjacent residential areas.

ENVIRONMENTAL MITIGATIONS: AIR QUALITY

55. Equipment used during grading activities shall require the use of one of the following:
 - Diesel oxidation catalysts or other amendment to achieve a 15 percent reduction in NOx emissions; or
 - An engine tier of three or higher; or
 - An engine of year 2006 or newer.
56. During project construction, construction equipment shall be properly maintained in accordance with manufacturer's specifications; maintenance shall include proper tuning and timing of engines. During maintenance, precautions shall be taken to ensure that fuel is not leaked onto the ground. Equipment maintenance records and equipment design specification data sheets shall be kept on-site during construction and subject to inspection by the SCAQMD. During project construction, the developer shall require all contractors to turn off all construction equipment and delivery vehicles when not in use unless doing so would result in bodily harm.

57. The painting periods during construction shall be extended equally to a minimum of 65 days. The asphalt paving shall not occur during any other phase of construction.
58. Prior to project construction, the proponent shall provide to the Engineering Division a traffic control plan that will describe in detail safe detours around the project construction site and provide temporary traffic control (i.e., a flag person) during debris transport and other construction-related truck hauling activities.
59. During project construction, onsite electrical hook ups shall be provided for electric construction tools including saws, drills and compressors to eliminate the need for diesel-powered, gasoline, and electric generators. Said generators may still be allowed if electrical hook-ups prove infeasible.
60. To reduce fugitive dust during project operations, the following shall be required:
 - Install signage within the project site at 1/8-mile intervals that prohibits vehicular speeds on all unpaved roads in the project site in excess of 15 miles per hour (mph) as authorized by California Vehicle Code section 22365.
 - Sweep Hamner Avenue between 6th Street and 68th Street a minimum of once every two weeks pursuant to the guidance presented in South Coast Air Quality Management District Rule 1186.
 - Construct another restroom near the recreation vehicle (RV) campground so that the guests are less likely to drive to the restroom facilities.
 - Pave a minimum of 200 feet of the entrances to the project site.
61. To reduce emissions during operation, the following shall be complied with:
 - RVs shall be prohibited from idling onsite for more than 30 minutes. "No idling" signs shall be posted in visible locations near the RV campground. This restriction does not apply to the use of generators.
 - Electrical hookups shall be provided for the RVs.
 - Electrical hookups and/or solar panels shall be provided for all other electrical uses (i.e., food vendors, buildings, etc.).
 - Traffic directors shall direct entering and exiting traffic during peak periods.
 - A minimum of two bicycle racks shall be provided onsite.
 - Recreational off-road vehicles shall be prohibited from the trails on the Project site (this restriction does not apply to vehicles that are required for maintenance and/or security of the site).
62. Fields within 500 feet of the freeway right-of-way shall not be used for youth sports activities.

ENVIRONMENTAL MITIGATIONS: BIOLOGY

63. Prior to the start of construction activities, the developer shall have a qualified biologist conduct a pre-construction clearance survey no more than 30 days prior to ground disturbance activity to confirm the continued absence of BUOW from the

Site. If BUOW are determined to be present, future mitigation shall be required as determined by a qualified biologist.

64. The project site contains suitable nesting habitat for various avian species. Ground-disturbing activities should be avoided during the nesting season (February through August) around any active nesting sites. If ground-disturbing activities must be conducted during nesting time, a nesting bird survey shall be conducted for the site prior to any ground-disturbing activity. The nesting bird survey shall be conducted as close as possible but no earlier than 7 days prior to ground-disturbing activities. Any active nesting sites found shall be screened and protected with an appropriate buffer until said nesting activity has concluded.
65. The developer shall establish and maintain a 0.8-acre conservation area of southern willow scrub that corresponds to that habitat area as indicated in the Biological Survey (the southernmost site adjacent to the Santa Ana River floodplain) in order to preserve the highest quality habitat on the project site including a functioning riparian scrub habitat.
66. The project shall enhance the riparian/riverine habitat within the southern willow scrub site identified in Condition #64, including at least the eradication of non-native species such as giant reed and tree tobacco at a 1:1 ratio to allow the native riparian species to become better established.
67. The developer shall implement the MSHCP Urban/Wildlands Interface Guidelines to ensure that all direct and indirect project-related impacts to riparian/riverine habitat including that which may result from drainage, toxics, lighting, noise, invasive plant species, barriers, and grading/land development, are avoided or minimized to the greatest extent feasible.
68. If it is determined by the USACE that they have jurisdiction, the mitigation for impacts to jurisdictional waters will be provided by the payment of an in-lieu fee to a regulatory agency-approved mitigation bank, or by the establishment of mitigation on the project site which decision will be made by USACE. Potential onsite mitigation could be located adjacent to artificial ponds that will be associated with the development. Mitigation is proposed at a 2:1 ratio. Impacts to 0.003-acres of this water would therefore be mitigated by the creation or enhancement of 0.006-acres of non-wetland waters or habitat, or by payment of an in-lieu fee to regulatory agency approved mitigation bank for such impacts.
69. Drainage on the Project site exhibits characteristics that may be subject to jurisdiction by the Regional Water Quality Control Board (RWQCB) and the California Department of Fish and Game (CDFG). Since these agencies make the ultimate determination of jurisdiction, these findings require agency concurrence. The RWQCB and the CDFG may require mitigation for impacts to this drainage feature.

70. To reduce indirect impacts on the MSHCP Conservation Area due to lighting, additional trees shall be planted between the project site and the MSHCP Conservation Area along the south, southwest, and southeast of the project site (Santa Ana River corridor).
71. Only native or non-invasive species are allowed in the project plant palette, and the final landscaping plans shall be reviewed and verified by the City for consistency with the plant species list in Table 6.2 of the MSCHP (ref. to Conditions 13, 14, 15, 16).

ENVIRONMENTAL MITIGATIONS: CULTURAL RESOURCES

72. Should the developer decide to salvage the ranch house, the developer shall utilize or retain a qualified historian to work with the City in developing plans to rehabilitate the existing ranch house consistent with the Secretary of the Interior's guidelines and standards.
73. As part of the project improvements, the developer shall construct an informational kiosk to explain the history of the Silverlakes site. The information and design of the kiosk shall be coordinated with the City of Norco Historic Preservation Commission.
74. The developer shall hire a qualified archaeologist to resurvey the site following clearing and grubbing activities. This site visit will place emphasis on the central and southern portions of the project area of the Silverlakes Recreational Complex recreation area, for the purposes of documenting any artifacts or elements associated with the development that may have been obscured by dense vegetation during the pedestrian survey. Any detected resources, including any observable constituents of the Silverlakes property, shall be documented onto DPR 523 Forms. These forms shall be submitted to the Eastern Information Center for the assignment of a primary number. The documentation of any observable Silverlakes Recreational Complex resources would potentially suffice for mitigating adverse impacts. Based upon the findings of this site visit, monitoring in specific areas may be recommended during development.
75. Areas identified by the qualified archaeologist as sensitive to disturbance shall be placed under a monitoring program. The intensity of this monitoring program would be determined by the findings of the additional survey work outlined in Condition 74, and would be at the discretion of the qualified archaeologist in consultation with the Eastern Information Center.
76. Areas identified as likely to contain paleontologic resources by a qualified paleontologic monitor shall be monitored during excavation. Based upon the results of this review, areas of concern include any and all previously undisturbed sediments of Pleistocene older alluvium present at depth within the boundaries of the project area. Paleontologic monitors shall be equipped to salvage fossils, as

they are unearthed to avoid construction delays and to remove samples of sediments likely to contain the remains of small fossil invertebrates and vertebrates. Monitors must be empowered to temporarily halt or divert equipment to allow removal of abundant or large specimens.

Monitoring shall commence at approximately 10 feet from the modern ground surface, and may be reduced or eliminated if the potentially fossiliferous units described herein are determined upon exposure and examination by qualified paleontologic personnel to have low potential to contain fossil resources.

77. All recovered specimens shall be prepared to enable identification and permanent preservation, including the washing of sediments to recover small invertebrates and vertebrates. Preparation and stabilization of all recovered fossils is essential in order to evaluate the lithology of the sediments and to determine the need or lack thereof for additional monitoring.
78. All identified and curated specimens shall be placed into an established, accredited museum repository with permanent retrievable paleontologic storage. These procedures are also essential steps in effective paleontologic mitigation and CEQA compliance. The paleontologist must have a written repository agreement in hand prior to the initiation of mitigation activities. Mitigation of adverse impacts to significant paleontologic resources is not complete until such curation into an established museum repository has been fully completed and documented.
79. A report of findings shall be prepared with an appended itemized inventory of specimens. The report of inventory, when submitted to the appropriate Lead Agency along with confirmation of the curation of recovered specimens into an established, accredited museum repository, will signify completion of the program to mitigate impacts to paleontologic resources.
80. If human remains are encountered during earth-disturbing activities for the proposed project, all work within 100 feet of the find shall stop immediately and the Riverside County Coroner's office shall be notified. If the Coroner determines the remains are Native American in origin, the NAHC will be notified and, in turn, will notify the person determined to be the most likely descendent (MLD). The MLD will provide recommendations for treatment of the remains (CEQA Guidelines § 15064.5; Health and Safety Code § 7050.5; Public Resources Code §§ 5097.94 and 5097.98).
81. Prior to the start of grading, new permanent buildings constructed or new temporary buildings installed as part of the proposed project will be designed to withstand expected levels of seismic ground-shaking for the area ("worst case" peak horizontal acceleration of 0.49 g). The City will also ensure that project improvements are designed in accordance with the 2007 California Building Code (CBC) and the 2006 International Building Code (IBC), which was adopted January 1, 2008, as applicable.

82. All grading shall be in compliance with the general guidelines established in the Geotechnical Study of the EIR and City of Norco grading standards, unless otherwise clarified or changed based on subsequent geotechnical/foundation investigations. All grading shall be implemented to the satisfaction of the City Engineer.
83. Prior to construction of any new buildings or structures on the site, a detailed geotechnical report shall be prepared by a qualified geotechnical professional for approval by the City Engineer and shall outline specific soil conditions and foundation requirements for new buildings based on the actual location of buildings and the specific type of building proposed. These actions shall be consistent with applicable guidelines in the project geotechnical report prepared by Zeiser Kling Consultants on June 20, 2008 as applicable.

Additional subsurface exploration, including borings and/or trenches, and additional testing and analysis may be required when finalized development and/or grading plans become available. The geotechnical consultant shall review the final approved grading and/or construction plans when they become available in order to develop the requirements for supplemental subsurface exploration and detailed recommendations for the proposed earthwork and site improvements.

84. The applicant shall request from the City geotechnical observation and testing, if inspections and testing are deemed necessary by the City during the following stages of grading, to the satisfaction of the City Engineer:
- Upon completion of clearing and grubbing;
 - During excavation and over excavation in alluvial, as well as during removal of the undocumented fill;
 - During all phases of grading, including fill placement and re-compaction;
 - During subdrain and filter material installation; and
 - When any unusual conditions are encountered during grading.
85. Once the SWPPP and grading plans have been approved by the City in accordance with City standards and the EIR Geotechnical Study, all project contractors shall be responsible throughout the duration of the project for installing, constructing, inspecting, and maintaining the control measures included in those plans (ref. to Conditions 27, 35, 36).
86. Prior to the start of grading, drainage over graded areas shall be a minimum one (1) percent gradient, or as required by applicable City of Norco standards, to non-erosive drainage facilities. Any area drains shall be directed to appropriate storm drainage facilities and shall be routinely checked and repaired as necessary to maintain proper functioning.

Drainage within 5 feet of any structure foundation shall be graded away from the foundation at a minimum gradient of 2 percent. Drainage shall be carried away

from the structure by means of suitable area drainage devices and outlet to a storm drain system or appropriate detention facility. Drainage must not be permitted to flow in an uncontrolled manner over a constructed slope, or be allowed to pond in a graded pad area (ref. to Condition 25).

87. If any hazardous materials or contaminated soils are found during excavation and site preparation, all work will be halted in the affected area until a qualified hazmat consultant (i.e., Registered Environmental Assessor, Registered Geologist) makes a determination as to the scope and extent of the contamination. If the contaminated area is relatively limited, a licensed contractor in accordance with state and local guidelines shall conduct remediation of the site. If the extent of the contamination is considered extensive by a qualified hazmat consultant, the City of Norco shall contact the State Department of Toxic Substances Control (DTSC) to determine the appropriate form of remediation, which may include the developer entering into a Voluntary Work Plan (VWP). The hazmat consultant shall file a final report to the City upon completion of any large remediation activities. This measure shall be implemented to the satisfaction of the Planning Manager or his designee.

ENVIRONMENTAL MITIGATIONS: FIRE

88. Prior to opening the park for public use, all gated access points of the Project site will have Knox boxes installed to allow access to the Project site when the gates are closed to the public.

ENVIRONMENTAL MITIGATIONS: WATER QUALITY/FLOOD CONTROL

89. Horse manure shall be removed from the Project site on a regular basis, at least weekly, and more often as needed during large equestrian events.
90. The equestrian arenas shall be lined with clay or other non-porous material to prevent infiltration of pollutants in horse urine or manure into the local groundwater or the nearby Santa Ana River. Park activities will be subject to infrequent inspection by RWQCB staff that can make recommendations regarding housekeeping or any onsite activities that could significantly affect local groundwater or surface water quality. The Director of Parks and Recreation shall implement recommendations made by RWQCB staff to the degree practical.
91. Prior to construction, the building pads for all new structures, including the climate controlled barn/multi-purpose building, shall be removed out of the 100-year flood zone.

ENVIRONMENTAL MITIGATIONS: NOISE

92. During all project site excavation and grading onsite, the construction contractors shall equip all construction equipment, fixed or mobile, with properly operating and

maintained mufflers, consistent with manufacturers' standards. The construction contractor shall place all stationary construction equipment so that emitted noise is directed away or screened from the nearest noise-sensitive receptors.

93. The construction contractor shall locate equipment staging in areas that will create the greatest distance between construction-related noise sources and noise-sensitive receptors nearest the project site during all project construction.
94. The construction contractor shall limit all construction-related activities that would result in high noise levels during allowed construction hours.
95. The construction contractor shall limit haul truck deliveries to the same hours specified for construction equipment. To the extent feasible, haul routes shall not pass sensitive land uses or residential dwellings.
96. Soccer games shall be limited to the hours from 7 a.m. to 10 p.m. on both weekdays and weekends. Lighting shall be allowed until 10:30 p.m. to allow for the safe exiting of players, coaches, and spectators.
97. The use of public address (PA) systems are discouraged or should be installed/used as far as practical from homes to the north and west. When PA systems must be used, they shall be directed away from neighboring homes to the degree practical and shall incorporate measures from the Urban/Wildlands Interface Analysis to the degree practical.
98. The use of amplified sound for community events is discouraged. For events that require amplified sound, the requesting entity must provide a noise assessment demonstrating that the expected level of sound at surrounding residences (i.e., north, west, and south) will not exceed local noise standards. This measure shall be implemented to the satisfaction of the Director of Parks and Recreation in consultation with the City Engineer and City Planning Manager, as necessary.
99. Signs shall be installed and information posted at the office of the project site with contact names and numbers of City staff for local residents to contact to report excessive noise during onsite events.
100. The facility operator shall post a calendar of scheduled events on the project site, on the City website, and in local newspapers and other community publications as needed so local residents (especially those living around the project site) will be aware of upcoming events.
101. Event parking shall be prohibited in residential neighborhoods adjacent to the project site. Signs shall be posted in prominent locations directing site users to park onsite. The City shall regularly review event planning to assure that adequate onsite parking is provided to minimize intrusion of non-resident vehicles into surrounding neighborhoods.

ENVIRONMENTAL MITIGATIONS: CLIMATE CHANGE:

102. During construction, onsite construction off-road equipment shall use biodiesel fuel (a minimum of B5, or 5 percent of biodiesel) if available. Equipment used offsite are exempt. Construction equipment exempt from this measure includes equipment with warranties that would be voided if B5 biodiesel fuel were used. Prior to issuance of grading permits, the applicant shall provide documentation to the City that verifies that certain equipment is exempt; that a biodiesel supply has been secured; and that the construction contractor is aware that the use of biodiesel is required if the fuel is available.
103. Prior to commencement of construction, the project shall have in place a City-approved solid waste diversion and recycling plan (or such other documentation to the satisfaction of the City) that demonstrates the diversion and recycling of all salvageable and re-useable wood, metal, plastic and paper products during project construction.

ADDITIONAL CONDITIONS FROM DECEMBER 1, 2008 MEETING

104. Sporting and equestrian events calendared on the annual reviews with the Parks and Recreation Department will not need Special Event Permits. All other events shall require a Special Event Permit from the Planning Division, or an event consultation with the Parks and Recreation Department, unless waived by the City.
105. The owner/operator of the business, regardless of any changes in ownership, shall provide a self audit of compliance with the conditions of approval to the Planning Division on a self-audit form inclusive of the payment of fees as set by the City Council. Said report shall demonstrate that the project is in compliance with all the conditions of approval and shall be submitted for review no later than six months from receiving the Certificate of Occupancy, and then by December 31 thereafter. The owner/operator shall be responsible for all staff and attorney fees that may be incurred in the enforcement of the terms of the conditions of approval, whether they are annual inspections or compliance hearings.
106. The pond shall be stocked for fishing and shall meet depth requirements as per Riverside County Vector Control in regards to mosquito control.

ADDITIONAL CONDITIONS FROM DEIR COMMENTS

107. At the request of the Soboba Band of Luiseño Indians, or the Morongo Band of Mission Indians, Native American monitors shall be allowed to monitor all grading, excavation and groundbreaking activities with the cost of said monitoring to be borne by the requesting agency, and only upon prior 24-hour notice for said monitoring to ensure that entrance to the site is safe.

108. Any development or encroachments made to the Special Flood Hazard Area associated with the Santa Ana River floodway shall be reviewed by the City floodplain administrator to determine whether proposed building sites will be reasonably safe from flooding. This may include the submittal of studies, calculations, plans and other information to meet FEMA requirements; and may require the submittal of a Conditional Letter of Map Revision (CLOMAR). If a CLOMAR is required than the developer shall submit a Letter of Map Revision (LOMAR) immediately following completion of the project.
109. Any work that involves Riverside County Flood Control District right-of-way, easements or facilities shall be required to obtain an encroachment permit from the District. The construction of facilities within road right-of-way that may impact District storm drains shall also be coordinated with the District.
110. The developer shall provide a MSHCP consistency report for all encroachment permits on or near portions of the project located within Riverside County Flood Control District rights-of-way, easements or facilities for consistency with MSHCP requirements.
111. The developer and/or project operator shall provide mosquito control for the on-site lake and any other impoundments of water by maintaining vegetation growth in the impoundment and perimeter areas on a regular basis. This measure shall be implemented to the satisfaction of the City and be consistent with maintenance guidelines provided by the Mosquito and Vector Control District.
112. Non-participants in equestrian, sporting, or other events in the main park site shall be limited to a maximum stay of five days in the recreational vehicle park with a minimum of thirty days between stays unless otherwise approved by the leaser or administrator. Participants in on-site activities in the main park area shall be limited to a maximum stay of three weeks unless otherwise approved by the leaser or administrator.
113. The developer or operator of the facility shall be required to have regular certified pest control inspections, as determined necessary by the City, to make sure there are no problems with displacement of rodents and vermin to neighboring areas during operation of the facility.
114. During grading and construction of the project, the north end of the site shall have pest control measures approved by the City, with inspections by a certified pest control inspector to help minimize the off-site travel of rodents to the north and west.
115. A City of Norco Encroachment Permit shall be obtained for all work in the public right-of-way prior to the start of work. All work shall be done in accordance with City Standards, and/or as otherwise specified to the satisfaction of the City Engineer and completed prior to certificate of occupancy.

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PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on March 4, 2009.

Mayor of the City of Norco, California

ATTEST:

Brenda K. Jacobs, City Clerk
City of Norco, California

I, BRENDA K. JACOBS, 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 March 4, 2009 by the following vote of the City Council:

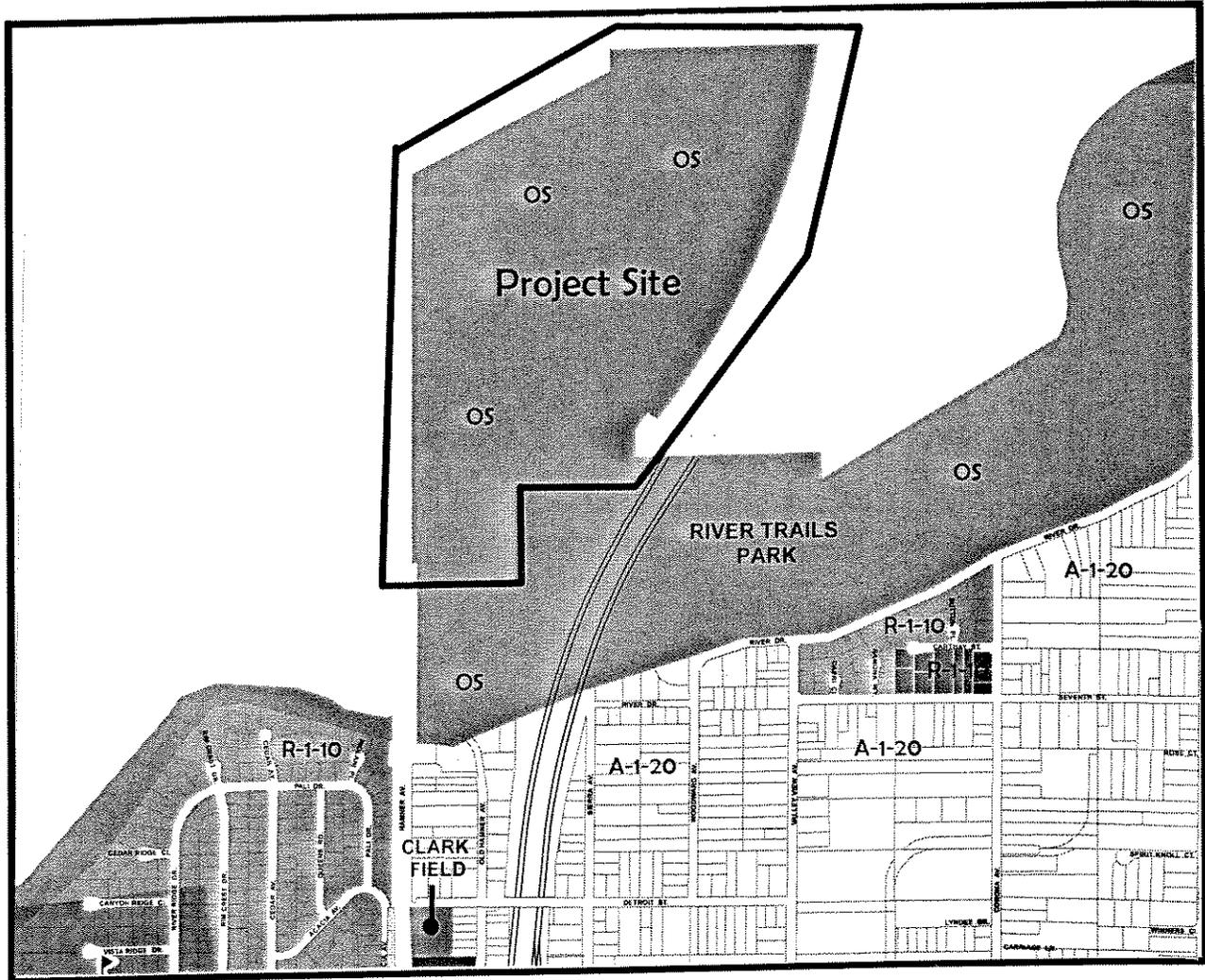
AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on March 4, 2009.

Brenda K. Jacobs, City Clerk
City of Norco, California

/sk-71783

LOCATION MAP



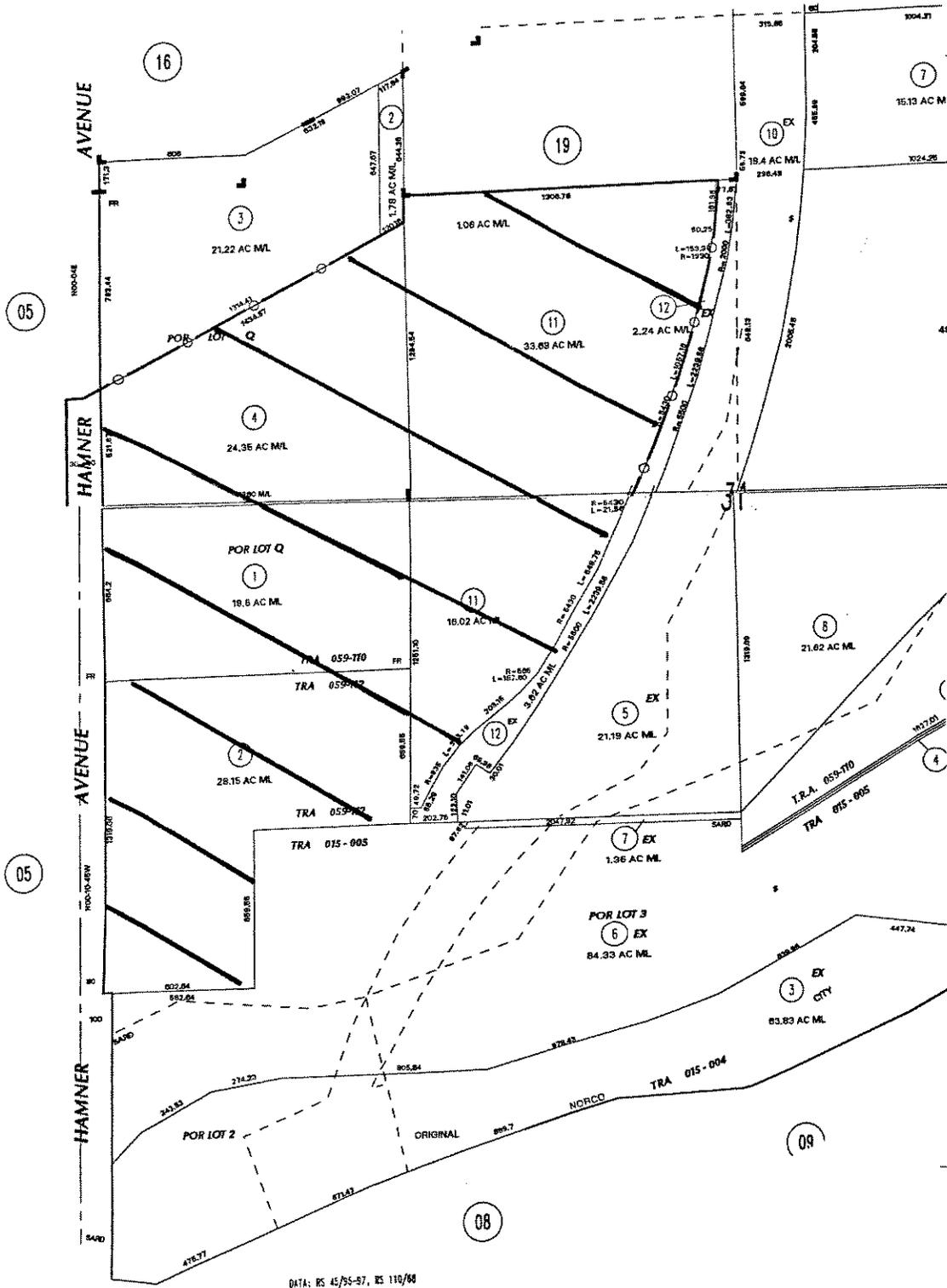
Not to Scale



PROJECT: Conditional Use Permit 2008-09
APPLICANT: Belstarr Management, LLC
LOCATION: 5555 Hamner Avenue

Exhibit "A"

APN MAP



ASSESSOR'S MAP BK152 PG.07
Riverside County, Calif.

JAB

DATA: RS 45/95-97, RS 110/98

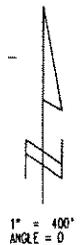


Exhibit "B"

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jeff Allred, City Manager 
William R. Thompson, Director of Public Works 
Andy Okoro, Director of Financial & Support Services

DATE: March 4, 2009

SUBJECT: Professional Services Agreement with Chevron Energy Solutions -- Manure-to-Energy Project

RECOMMENDATION: Adopt **Resolution No. 2009- ____**, authorizing execution of a Professional Services Agreement with Chevron Energy Solutions for performance of a detailed energy audit analysis study leading to design and construction of a manure-to-energy facility, subject to designation of property by the Western Riverside County Regional Wastewater Authority.

SUMMARY: In 2008, Chevron Energy Solutions conducted a preliminary Horse Manure Conversion Feasibility Study for the City at no charge. The results of the preliminary feasibility study showed that thermal conversion of horse manure and bedding material into electricity appears to be a viable proposition, both technologically and financially. The City Council will now consider a Professional Services Agreement with Chevron Energy Solutions for the performance of a detailed energy audit analysis study, which is the next step towards a contract for the design and construction of a manure-to-energy facility. The subject Agreement is subject to confirmation that property at the Western Riverside County Regional Wastewater Authority (WRCRWA) plant is available for development of the manure-to-energy facility.

BACKGROUND/ANALYSIS: In 2003, the City commissioned a feasibility study on a manure-to-energy plant through BioContractors, Inc. The feasibility study was analyzed in 2004 and the City ultimately decided to take no action due to technological complications of digesting horse manure with high levels of dirt and soil content. Since 2004, technology advances have greatly improved the feasibility of converting such manure materials into energy.

On March 19, 2008, the Council approved a Manure-to-Energy Feasibility Study Agreement with Chevron Energy Solutions (CES). The preliminary feasibility study focused on the potential of locating a future manure-to-energy plant at the Western Riverside County Regional Wastewater Authority ("WRCRWA") plant, which serves Norco and neighboring communities. CES conducted the preliminary feasibility study at no cost to the City. (The preliminary feasibility study, which was conducted over a period of several months, was performed at a cost of approximately \$100,000 to CES.)

The next step in the process is to conduct a detailed energy audit analysis leading to a "turn-key" design-build contract with CES as authorized by Section 4217 of the State of California Government Code. Under a design-build contract, there would be an agreed upon fixed price with no change orders for the design, construction and guaranteed performance of the plant, with CES serving as the general contractor. The single source contract pursuant to Section 4217 of the State Government Code would also result in expedited completion of the facility and avoidance of complications and coordination errors between architects, engineers and building contractors which are commonplace with large, highly technical public construction projects.

Some of the major issues associated with the proposed Professional Services Agreement for the detailed energy audit analysis study include the following.

- Prior to moving forward with the Professional Services Agreement, it is imperative that the City obtain written confirmation from WRCRWA that a portion of its wastewater facility will be set aside for the manure-to-energy plant. At the time of preparation of this staff report, the WRCRWA governing board is scheduled to take action to provide the City with this confirmation. The City has received assurances from Western Municipal Water District, which operates the WRCRWA plant, that the matter will be placed on an upcoming governing board meeting agenda with a recommendation for approval. (Refer to the attached 1/26/09 letter from WRCRWA.)
- CES has determined that it will expend at least \$743,000 to conduct the detailed energy audit analysis study in order to make the project "shovel ready". The detailed study will include a variety of specific tasks, i.e., fully testing the technology, developing a financing structure as well as planning and preparation of the specifications for construction, etc. A small portion of this amount, \$175,000, will be CES out-of-pocket expenses to further test the feedstock (manure) and prepare the project application for an 80 percent financial guarantee by the federal Department of Energy (DOE).
- The Professional Services Agreement states that the \$743,000 cost of the study will ultimately be incorporated into the financing for construction of the facility. Consequently, the City of Norco will not have any initial "out-of-pocket" expenses. However, the Agreement includes a proviso that **if** CES performs the \$743,000 of work to fully demonstrate that the project is technologically and financially feasible, and **then** City decides to "walk away" from the project, the City would be responsible to reimburse CES for repayment of the full contract amount. (In that event, such reimbursement would likely be made through a combination of funding sources, e.g. Sewer Fund, RDA.) In terms of risk assessment, this is considered to be a low risk due to the fact that the City would be unlikely to walk away from the project if it is demonstrated that the manure-to-energy plant will be technologically and financially feasible.

- **If** the project is rejected by the federal DOE for a financing guarantee or the project is not guaranteed by CES, **then** the City could be responsible to reimburse CES for \$175,000 of its out-of-pocket expenses for feedstock testing and the DOE application. (In this case, CES would be putting the remainder of its \$743,000 investment at risk.) The City's risk of \$175,000 in this event is considered to be low as CES is demonstrating a strong desire to proceed with the project (even without the DOE guarantee) and any expenditure of funds would not likely be drawn from the City's General Fund.
- The financing for this project is complex and may involve CES working to establish a third-party entity known as a Special Purpose Entity (SPE) in order to garner private investment in the plant. Or, CES may step-up to fully provide financing, which would make the formation of a SPE unnecessary. CES and the City are confident that a DOE guarantee of the project will be obtained as the proposed sustainable energy technology is consistent within the policies and funding directives of the Obama administration.

The City Attorney has participated in discussions with CES and has approved the proposed Professional Services Agreement. Based on a variety of factors, which include a strong track record of accomplishment, a highly qualified stable of professional scientists and engineers, and positive professional references, staff recommends that the City Council authorize the proposed Professional Services Agreement with CES. As stated in the attached Resolution, such approval would be contingent upon written confirmation from WRCWRA on the designation of property at the wastewater plant for location of the facility.

ja-71459

Attachments: Letter from Western Riverside County Regional Wastewater Authority
Resolution No. 2009-_____
Chevron Agreement

Western Riverside County Regional Wastewater Authority

Administration

450 Alessandro Boulevard
Riverside, CA 92508
(951) 789-5000
Fax (951) 780-3837

Treatment Plant

14634 River Road
Corona, CA 92880
(951) 739-6225
Fax (951) 371-2517

Member Agencies
City of Norco
Home Gardens Sanitary District
Western Municipal Water District
Jurupa Community Services District
Santa Ana Watershed Project Authority

January 26, 2009

Bill Thompson, Public Works Director
City of Norco
1281 Fifth Street
Norco, CA 92860

PROPERTY LEASED TO SYANN DAIRY

Dear Bill:

It is my understanding that you wish to include an item on the agenda of the next WRCRWA Board of Directors meeting, formally designating the property currently leased to Syann Dairy as the area to construct the proposed manure to energy plant. I will contact you for additional information prior to drafting a Board letter.

I would not expect any resistance from members, since WRCRWA has informally designated the leased area for this purpose for some time now.

The next Board meeting will be held in late February or early March.



Jeffrey L. Minkler
Administrator

RESOLUTION NO. 2009-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING A PROFESSIONAL SERVICES AGREEMENT BETWEEN CHEVRON ENERGY SOLUTIONS COMPANY, A DIVISION OF CHEVRON USA, INC., AND THE CITY OF NORCO

WHEREAS, the City of Norco ("City") and Chevron Energy Solutions Company, a Division of Chevron USA, Inc. ("Consultant") has conducted a preliminary Horse Manure Conversion Feasibility Study related to the City's desire to develop a sustainable manure-to-energy facility; and

WHEREAS, the proposed facility would be located at the wastewater treatment plant owned by the Western Riverside County Regional Wastewater Authority ("WRCRWA") and operated by the Western Municipal Water District ("WMWD"); and

WHEREAS, a detailed energy audit analysis study is now needed to fully test the conversion technology, develop a financing structure and prepare plans and specifications for design and construction of a manure-to-energy facility; and

WHEREAS, the Consultant has the capability to perform such a detailed energy audit analysis study and to apply for a loan guarantee from the federal Department of Energy; and

WHEREAS, the City and the Consultant have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Norco does hereby approve the Professional Services Agreement between the City and the Consultant, attached hereto and by this reference incorporated herein, contingent upon the City's receipt of written confirmation from the Western Riverside County Regional Wastewater Authority that its property is available for location of the proposed manure-to-energy facility.

PASSED AND ADOPTED by the City Council at a regular meeting held on March 4, 2008.

Mayor of the City of Norco

ATTEST:

Brenda K. Jacobs, City Clerk
City of Norco, California

Resolution No. 2009-_____

Page 2

March 4, 2009

I, BRENDA K. JACOBS, City Clerk of the City of Norco, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the Norco City Council at a regular meeting thereof held on March 4, 2009 by the following vote of the Norco City Council Members:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco on March 4, 2009.

Brenda K. Jacobs, City Clerk
City of Norco, California

/bj-71460



**Chevron Energy Solutions Company,
A Division of Chevron U.S.A., Inc.**
23 Nevada
Irvine, CA 92606
Phone: 714 473 7837
Fax: 949 559 6852
E-mail: ajain@chevron.com

February 23, 2009

Jeff Allred
City Manager
City of Norco
2870 Clark Avenue
Norco, CA 92860

Subject: Professional Services Agreement for the Horse Manure to Energy Project for the City of Norco

Dear Mr. Allred:

Please find attached the draft of the Professional Service Agreement between Chevron Energy Solutions (Chevron ES) and the City of Norco (City).

The Agreement provides for Chevron ES to perform a detailed energy audit analysis to identify certain energy related projects that can be performed for the City to save on its overall energy costs.

The City has a significant horse population and is interested in investigating opportunities to appropriately handle the manure generated from this population in an environmentally beneficial way. Current methods using contract hauling and disposal are expected to increase in cost as disposal options become more limited. Chevron ES conducted a preliminary Horse Manure Conversion Feasibility Study for the City. The results of this preliminary study indicated that the horse manure and bedding material provided a reasonable feed stock for thermal conversion using the technologies considered, mainly gasification and pyrolysis; and that depending on the feed stock quantity, modularity, and use of syngas, the simple payback analysis could range between 15 to 25 years.

Chevron ES will complete an application for the U.S. Department of Energy Loan Guarantee Program: Federal Loan Guarantees for Projects That Employ Innovative Energy Efficiency, Renewable Energy, and Advanced Transmission and Distribution Technologies. The financing structure that we envision being submitted to the US Department of Energy (DOE) is a generally accepted project finance model. In this model, a Special Purpose Entity (SPE) may be created to be the asset owner. This SPE could then enter into all of the primary transaction agreements (e.g., a service contract with the City, a construction contract with Chevron ES, a technology licensing agreement and O&M agreement with the technology provider, and financing documents with the bank).

Energy Solutions



Under the financing agreements, the SPE would borrow no more than 80% of the cost to build the project. Assuming that the project was awarded a DOE loan guarantee, the bank making the loan would receive a guarantee from the DOE equal to the amount of the loan. Under the financing agreements, the City would be responsible to pay for services received. Assuming that the project worked as anticipated, the payments made by the City under the service contract to the SPE would be sufficient to make the payments under the loan. If the project did not perform at a high enough level, at some point the payments made by the City would not be sufficient to cover the bank loan to the SPE. If that happened, the SPE would go into default and the banker would collect under the DOE loan guarantee.

Under this financing structure, the City would not have any recourse or liability to anyone for the failure of the system to perform. The City's only obligation would be to pay for the services rendered as defined in the service contract.

Additionally, the City shall have no payment obligations at the time of execution of this Agreement, but acknowledges that the Contract Amount indicated in the Professional Services Agreement shall be incorporated into the project implementation cost in the event Chevron ES and the City execute an Energy Services Contract for implementation of the project within ninety (90) calendar days of the US Department of Energy's approval of the Chevron ES sponsored City's Horse Manure to Energy project application for a loan guarantee. However, if the parties do not execute an Energy Services Contract within ninety (90) calendar days of the DOE approval of the Application, the Contract Amount as stated in the Agreement shall be immediately due and payable by the City to Chevron ES.

Alternatively, if the DOE application is rejected or the DOE solicitation is no longer available, Chevron ES will explore alternative financing scenarios and present them to the City for approval.

Please feel free to contact me at 714-473-7837 if you have questions or concerns. We look forward to working with you on this project.

Thank you.

Sincerely,
Chevron Energy Solutions Company

Ashu Jain, P.E., C.E.M.
Senior Business Development Manager

Energy Solutions

RESOLUTION NO. 2009-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING THE PROFESSIONAL SERVICES AGREEMENT BETWEEN CHEVRON ENERGY SOLUTIONS COMPANY, A DIVISION OF CHEVRON USA, INC., AND THE CITY OF NORCO

WHEREAS, the City of Norco ("City") and Chevron Energy Solutions Company, a Division of Chevron USA, Inc. ("Consultant") has conducted a preliminary Horse Manure Conversion Feasibility Study related to the City's desire to develop a sustainable manure-to-energy facility; and

WHEREAS, the proposed facility would be located at the wastewater treatment plant owned by the Western Riverside County Regional Wastewater Authority ("WRCRWA") and operated by the Western Municipal Water District ("WMWD"); and

WHEREAS, a detailed energy audit analysis study is now needed to fully test the conversion technology, develop a financing structure and prepare plans and specifications for design and construction of a manure-to-energy facility; and

WHEREAS, the Consultant has the capability to perform such a detailed energy audit analysis study and to apply for a loan guarantee from the federal Department of Energy; and

WHEREAS, the City and the Consultant have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Norco does hereby approve the Professional Services Agreement between the City and the Consultant, attached hereto and by this reference incorporated herein, contingent upon the City's receipt of written confirmation from the Western Riverside County Regional Wastewater Authority that its property is available for location of the proposed manure-to-energy facility.

PASSED AND ADOPTED by the City Council at a regular meeting held on March 4, 2008.

Mayor of the City of Norco

ATTEST:

Brenda K. Jacobs, City Clerk
City of Norco, California

Resolution No. 2009-_____

Page 2

March 4, 2009

I, BRENDA K. JACOBS, City Clerk of the City of Norco, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the Norco City Council at a regular meeting thereof held on March 4, 2009 by the following vote of the Norco City Council Members:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco on March 4, 2009.

Brenda K. Jacobs, City Clerk
City of Norco, California

/bj-71460



PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter "Agreement") is made and entered into by and between the CITY OF NORCO, a municipal corporation (hereinafter "CITY"), and CHEVRON ENERGY SOLUTIONS COMPANY, A DIVISION OF CHEVRON U.S.A., INC. (hereinafter "CONSULTANT").

RECITALS

- A. CONSULTANT services are needed to perform a detailed energy audit analysis study for the CITY to identify certain energy related projects that can be performed for the CITY that will save the CITY on its overall energy costs.
- B. CONSULTANT has the capability to perform such a detailed energy audit analysis study.
- C. At the request of the CITY, CONSULTANT submitted its proposal to the CITY to perform the services described in this Agreement. After negotiations with the CITY and CONSULTANT, the parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement. On _____, 20____, the City Council authorized the execution of this Agreement, pursuant to Resolution No. _____.
- D. CONSULTANT and CITY envision the creation of a Special Purpose Entity (SPE) which may be the asset owner, related to the potential energy projects and enter into all of the primary transaction agreements (e.g., a service contract with the City, a construction contract with CONSULTANT, a technology licensing agreement and O&M agreement with the technology provider, and financing documents with the bank).

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. **SCOPE OF SERVICES.** CONSULTANT shall perform a detailed energy analysis of a Horse Manure to Energy Project for the CITY to be located at a facility identified on Exhibit A, "Project Site Location" ("Project Site"), attached hereto and incorporated herein, and to provide to CITY a written Energy Analysis Report that will identify certain energy conservation/generation measures ("Measures") that are recommended for implementation at this Project Site. These services ("Services") are described in greater detail in Exhibit B, "Scope of Services" which is attached hereto and incorporated herein. It is also anticipated that if any recommended Measures can meet the requirements of California Government Code Section 4217.10 - .8, CITY will begin negotiations with CONSULTANT to implement the recommended Measures under a separate Energy Services Contract.
- 2. **COMPENSATION.** The parties acknowledge that CONSULTANT has previously conducted a Preliminary Energy Analysis Report ("Preliminary Report") at no cost to the CITY. Pursuant to this Agreement, CONSULTANT shall be paid a fixed fee amount of Seven Hundred and Forty Three Thousand Dollars (\$743,000.00) ("Contract Amount"). The City shall have no payment obligation to CONSULTANT except as follows. The Contract Amount shall cover all CONSULTANT's costs and expenses pertaining to the CONSULTANT's performance of this Agreement. No work shall be performed by CONSULTANT in excess of the Contract Amount without the prior written approval of the CITY.
 - 2.1 CITY shall have no payment obligations at the time of execution of this Agreement, but acknowledges that the Contract Amount indicated above shall be incorporated into the Project cost. In the event CONSULTANT and CITY and/or SPE execute an Energy Services Contract

within ninety (90) calendar days of the US Department of Energy's (DOE's) approval of the CONSULTANT sponsored CITY Horse Manure to Energy project application (Application) for a loan guarantee and upon funding of the Project loan, CONSULTANT will be paid the Contract Amount from loan proceeds. If the CITY does not execute an Energy Services Contract with CONSULTANT and/or SPE within ninety (90) calendar days of the DOE approval of the Application, then the Contract Amount set forth above shall be immediately due and payable by CITY to CONSULTANT

- 2.2 If the Application is rejected by DOE, for any reason whatsoever, or the DOE solicitation is no longer available, the City will pay the CONSULTANT One Hundred and Seventy Five Thousand Dollars (\$175,000.00). This amount shall be immediately due and payable by CITY to CONSULTANT upon notification of the rejection of the Application by DOE or within 12 months of completion of Tasks 1, 2, and 3 outlined in Exhibit B, "Scope of Services," whichever occurs earlier.
 - 2.3 In the event that the DOE solicitation is no longer available or the Application is rejected by DOE, CONSULTANT will consider alternative financing scenarios, which would allow CONSULTANT to provide the Services to the City. Alternative financing scenarios may include, but are not limited to, a third party municipal tax exempt lease. Any alternative financing scenarios shall be mutually agreed upon by the CITY and COUNSULTANT. Notwithstanding anything to the contrary in this Agreement, in the event that CONSULTANT is able to arrange the financing for the Services, the CITY shall be liable for \$743,000 (Contract Amount).
 - 2.4 If CONSULTANT unilaterally determines not to proceed with the Application Process, or is in default of this Agreement, CITY shall not be obligated to pay CONSULTANT any amount.
 - 2.5 If the CITY elects to implement the Horse Manure to Energy Project with the CONSULTANT despite DOE rejection of the Application, then the Contract Amount set forth in Section 2 Compensation shall be incorporated into the Project implementation cost and paid to Consultant upon Project funding.
 - 2.6 If the CITY elects to implement the Horse Manure to Energy Project with any entity other than the CONSULTANT, then the Contract Amount set forth in Section 2 Compensation shall be immediately due and payable.
3. **SCHEDULE.** CONSULTANT shall commence performance and complete the identified Scope of Services as required to meet the submission deadlines of the third round of solicitations for the U.S. Department of Energy Loan Guarantee Program: Federal Loan Guarantees for Projects That Employ Innovative Energy Efficiency, Renewable Energy, and Advanced Transmission and Distribution Technologies. CONSULTANT shall submit all requests for extensions of time to the CITY in writing no later than ten (10) days after the start of the condition which purportedly caused the delay, but not later than the date on which performance is due. We hope to submit the application to DOE by September 30, 2009.
 4. **TERM.** The term of this Agreement shall extend until an Energy Services Contract is executed or two (2) years from the effective date of this Agreement, whichever occurs first.
 5. **OWNERSHIP OF WORK.** All original documents prepared by CONSULTANT for this Agreement, whether complete or in progress, shall be the property of the CITY, and shall be given to the CITY at the completion of CONSULTANT's Services. CITY, however, shall not, by virtue of this Agreement, acquire any interest in any formulas, patterns, devices, secret inventions or processes, copyrights, patents, other intellectual or proprietary rights, or similar items of property which are or may be used in connection with the Agreement.
 6. **INDEMNIFICATION.** Each party shall indemnify, hold harmless, release and defend the other party, its officers, employees and agents from and against any and all actions, claims, demands, damages,

disability, losses, expenses including attorney's fees and other defense costs and liabilities of any nature that may be asserted by any person or entity in whole or in part, arising out of that party's activities hereunder excepting liabilities due to the negligence or willful misconduct of the indemnified party. Further, under no circumstances will either party be liable to the other party for any special, indirect, incidental, consequential or punitive damages, however caused and on any theory of liability. In addition, if CITY initiates implementation of any of CONSULTANT's Energy Analysis Report recommended Measures without the participation of CONSULTANT, CONSULTANT will not be liable in connection with this any analysis, report, or other deliverables provided hereunder for damages of any kind, including special, indirect, incidental, consequential or punitive damages, however caused, under any theory of liability and regardless of either party's fault. In addition, if CITY uses the information provided hereunder for construction purposes, CITY shall waive and release, and indemnify and hold harmless, CONSULTANT, its subcontractors, and their directors, employees, subcontractors, and agents from any and all liability, claims, damages, losses and/or costs associated with or resulting from such use.

7. INSURANCE. CONSULTANT shall maintain for the duration of this Contract the insurance coverage outlined in 8.1 through 8.7 below, and all such other insurance as required by applicable law. Evidence of coverage will be provided to CITY on an annual basis, prior to policy expiration, via a Certificate of Insurance or a Self Administered Claims Letter.

7.1 Workers' Compensation/Employers Liability for states in which CONSULTANT is not a qualified self-insured. Limits as follows:

- * Workers' Compensation - Statutory
- * Employers Liability - Bodily Injury by accident \$1,000,000 each accident
Bodily Injury by disease \$1,000,000 each employee
Bodily Injury by disease \$1,000,000 policy limit

7.2 Commercial General Liability insurance with limits of:

- * \$1,000,000 per occurrence for Bodily Injury and Property Damage
- * \$1,000,000 General Aggregate - other than Products/Completed Operations
- * \$1,000,000 Products/Completed Operations Aggregate
- * \$1,000,000 Personal & Advertising Injury
- * \$ 100,000 Fire Damage

Coverage to be written on a Claims-made form. Coverage to be at least as broad as ISO form CG 002 (07/98), without endorsements that limit the policy terms with respect to: (1) the definition of an Insured Contract, (2) provisions for severability of interest, (3) explosion, collapse, underground hazard.

7.3 Auto Liability insurance for owned, hired and non-owned vehicles with limits of \$1,000,000 per accident. Coverage to be written on an Occurrence form.

7.4 Professional Liability insurance with limits of:

- * \$1,000,000 per occurrence
- * \$1,000,000 aggregate

Coverage to be written on a Claims-made form.

7.5 Excess Liability insurance. Limits as follows:

- * \$1,000,000 each occurrence
- * \$1,000,000 aggregate

Coverage to be written on a Claims-made form. Coverage terms and limits to apply excess of the per occurrence and/or aggregate limits provided for Commercial General Liability, Auto Liability and Professional Liability. Coverage terms and limits to also apply in excess of those required for Employers Liability.

7.6 Policy Endorsements.

- * The insurance specified in clause 8.1 above shall contain waivers of subrogation rights against CITY.
- * The insurance provided for Commercial General Liability and Auto Liability above shall:
 - (a) include the CITY as an additional insured with respect to work performed under this Contract, and
 - (b) provide that the insurance is primary coverage with respect to all insureds and shall not be considered contributory insurance with any insurance policies of the CITY.

7.7 In lieu of any insurances required in this Section, CONSULTANT may self insure hereunder and use a Self Administered Claims Program for this purpose. CONSULTANT will notify CITY in writing 30 days prior to cancellation of the Self Administered Claims Program.

- 8. FORCE MAJEURE.** Neither party shall be considered to be in default in the performance of any material obligation under this Agreement (other than the obligation to make payments) when a failure of performance shall be due to an event of Force Majeure. The term "Force Majeure" shall mean any cause beyond the control of the affected party and which by the exercise of due diligence such party could not reasonably have been expected to avoid and which it has been unable to overcome. Neither party shall be relieved of its obligation to perform if such failure is due to causes arising out of its own negligence or due to removable or remediable causes which it fails to remove or remedy within a reasonable time period. Either party rendered unable to fulfill any of its obligations under this Agreement by reason of an event of Force Majeure shall give prompt written notice of such fact to the other party.
- 9. CONFLICT OF INTEREST.** Conflicts of interest relating to this Agreement are strictly prohibited. Except as otherwise expressly provided herein, no party nor any director, employee or agent of any party shall give to or receive from any director, employee or agent of any other party any gift, entertainment or other favor of significant value, or any commission, fee or rebate in connection with this Agreement. Likewise, no party nor any director, employee or agent of any party, shall without prior notification thereof to all parties enter into any business relationship with any director, employee or agent of another party or of any Affiliate of another party, unless such person is acting for and on behalf of the other party or any such Affiliate. A party shall promptly notify the other parties of any violation of this section and any consideration received as a result of such violation shall be paid over or credited to the party against whom it was charged. Any representative of any party, authorized by that party, may audit the records of the other parties related to this Agreement, including the expense records of the party's employees involved in this Agreement, upon reasonable notice and during regular business hours, for the sole purpose of determining whether there has been compliance with this Section.
- 10. INDEPENDENT CONTRACTOR.** CONSULTANT is an independent contractor and is solely responsible for all acts of its employees, agents, or subcontractor, including any negligent acts or omissions. CONSULTANT, nor its employees or subcontractor employees, are not CITY employees and CONSULTANT, nor any of its employees, shall not have authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless the CITY provides prior written authorization to CONSULTANT. CONSULTANT is free to work for other entities while under contract with the CITY. CONSULTANT and any of its employees, or subcontractors are not entitled to CITY benefits.
- 11. ASSIGNMENT AND DELEGATION.** This Agreement may not be assigned by either party in whole or in part without the prior written consent of the other party, which consent may not be unreasonably withheld or delayed; provided however, that CONSULTANT may assign this Agreement and all related agreements without the consent of CITY (i) to an affiliate; (ii) to an entity that is controlled by, controls, or is under common control with CONSULTANT; or (iii) pursuant to a merger, consolidation, transfer of substantially all its assets, or by operation of law; and provided further that CONSULTANT may assign its rights, but not its obligations, under this Agreement and all related agreements without the consent of Purchaser to (x) a lender providing financing to CONSULTANT, or (y) a special purpose entity that is an

affiliate of or is controlled by such lender. This Agreement will be binding on, enforceable by, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. Any assignment made in contravention of this clause shall be void and unenforceable.

- 12. NOTICES.** Any notices hereunder shall be given in writing and shall be delivered by hand or by first class certified U. S. Mail, return receipt requested to the addresses set forth below, or to such other address as either party may substitute by written notice to the other in the matter contemplated herein, and will be deemed given when delivered, or, if delivery is not accomplished by some fault of the addressee, when tendered.

To CONSULTANT:	With copy to:	To CITY:
Chevron Energy Solutions 150 E. Colorado Blvd., Suite 360 Pasadena, CA 91105 Attn: Pam Aytar Phone Number: (626)304-4711 Fax Number: (626)304-4701	Chevron Energy Solutions 345 California Street, 18 th Floor San Francisco, CA 94104 Attn: Law Department	CITY of Norco 2870 Clark Avenue Norco, California Attn: Jeff Allred, City Manager (951)-270-5611 (951)-270-5622

- 13. MODIFICATIONS.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties.
- 14. WAIVERS.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.
- 15. JURISDICTION AND VENUE.** The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the City and County of Riverside.
- 16. ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between the parties concerning the services to be performed for this project. This Agreement supersedes all prior negotiations, representations, or agreements.
- 17. SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- 18. CREDITWORTHINESS.** The CITY shall periodically provide to CONSULTANT that financial information or security deemed necessary by CONSULTANT to support any extension of credit. If at any time, the financial capacity of the CITY becomes impaired or unsatisfactory to CONSULTANT, at its sole option, CONSULTANT may then require CITY to provide security satisfactory to CONSULTANT, and the Services may be withheld until such security is received. If CITY deposits the contract amount into a third-party escrow account with an escrow agent and agreement acceptable to CONSULTANT, then the terms of this paragraph are not applicable.

IN WITNESS WHEREOF the parties do hereby agree to the full performance of the terms set forth herein.

CONSULTANT:
Chevron Energy Solutions Company, a Division of
Chevron U.S.A., Inc.

CITY:
City of Norco

By: _____

By: _____

Print Name: _____

Print Name: _____

Title:

Title:

Approved As To Form:

By: _____

Date: _____

Name: _____

Title: _____

**EXHIBIT A
PROJECT SITE LOCATION**

Western Riverside County Regional Wastewater Authority wastewater treatment plant located at 14634 River Road, Corona, CA 92880

EXHIBIT B SCOPE OF SERVICES

Introduction

The CITY has a significant horse population and is interested in investigating opportunities to appropriately handle the manure generated from this population in an environmentally beneficial way. Current methods using contract hauling and disposal are expected to increase in cost as disposal options become more limited.

CONSULTANT has conducted a preliminary Horse Manure Conversion Feasibility Study for the CITY. This study was conducted at no cost to the City and focused on four important aspects of the Horse Manure:

- Quantity and Quality of Feedstock
- Suitability for Thermal Conversion Based on Vendor Provided Responses
- Anticipated Energy Output
- Simple Payback Analysis

The results of this preliminary study indicated that the horse manure and bedding material provided a reasonable feed stock for thermal conversion using the technologies considered, mainly gasification and pyrolysis; and that depending on the feed stock quantity, modularity, and use of syngas, the simple payback analysis could range between 15 to 25 years.

Significant due diligence remains in assessing the merits of the biomass and conversion technologies/vendors, including the actual performance using the feedstock, the correctness of the capital costs and economic feasibility, existence of pilot plants and history using similar feed stocks, scale up, environmental impacts, technology risks, and vendor commercialization efforts accomplished to date. Many of the vendors trying to commercialize this type of biomass to energy technology lack significant financial backing which increases the investment risks.

Scope of Work

Because of the investment risks associated with an emerging technology not fully commercialized, development of this project shall be implemented by using U.S. Department of Energy Loan Guarantee Program: Federal Loan Guarantees for Projects That Employ Energy Efficiency, Renewable Energy, and Advanced Transmission and Distribution Technologies DE-FOA-000005 Department of Energy Loan Guarantee Program ("Solicitation").

The Solicitation requirements for this loan application shall be completed as identified in the following tasks. This Solicitation focuses on development of a stand alone biomass to energy project using horse manure, bedding and other possible green wastes available in the Norco community as feed stock; and thermal conversion using a ready for commercial development gasification/pyrolysis technology that will avoid/reduce air pollutants and emissions of greenhouse gases, employ new technologies, and provide a reasonable assurance of repayment of the guaranteed obligation of the DOE and other sources used for total project financing.

CONSULTANT shall be the project sponsor and will work on the Solicitation on behalf of the CITY. If the Solicitation is not accepted in the pre-selection evaluation, neither party shall be required to continue project development. If the Solicitation is accepted for further technical review and approval but the final terms and conditions of the loan guarantee program and or other total project financing cannot be negotiated, neither party shall be required to continue project development.

The following tasks shall be completed as required to develop the Solicitation:

Task 1 – Vendor Engagement

CONSULTANT shall identify vendors for engagement in the development of the technical approach based on their specific package. Vendors shall be required to sign non-disclosure, non-compete agreements with CONSULTANT and shall provide a full disclosure of information needed to properly evaluate the technology based on criteria provided/required by the CONSULTANT.

Task 2 – Data Collection, Site visits and Due Diligence

The CONSULTANT shall prepare and send representative samples of the horse manure and bedding materials to engaged vendors for review and testing of this feed stock through bench and pilot scale systems. The CONSULTANT will make site visits to the engaged vendors to collect information, to review facilities, to interview operators, and to discuss bench and/or pilot results of the sampled materials.

Key factors that will be evaluated will include:

- Recommended modularity alternatives that can be optimized between 40 Dtons/day and 100 Dtons/day.
- Feedstock specificity and feedstock flexibility for co-feeding the sampled feed stock and variations of feed stock with other community green wastes, municipal sewage sludge wastes, and to convert this biomass to a combined heat and power (CHP) solution with a preference for using a fuel cell.
- Data and results such as conversion, yield, efficiency, emissions (including criteria pollutants and GHG) from existing pilot plants and the predicted performance for a commercial scale plant.
- Ash and slag handling methodology, information on process effluents, emissions (e.g. wastewater, atmospheric vent streams, solid emissions), and disposal of slag.
- Properties of the syngas (along with impurities, sulfur, tar, etc). Need for syngas clean-up and reforming downstream to meet CHP needs as well as supplier's experience with syngas clean-up.
- State of development and adaptability of CHP, and projected commercial projects.
- Requirements for special feedstock handling or pretreatment, and understanding of what is inside the boundary limits being licensed by the technology owner.
- Description of the project development process along with discussions of the investments made thus far and the application of those funds to the refinement of the technology.
- Detailed technical descriptions of concept processes, including, heat and material balances, process descriptions, flow diagrams, design details, drawings/sample specifications and information about the gasification plant designer from feed pretreatment through syngas conditioning/cleanup, end product handling and disposal, ability to substitute a subsystem (e.g. whether or not specific process technology modules can be substituted or if it is a "package deal").
- Economic analyses including cash flow for the reference plant including installation costs, licensing fees, CAPEX, OPEX, guarantees, and schedule.
- Size vs. cost considerations (scalability and economies of scale).
- Vendor company structure and organization and quality of management, technical feasibility of the conversion process and CHP utilization, weaknesses of the technology and scalability, economic metrics of the project, and potential for commercialization.

Task 3 – Solicitation Completion

CONSULTANT shall take the lead role in completing the Solicitation. A summary of the elements for completing the Solicitation include:

- Application Information
- Project Description – New or Significantly Improved Technology
- Project Description – Technical Relevance and Merit
- Applicant Capabilities, Technical Approach, Project Sponsor's Capability and Financial Strength, Project Costs, Production Costs, Project Schedules, Engineering and Construction Plans, Project Plan, Operations & Maintenance Plans, Engineer's Report, and State and Local Support
- Environmental and Energy Security Benefits, Permits and Approvals, Environmental Report (to utilize existing report)
- Business Plan, Financial Analysis, Project Sponsor Capabilities, Market Analysis, Contractual Arrangements, Management Plan, Operational Risks and Mitigation Strategies

- Financial Plan, Background, Legal, Loan Guarantee Impact, Financial Statements, Credit History, Funding Sources, Letters of Intent, Collateral, Credit Assessment, and Eligibility Statement
- Progress Reports
- Application Certifications
- Attachments, Energy Benefits and Emissions

Task 4 – Support Solicitation Evaluation

CONSULTANT recognizes that certain elements of the response to the Solicitation may not be fully developed to the satisfaction of DOE due diligence. If Solicitation is selected to move forward into evaluation, CONSULTANT shall provide support and interface to address questions, RFIs, legal and project negotiations through the term sheet/conditional commitment and Final Approval of the loan guarantee agreement on a case by case basis.

Fixed Fee Implementation Proposal

CONSULTANT shall also provide CITY with a firm, fixed fee proposal and draft Energy Services Contract to construct the Measures identified in the Energy Analysis Report that comply with the requirements of California Government Code Section 4217.10 - .18.