



MINUTES CITY OF NORCO

CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
FEBRUARY 17, 2010

CALL TO ORDER: Mayor Miller called the meeting to order at 7:01 p.m.

ROLL CALL: Mayor Malcolm G. Miller, M.D., **Present**
Mayor Pro Tem Berwin Hanna, **Present**
Council Member Kathy Azevedo, **Present**
Council Member Kevin Bash, **Present**
Council Member Harvey C. Sullivan, **Present**

Staff Present: Carlson, Cooper, Groves, Jacobs, King, Okoro, Oulman, Petree and Thompson

City Attorney Harper – **Present**

PLEDGE OF ALLEGIANCE: Led by Boy Scout Troop 33

INVOCATION: Pastor Vernie Fletcher

PROCLAMATION: Lt. Cooper presented Mr. Mo Ahmed with a proclamation honoring his 14 years of volunteer service on the Norco Citizens Patrol.

PRESENTATIONS: Mayor Miller presented a Proclamation to the Leader of Boy Scout Troop 33 in celebration of the Boy Scouts of America 100th Anniversary.

Mayor Pro Tem Hanna provided a report on the most recent NART Rescues and recognized the NART Members present.

Dave Willmon, Regional Public Affairs Manager of the League of California Cities, provided information on a Ballot Measure proposed for November 2010 to prohibit the State from raiding local government, transit and transportation funds.

REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

M/S Sullivan/Bash to approve the items as recommended on the CRA Consent Calendar. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, MILLER, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

1. CRA CONSENT CALENDAR ITEMS:

- A. CRA Minutes:
Regular Meeting of February 3, 2010
Recommended Action: Approve the CRA Minutes (City Clerk)

2. CRA CONTINUED PUBLIC HEARING:

- A. Approval of an Owner Participation Agreement, by and between the Norco Redevelopment Agency and GWEN Phoenix, LLC, as part of the Norco Façade Improvement Program, at 3646 Hamner Avenue

Recommended Action: Cancel public hearing for this item (Director of Economic Development) NO ACTION WAS TAKEN AS THE PUBLIC HEARING WAS CANCELED

3. JOINT CRA/CITY COUNCIL PUBLIC HEARING:

- A. Mid-Year Budget Amendments to Fiscal Year 2009-10 Annual Operating Budget

The recommended adjustments to the General Fund will result in a net decrease of \$678,169 to revenues and a \$678,169 net decrease to expenditures. Due to the continuing economic slow down, significant reductions to previously estimated sales and property tax revenues have been recommended. However, other on-time revenue items have been recognized to off set the impact. Consequently, the recommended mid-year budget adjustments have net zero impact on budgetary fund balance because net revenue reductions have been offset by equal reduction in expenditures.

Recommended Action:

1) That the Norco Redevelopment Agency Adopt CRA Resolution No. 2010-__, approving various Mid-Year Amendments to the Fiscal Year 2009-10 Annual Budget and authorizing changes in appropriations and revenues thereto; and

2) That the City Council Adopt Resolution No. 2010-____, approving various Mid-Year Amendments to the Fiscal Year 2009-10 Annual Budget and authorizing changes in appropriations and revenues thereto including Planning Director Job Specification.
(Deputy City Manager/Director of Finance)

City Manager Groves presented the Joint CRA/City Council item. She stated that recommendations for reductions in the current fiscal year's budget are recommended as a result of the general economic slowdown, Auto Mall closures, decreased assessed values, declining participation in the Wee People Program, low cash balance and interest earnings rate. A potential revision to the VLF is unknown at this time.

Deputy City Manager/Director Okoro stated that at the study session held on January 25, 2010, it was noted that \$225,000 in the General Fund still needed to be addressed. The Mid-Year Budget Adjustments were reviewed, noting the adjustments made to meet that deficit amount. The recommended mid-year budget adjustments have a net zero impact on budgetary fund balance because net revenue reductions were offset by equal reduction in expenditures.

Mayor Pro Tem Hanna asked for clarification regarding the transfer from equipment replacement. Fire Chief Carlson stated that a modification was made in the type of equipment purchased and therefore, there was a cost savings.

Mayor Miller OPENED the public hearing, indicating that proper notification had been made and asking for the appearance of those wishing to speak. With no one wishing to speak, Mayor Miller CLOSED the public hearing.

M/S Bash/Hanna to adopt CRA Resolution No. 2010-04, approving various Mid-Year Amendments to the Fiscal Year 2009-10 Annual Budget and authorizing changes in appropriations and revenues thereto. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, MILLER, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

M/S Sullivan/Bash to adopt Resolution No. 2010-05, approving various Mid-Year Amendments to the Fiscal Year 2009-10 Annual Budget and authorizing changes in appropriations and revenues thereto including Planning Director Job Specification. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, MILLER, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

4. OTHER CRA MATTERS: No Other CRA Matters.

ADJOURNMENT OF CRA: 7:41 p.m.

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

Mayor Miller pulled Item 5.E. and Mayor Pro Tem Hanna pulled Item 5.G. from the City Council Consent Calendar.

M/S Azevedo/Sullivan to approve the items as recommended on the amended City Council Consent Calendar. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, MILLER, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

5. CITY COUNCIL CONSENT CALENDAR ITEMS:

- A. City Council Minutes:
Regular Meeting of February 3, 2010
Recommended Action: Approve the CRA Minutes (City Clerk)
- B. Planning Commission Action Minutes, Regular Meeting of January 10, 2010. **Recommended Action: Receive and File** (Planning Manager)
- C. Procedural Step to Approve Ordinance after Reading of Title Only.
Recommended Action: Approval (City Clerk)
- D. **Ordinance No. 920, Second Reading.** Ordinance Amending Specific Text in the Norco Municipal Code to Correctly Reference the Title of Deputy City Manager/Director of Finance. **Recommended Action: Adopt Ordinance No. 920.** (City Clerk)
- E. **Resolution No. 2010-06,** Appropriating \$30,500 from South Coast Air Quality Management District Fund and Authorizing Purchase of Ford Escape Hybrid from Hemborg Ford or California Multiple Awards Schedule. **Recommended Action: Approval** (Deputy City Manager/Director of Finance) **PULLED FOR DISCUSSION**
- F. **Resolution No. 2010-07,** Electing To Receive All or Any Portion of the Tax Revenues Received by the Agency Pursuant To Section 33607.5 of the California Community Redevelopment Law. **Recommended Action: Approval** (Deputy City Manager/Director of Finance)

- G. Acceptance of Bids and Award of Contract for the Ingalls Park Design/Build of Equestrian Arena Cover. **Recommended Action: Approval** (Director of Parks, Recreation and Community Services)
PULLED FOR DISCUSSION
- H. Additional Appropriation for Automated Meter Reading Project
Recommended Action: Adopt Resolution No. 2010-08. (Deputy City Manager/Director of Finance)
- I. Acceptance of the Scout House Building Repair Project as Complete.
Recommended Action: Approval (Director of Parks, Recreation and Community Services)

6. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:

- 5.E. **Resolution No. 2010-___**, Appropriating \$30,500 from South Coast Air Quality Management District Fund and Authorizing Purchase of Ford Escape Hybrid from Hemborg Ford or California Multiple Awards Schedule. **Recommended Action: Approval** (Deputy City Manager/Director of Finance)

Mayor Miller inquired if a different vehicle could be purchased, as the City already has two Ford Escape Hybrids. Deputy City Manager/Director of Finance Okoro stated that one of the issues faced is that there are not a lot of hybrid vehicles available for purchase with the amount of money allocated. Council Member Bash added that he is glad the vehicle is being purchased in Norco.

M/S Miller/Bash to adopt Resolution No 2010-06. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, MILLER, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- 5.G. Acceptance of Bids and Award of Contract for the Ingalls Park Design/Build of Equestrian Arena Cover. **Recommended Action: Approval** (Director of Parks, Recreation and Community Services)

Mayor Pro Tem Hanna requested an update from Director Petree regarding this project. Director Petree stated that this project has been something long talked about and provided additional information regarding the project. He added that the completion date for the project is estimated around May or June of 2010.

M/S Hanna/Bash to approve the acceptance of bids and award of contract for the Ingalls Park Design/Build of Equestrian Arena Cover. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, MILLER, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

7. CITY COUNCIL ITEM FOR ACTION:

A. Approval of Community Fair Organization

The City Council at the January 20, 2010 meeting directed staff to solicit organizations that have interest in developing and operating a community based fair or festival. Staff developed a Request for Qualifications (RFQ) and met with 2 organizations to discuss their ideas for a community fair or festival.

Recommended Action: Approval of a community-based fair organization and allow staff to negotiate the terms of an agreement.
(Director of Parks, Recreation & Community Services)

City Attorney Harper indicated that the letter provided by Jim Sassin as Exhibit "A" of the staff report was ambiguous and could be interpreted to indicate that four Council Members volunteered to participate in the committee and future non-profit. He indicated that the City Council Members should not participate as a member of this non-profit committee that will be running the fair, or take any role in governance, as it would raise both Brown Act and potential conflict issues. Offering to volunteer as individuals to work at the fair would be permissible.

Mayor Miller, Council Member Azevedo, Council Member Bash and Mayor Pro Tem Hanna acknowledged that they will not participate on the committee, but will serve solely as volunteers at the fair.

Director Petree stated that in response to the recommendation by the Council, an RFQ was put together for the fair. Staff met with two organizations to discuss the terms of the RFQ. He stated that as the Chamber has shown inability to put on the fair, staff is recommending negotiating with a community-based group. He further noted that tonight's action is to provide direction to staff in how to proceed in negotiations.

Council Member Sullivan stated that he is confused, as he thought the direction from the Council was to bring back a proposal. He noted that he does not believe that this is the Council's decision. **Director Petree** responded that the exhibits provide the proposals from the two groups, based upon the short amount of time provided to them to respond.

Pat Overstreet. Ms. Overstreet stated that she was hoping to hear the two proposals from the two groups.

Following a coin toss to establish the order in which the presentations would be made, it was determined that the community-based committee led by Jim Sassin would go first, followed by the Norco Chamber of Commerce representative.

Jim Sassin, representing the community-based committee, read his proposal as submitted to the City Council as Exhibit "A".

Kevin Russel, representing the Norco Chamber of Commerce, read the Chamber's proposal as submitted to the City Council as Exhibit "B".

Council Member Azevedo stated that for 20 years the Chamber has gone through turbulent times but she has continued to run the talent show because of the kids. She noted that whatever group runs the fair, she will continue to run the talent show.

Council Member Bash asked about the Chamber eliminating alcohol at the fair. Kevin Russell stated that this has not been determined.

Kaye O'Mara. Ms. O'Mara stated that in listening to the comments made, it is disturbing to her that there is animosity between the City and the Chamber. She noted that she believed that the Council and City Managers have taken sides regarding Chamber events. She added that both parties should have been informed that this discussion and presentations were going to take place.

Tommy Vaughan. Mr. Vaughan stated that he is opposed to this recommendation, as this is the only event that the Chamber makes money from. He added that he believes that the Council Members stated in the letter should not participate in this discussion. Mr. Vaughan noted that the name Norco Valley Fair belongs to the Norco Chamber of Commerce.

Laurie Urie. Ms. Urie stated that the publicity for this City is embarrassing. She also questioned why the Council would even consider taking away the only fundraiser from the Chamber.

Jaime Rea. Ms. Rea stated that she cannot imagine that the City would consider another group taking over the Fair and hopes that the Council will consider that the Chamber is trying.

Linda Powell. Ms. Powell read a letter provided to her, for the record, from Chamber representative Velma Hickey.

Ed Huffman. Mr. Huffman stated that he works well with the Chamber during the fair. He noted that more thought needs to be put into this and now is not the time for change.

Steve Diaz. Mr. Diaz stated that he has been coming to the Fair for 40 years and is in charge of the bull riding events. He noted that he supports the Chamber and Velma Hickey and that the fair provides for the best bull riding in the State of California. He

added that if the Chamber does not come back, he does not come back. He asked for the Council to give the Chamber another opportunity.

Steve Grice. Mr. Grice noted that even though he did not live in Norco, he spends a lot of time and money in Norco. He noted that he watched the Norco Valley Fair grow and works with Steve Diaz at the Fair. He added that everyone should quit fighting and make this the best fair ever.

Su Bacon. Ms. Bacon stated that it saddens her to see this division in the town. She noted that she is also sad to see the decline in the fair and that she is not against the Chamber, but believes that they need a "time out." She added that it is time to give the community a chance to come together to support the fair.

Tom Willison. Mr. Willison spoke as President of the NHA. He noted that there is a lack of communication with the Chamber and thinks that the Chamber has some problems. He added that if the NHA will participate, the Chamber will need to get a whole lot more organized.

Pat Overstreet. Ms. Overstreet stated that it has not been just one year that the Chamber has had problems with the Fair and that RURAL could not participate last year, as it was too expensive. She noted that the reputation from the outside must be protected as the fair is unhealthy and there is a need to try something different.

Blake Mc Fann. Mr. Mc Fann stated that on behalf of bull riders in the State of California, he asks for support for the Chamber.

Kelly Gilbert. Ms. Gilbert stated that she is a female bull rider and thanked Velma Hickey for putting together the ladies night for bull riding. She added that without Velma, she will not be back.

Jamie Hooker. Ms. Hooker stated that she is a female bull rider and supports the Chamber and Velma Hickey.

Denise Sutherland. Ms. Sutherland stated that as a volunteer, she asks what happens to the money that is given to the Chamber and how that money is accounted for.

Vern Showalter. Mr. Showalter stated that this whole thing is about dollars and cents. He noted that the Council is trying to dictate something that they have no business being involved in.

Glenn Hedges. Mr. Hedges stated that he volunteered his time at the fair for the City of Norco and has seen the fair deteriorate over the last 7 years. He noted that he would like to see the fair go back to the community and supports Jim Sassin.

Ann Marie Knudsen. Ms. Knudsen commented on her participation in the fair and stated that the fair provides the best pageant around. She noted that the recession was bad for the fair the last few years and things have not gotten better.

Jim Sassin. Mr. Sassin stated that he understands the support for the Chamber. He noted that the Chamber did not want to work with the Sheriff's Department. He added that he does not have a problem with the Chamber putting on the Fair, but believes they would have a problem with it. Mr. Sassin stated that the community-based committee would donate money back and possibly pay back those who were not paid last year.

RECESS MEETING: Mayor Miller recessed the City Council Meeting at 9:10 p.m.

RECONVENE MEETING: Mayor Miller reconvened the City Council Meeting at 9:23 p.m.

Casey Warren. Ms. Warren stated she is torn between the two groups. It was confirmed to her that there were so few vendors last year because it was too expensive. She noted that the Chamber may need assistance, but it is the Chamber's fair.

Tom Wilson. Mr. Wilson stated that he is here as a private businessman and is sad to see the condition of the fair the last few years. He noted that something needs to be done to revitalize the fair.

Lisa Shaver. Ms. Shaver stated that she believes that the citizens need some accountability and some transparency. She added that the reputation is somewhat at stake to the surrounding communities and supports Jim Sassin and the community-based group.

Susan Yasui. Ms. Yasui stated that the Chamber has failed to run the Fair business wise. She noted that it is time to turn a new leaf and quit putting money into something that does not produce. She added that she is in support of Jim Sassin's community-based group.

Linda Dixon. Ms. Dixon stated that she is concerned about the reputation of Norco as the fair has declined tremendously in the last few years. She noted the negativity conveyed by the Press. She added that the fair should be run as a business and supports Jim Sassin's community-based group.

Marshall Davison. Mr. Davison stated that he started a Facebook group regarding the Fair. He added that the general public does not know that the Chamber puts on the Fair and does not care one way or the other, but something needs to be done.

Lisa Butler. Ms. Butler stated that the volunteer groups were not being paid that participated in last year's fair.

Karen Leonard. Ms. Leonard stated that she is not sure why the Council is addressing this. She noted that the fair has gone downhill and the Chamber needs to pay its bills, and if they can't, they shouldn't put on an event like this. She added that during the past year, the Chamber has become very disorganized and is not run properly.

Nick Ferrari. Mr. Ferrari stated that he supports Jim Sassin and his community-based group. He noted that the Chamber is not capable of doing what it should do in representing Horsetown USA.

Susan Taylor. Ms. Taylor stated the Fair was a disappointment last year. She questioned if this other group takes over, what is its plan to make it successful and if not successful, who will pay the bills. In response to her Jim Sassin stated that they would not need the same amount of money the Chamber would need. He added that the Chamber needs the money to also pay for its office staff. Mr. Sassin stated that they would lower the price for vendors to a minimum, bring back non-profits, do something different at Nellie Weaver Hall, and add additional events during the fair.

Council Member Sullivan asked Jim Sassin if his group would ask the City for money. Jim Sassin replied that they would request the money the City would normally pay the Chamber in the amount of \$13,000.

Council Member Sullivan cautioned the Council to not get involved in this as it is none of its business. He questioned if the Council would do the same if other events failed. He noted that the Chamber has not failed and that they still plan on putting on the fair. He added that he does not think that the residents want the Council to get involved in this type of policies where that they take this event away and give it to another group. Council Member Sullivan stated that he will abstain from voting.

Council Member Azevedo stated that she has a long Fair history. She questioned where the rest of the nine Chamber Board of Directors are tonight, as only two were present. She added that the last place Velma Hickey needs to be is at the Fair as she is so ill and is not in any position to put on this fair. She noted several problems with last year's fair and added that the track record of the Chamber losing money concerns her. Council Member Azevedo stated that maybe the Chamber needs a year off.

Council Member Bash stated that the bottom line is the fair is very important but business is business. He added that the Chamber owes money, even though their intentions are good. Council Member Bash stated that the fair needs to be profitable financially and must go on as a community event.

Mayor Pro Tem Hanna stated that the comment made that the City is getting bad reputation is incorrect and that the Chamber's press coverage creates the bad reputation. He noted that everything Jim Sassin does is a success and believes that the fair failed because they could not pay the bills. Mayor Pro Tem Hanna stated that the Chamber should take care of promoting the City and not put on events.

Mayor Miller thanked everybody for their comments. He noted that the question before the Council is to whom the City-owned facility at Ingalls Park should be leased.

Council Member Azevedo asked Lt. Cooper about providing service to the fair this year. Lt. Cooper stated that the Sheriff's Department would not enter into a contract with the Chamber if its bills have not been paid.

Council Member Sullivan stated that one of the things talked about is the requirements of the Sheriff's Department and noted that the ABC works with the Sheriff's Department to determine the security required at events. Council member Sullivan stated that he believes that the City should take the Sheriff's Department out of agreements for events as hiring private security is cheaper.

Council Member Bash noted that he likes the idea that the Sheriff's Department is present at events.

Mayor Pro Tem Hanna noted that the presence of the Sheriff's Department results in less crime.

M/S Hanna/Bash to approve a community-based fair organization and allow staff to negotiate the terms of an agreement.

Council Member Sullivan noted that there is a conflict of interest with the names of the Council Members listed on the Exhibit "A" letter and questioned if they should vote on this.

City Attorney Harper noted the only conflict was the Brown Act violation if the Council Members participate on the committee.

Council Member Azevedo made an amended motion to add "for one year." There was not a Second to that amended motion.

M/S Hanna/Bash to approve a Community Fair Organization and allow staff to negotiate the terms of an agreement. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: SULLIVAN

8. PUBLIC COMMENTS OR QUESTIONS:

Kaye O'Mara. Ms. O'Mara presented and read a document to the Council with the subject titled "Proposal to the City of Norco from the Chamber of Commerce 2/8/10."

Denise Shoemaker. Ms. Shoemaker thanked the Council and Economic Development Director Oulman for displaying the information regarding the NHA Casino Night on the Auto Mall Sign.

Norva Williams. Ms. Williams stated that Frank Hall was selected to be the Town Marshall for the upcoming Horseweek events. She requested that staff investigate the water in the flood control channel behind the homes on Second Street, between Corona and Temescal.

9. OTHER MATTERS – COUNCIL:

Council Member Sullivan inquired about the trees that are being taken down on Pedley Avenue because of the bees. Public Works Director Thompson confirmed that the Northwest Mosquito and Vector Control District has determined that the trees need to be removed and replaced with new ones. Council Member Sullivan stated that he hates to see the trees removed.

10. OTHER MATTERS – STAFF: No reports.

11. ADJOURNMENT: There being no further business to come before the City Council, Mayor Miller adjourned the meeting at 10:45 p.m.

BRENDA K. JACOBS
CITY CLERK