



# AGENDA CITY OF NORCO

CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY  
REGULAR MEETING  
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE  
APRIL 20, 2011

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CALL TO ORDER: 6:00 p.m.

ROLL CALL: Mayor Berwin Hanna  
Mayor Pro Tem Kevin Bash  
Council Member Kathy Azevedo  
Council Member Greg Newton  
Council Member Harvey C. Sullivan

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 Groves and Deputy City  
Manager/Director of Finance Okoro

Employee Organization: Norco Battalion Chiefs Association  
Norco Firefighters Association  
Norco General Employees Association  
Norco Public Works & Parks Maintenance  
Workers Association  
Management  
Middle Management, Professional and  
Confidential Service

RECONVENE PUBLIC SESSION: 7:00 p.m.

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Bash

INVOCATION: Corona Church of the Open Doors  
*Pastor Fred Griffin*

PRESENTATION: 2010 Fire Department Report  
*Fire Chief Carlson*

### **REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:**

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 Board request specific items be removed from the Consent Calendar)*

- A. CRA Minutes:  
Special Meeting of April 13, 2011  
Regular Meeting of April 6, 2011  
**Recommended Action: Approve the CRA Minutes** (City Clerk)

2. OTHER CRA MATTERS:

ADJOURNMENT OF CRA:

**REGULAR CITY COUNCIL AGENDA AS FOLLOWS:**

- 3. 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. 4 of the Agenda)*
  - A. City Council Minutes:  
Special Meeting of April 13, 2011  
Regular Meeting of April 6, 2011  
**Recommended Action: Approve the City Council Minutes** (City Clerk)
  - B. Recap of Actions Taken at the Planning Commission Regular Meeting of April 13, 2011. **Recommended Action: Receive and File** (Planning Director)
  - C. Quarterly Investment Report for the Quarter Ended March 31, 2011. **Recommended Action: Receive and File** (Deputy City Manager/Director of Finance)
  - D. Execution of a Funding Agreement between the City of Norco and the Riverside County Flood Control and Water Conservation District to Construct a Protection Dike. **Recommended Action: Approve the Funding Agreement.** (Director of Public Works)
  - E. Acceptance of the Auger/Grinder Wastewater System Project as Complete. **Recommended Action: Accept the Auger/Grinder Wastewater System Project as complete and authorize the City Clerk to file the Notice of Completion with the County Recorder's Office.** (Director of Public Works)

- F. Proposed Reductions in City Council Benefits and Compensation for the Fiscal Year 2011-2012 Preliminary Budget. **Recommended Action: Approve the following reductions in the Fiscal Year 2011-2012 preliminary City Council Budget: 1. Reduce "Conferences and Meetings" line item by \$4,050; 2. Pay employee share of PERS Contribution; 3. Eliminate cell phone stipends; and 4. Eliminate medical savings account subsidies.** (City Manager)
4. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:
5. LEGISLATIVE MATTERS -- SECOND READING: *(No new evidence will be heard from the public as the public hearing has been closed regarding all items listed.)*
- A. **Zone Code Amendment 2011-02:** A City-Initiated Proposal to add Chapter 18.63 to the Norco Municipal Code entitled Hospitality Development Zone. **Recommended Action: Adopt Ordinance No. 932 for second reading.** (City Clerk)
6. CITY COUNCIL CONTINUED PUBLIC HEARING:
- A. Amendment to the City's Comprehensive Fee Schedule to Update and Adjust Fees for Building Division Services
- Recommended Action: Staff is recommending that the public hearing be continued to May 4, 2011 to allow further review of the proposed updated and adjusted fees for Building Division services.** (Contract Building Official)
7. CITY COUNCIL ACTION ITEMS:
- A. Resolution of Intention to Approve an Amendment to the Contract between the Board of Administration, California Public Employees' Retirement System and the City of Norco
- On June 6, 2007, the City Council approved a Memorandum of Understanding (MOU) between the City of Norco and the Norco Firefighters Association (NFA) which provided for retirement enhancement. Staff recommends that the City Council adopt the attached Resolution of Intention to approve an amendment to the contract between Public Employees' Retirement System (PERS) and the City Council. The MOU between the City and the NFA covering the period between June 6, 2007 and June 30, 2011 was approved by the City Council on June 6, 2007. The MOU requires that the City provide a PERS retirement enhancement of 3% @ 50 formula prior to June 30, 2011.*

**Recommended Action: Adopt Resolution No. 2011 \_\_\_\_, approving a Resolution of Intention to approve an amendment to the Contract between the Board of Administration of the California Public Employees' Retirement System and the City Council of the City of Norco. (Deputy City Manager/Director of Finance)**

**B. Expiration of the Temporary Transportation Uniform Mitigation Fee (TUMF) Reduction Period**

*In December of 2010, the City Council approved an extension to the Transportation Uniform Mitigation Fees ("TUMF") that included a 50% fee reduction through December 31, 2011, or once the \$20 million aggregate cap in uncollected TUMF revenue is reached upon notification by letter from the WRCOG Executive Director at the direction of the WRCOG Executive Committee. It has been determined that it would be to the best financial interest of the City to end that TUMF reduction period early, as the City does not have a clear defined method to demonstrate how it will address the loss of fees not collected through alternate funding and cost saving methods.*

**Recommended Action: 1.) Adopt Ordinance No. \_\_\_\_, for first reading, amending Chapter 3.50 of the Norco Municipal Code removing the temporary fee reduction period under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program; and 2.) Adopt Resolution No. 2011-\_\_\_\_, ending the temporary fee reduction period under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program. (City Manager)**

8. 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.
9. OTHER MATTERS – COUNCIL:
10. OTHER MATTERS – 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.*

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council  
FROM: Beth Groves, City Manager   
PREPARED BY: Dave Carlson, Fire Chief  
DATE: April 20, 2011  
SUBJECT: Norco Fire Department 2010 Annual Report

SUMMARY: The attached Norco Fire Department 2010 Annual Report will be presented by Fire Chief Carlson at the beginning of the City Council meeting under "Presentation". No action is required.

Attachment: Norco Fire Department 2010 Annual Report

/bj-78298

# **CITY OF NORCO FIRE DEPARTMENT**

## **2010 ANNUAL REPORT**

During 2010, the Fire Department responded to 2,579 emergency calls. These calls represented working incidents involving medical aids, vehicle accidents with injuries, hazardous materials incidents and various types of fires. Seventeen of the fires in 2010 occurred on property valued at over \$12 million. The firefighters held the damage to \$950,445, which is less than a 10% loss rate. This was accomplished with Fire Department staffing of one four-person crew and one three-person crew. While the City has increased in population and housing units, the Fire Department has decreased by 19% since its highest level in 2005. With an increase in calls, response times have also increased.

In 1992, the Norco Fire Department was operating from two fire stations with two four-person crews. As development began in the Norco Hills, the Department recommended an additional fire station due to the added call load, increased population, number of housing units and added developed geographic area. No additional station was created.

The impact of the subsequent development and added congestion has been a longer response time. Although the national and state standard is that 90% of calls for emergency service should be responded to within five minutes or less, the Department is responding to 59% of calls within six minutes or less.

In 2009, the Fire Department developed an automatic aid agreement with the City of Corona to help provide a better level of protection for the Norco Hills and residents in the southeast area of the City. As part of that agreement, Engine 21 on Corydon Avenue provides service to the southwest section of Corona along the River Road corridor. While this agreement has provided consistent response, our response times have not decreased.

The Department has provided training and response guidelines to minimize the impact of reduced staffing to our response capabilities to maintain safety for our firefighters and citizens. Another focus has been on a comprehensive Fire Prevention and Education Program for children and community members to help reduce the incidence of fire and accidents. The Department has also made efforts to increase our grant applications.

The Department coordinates the City's Disaster Preparedness Program. During 2010, the Fire Department conducted a table top exercise including all City departments. This also included a practical sheltering component which allowed Parks, Recreation and Animal Control personnel to practice setting up shelters for use during a required activation. The Fire Department was also able to assist the NART team in a number of technology purchases that enhance the volunteer organization's effectiveness.

# CITY OF NORCO FIRE DEPARTMENT 2010 ANNUAL REPORT

ESTABLISHED IN 1957



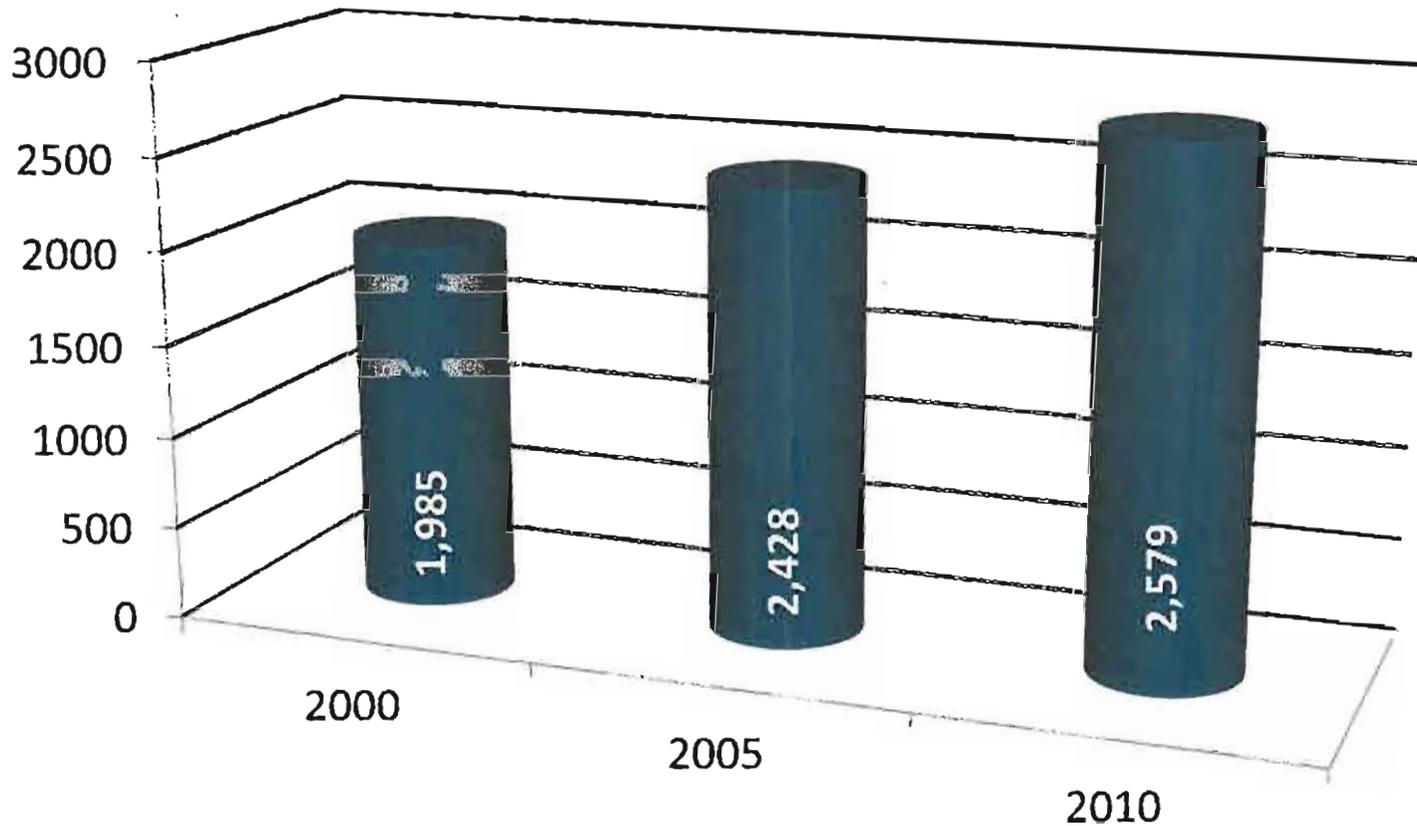
by

DAVE CARLSON, FIRE CHIEF

## CALLS FOR SERVICE

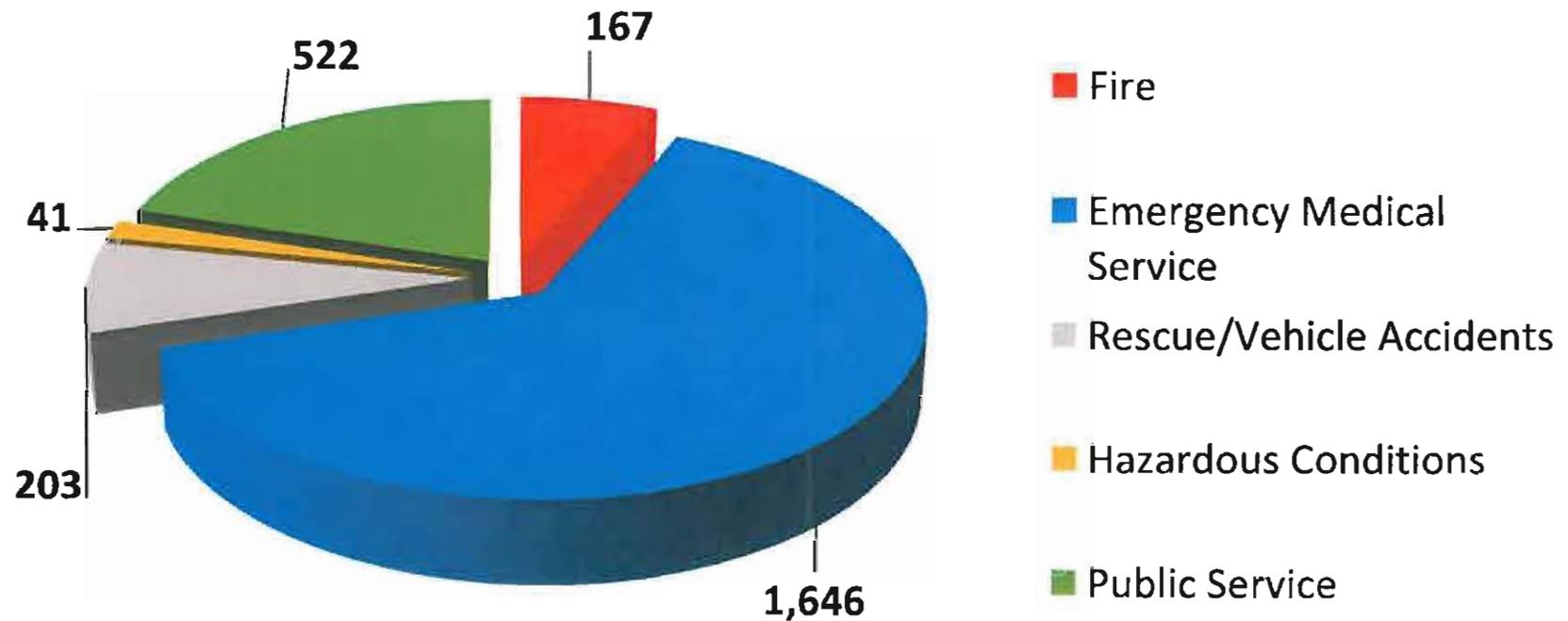
There has been a 23% increase in the number of calls for service in the last 10 years.

### NUMBER OF CALLS



# 2010 INCIDENTS BY TYPE

TOTAL INCIDENTS 2,579



## STRUCTURE FIRE INCIDENTS FOR 2010

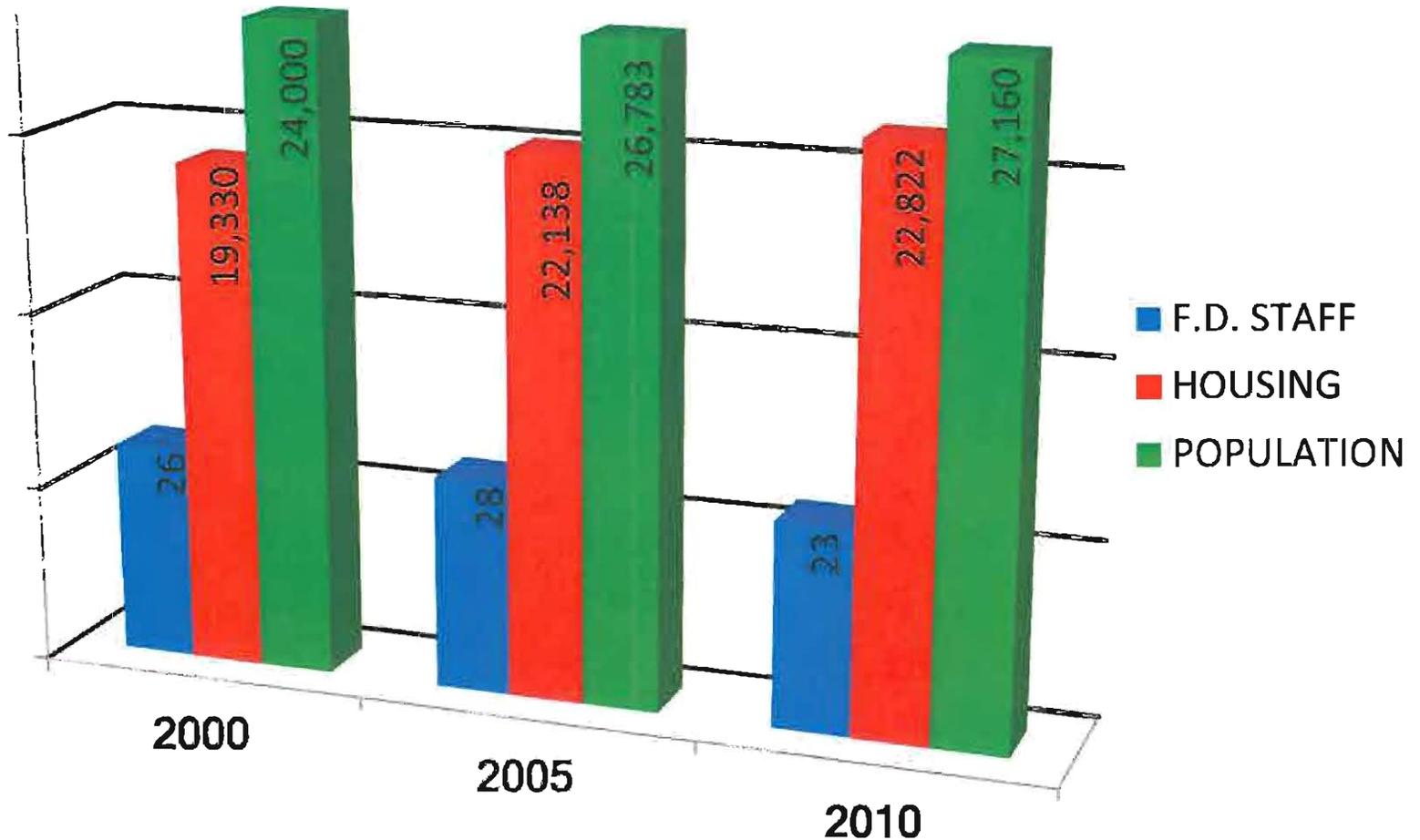
TOTAL VALUE OF PROPERTY INVOLVED IS  
\$12,211,793.00

TOTAL VALUE OF PROPERTY LOSS IS  
\$945,440.00, WHICH IS A 10% LOSS RATE  
OF PROPERTY INVOLVED.



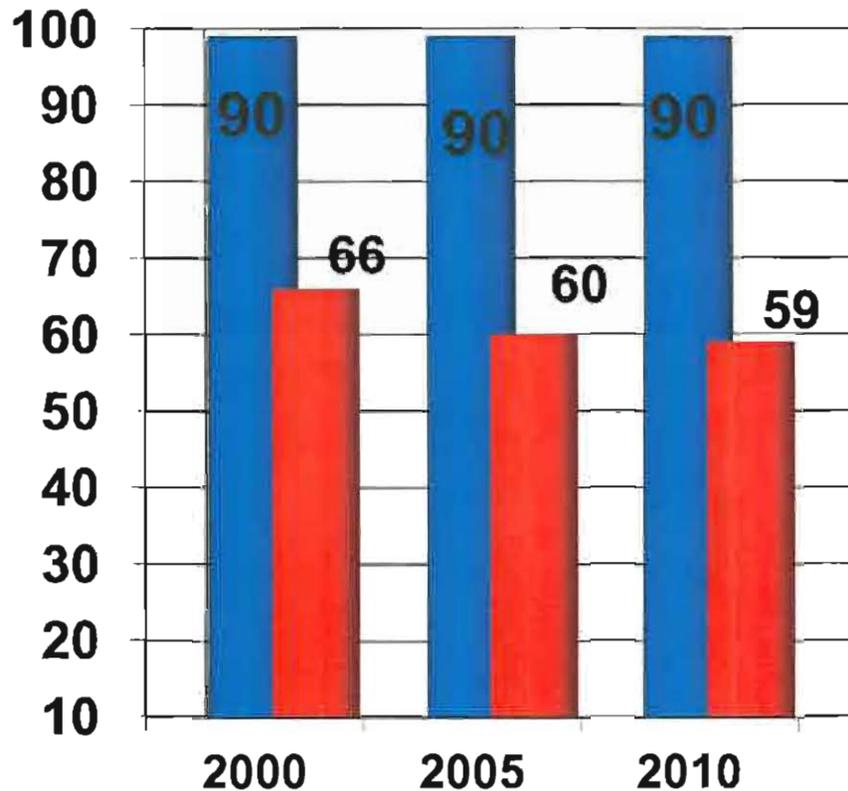
Incident Date	Value Loss
01/31/10	\$200,000
03/20/10	\$24,420
03/25/10	\$49,560
04/03/10	\$2,200
04/27/10	\$2,020
05/10/10	\$2,300
05/22/10	\$90,000
05/27/10	\$3,100
06/10/10	\$5,000
07/03/10	\$14,000
07/12/10	\$20,000
07/19/10	\$200,000
08/07/10	\$2,000
09/12/10	\$292,000
11/18/10	\$2,840
11/24/10	\$30,000
12/22/10	\$6,000

# STAFFING LEVELS GRAPH



- TOTAL INCREASE IN HOUSING IS 23%
- TOTAL INCREASE IN POPULATION IS 16%
- THE FIRE DEPARTMENT STAFF HAS DECREASED BY 19%

# RESPONSE TIMES



■ National standard is >5mins.90%of the time  
■ Norco F.D. goal is >6 mins. 90% of the time

## RESPONSE TIMES HAVE INCREASED

### Reasons:

1. Increased distance due to additional developed areas within the City limits.
2. Increased traffic due to population increases in Norco and surrounding cities.
3. Increased simultaneous calls due to increased call load.

## Fire Prevention Activities FY 2009-10

Fire Plan Checking	324
Commercial Construction Inspections	155
Annual Business Inspections	841
Business Fire Code Permits	16
Vendor Booth Inspections	148
State Mandated Inspection	5
Consultations with Insurers or New Developers	9
Fire Prevention Consultations	175
Code Compliance (Abandoned Vehicles)	9
Code Weed Abatement	235
Review Development Plans	7
Investigation Reports	3
Public Education Presentations	8
Total	<u>1,935</u>

MISCELLANEOUS GRANTS AND REVENUES  
FY 2009-10

*VEMS	\$355,158
Fire Inspection Fees	73,730
Grants	29,118
Fire Plan Check Fees	19,252
Fire Permits	8,856
Ambulance Fines	5,622
Abandoned Vehicle Abatement	5,508
Weed Abatement	5,121
Fire Fees	2,979

*\*Used to partially offset EMS services*



**MINUTES**  
**CITY OF NORCO**  
**SPECIAL MEETING**  
**CITY COUNCIL/NORCO REDEVELOPMENT AGENCY**  
**CITY COUNCIL CHAMBERS**  
**2820 CLARK AVENUE, NORCO, CA 92860**  
**APRIL 13, 2011**

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1. CALL TO ORDER: Mayor/Chairman Hanna called the Joint City Council/Norco Redevelopment Agency Special Meeting to order at 5:04 p.m.
2. ROLL CALL: Mayor Berwin Hanna, **Present**  
Mayor Pro Tem Kevin Bash, **Present**  
Council Member Kathy Azevedo, **Present**  
Council Member Greg Newton, **Present**  
Council Member Harvey C. Sullivan, **Present**
3. PLEDGE OF ALLEGIANCE: Council/Agency Board Member Newton
4. PUBLIC COMMENTS OR QUESTIONS: No public comments or questions received.
5. JOINT CITY COUNCIL/NORCO REDEVELOPMENT AGENCY PUBLIC HEARING:
  - A. Consideration of a Purchase and Sale Agreement between the City of Norco and the Norco Redevelopment Agency Related to the Silverlakes Property

*In order to facilitate the redevelopment of the Silverlakes Property (the "Property") and the creation of the Silverlakes Sports and Equestrian Park the Norco Redevelopment Agency ("Agency") is proposing to sell to the City of Norco ("City"), and the City will purchase from the Agency the Property. As the owner of the Property the City will be able to more efficiently effectuate the development of required flood mitigation and public infrastructure improvements, monitor and manage recreational usage and scheduling of the Project, and ensure the long-term stability of ownership and control of the Property.*

**Recommended Actions:**

- A. **Adopt CRA Resolution No. 2011-\_\_\_, making and approving certain findings and approvals under Section 33433 of the California health and Safety Code for the sale of the Silverlakes Property.**
- B. **Adopt CRA Resolution No. 2011-\_\_\_, making and approving certain findings and approvals under Section 33679 of the California health and Safety Code for the sale of the Silverlakes Property.**

- C. **Adopt Resolution No. 2011-\_\_\_, approving a Purchase and Sale Agreement related to the sale of the Silverlakes Property to the City of Norco.**
- D. **Adopt CRA Resolution No. 2011-\_\_\_, approving a Purchase and Sale Agreement related to the sale of the Silverlakes Property to the City of Norco.**

**City Manager/Executive Director Groves** presented the joint public hearing item, noting a correction to the first page of the Purchase and Sale Agreement regarding the location of the site. She stated that there are four staff-recommended actions related to the transfer of the Silverlakes Property from the Norco Redevelopment Agency to the City of Norco.

**City Attorney Harper** stated that this transaction has no impact on the future transactions regarding the Silverlakes property.

**Council/Agency Board Member Sullivan** stated that this is an important action, noting his opposition to California redevelopment agencies. He added that this is a remarkable moment that we can make this kind of deal, when the taxpayers get something back from the Redevelopment Agency.

**Council/Agency Board Member Azevedo** stated that she supports all four of the resolutions, noting how she enjoyed reading the information presented in the report.

**Council/Agency Board Member Newton** asked City Attorney Harper if there are any possible legal challenges the Agency or City may face from this action. City Attorney Harper responded that there is that possibility whether we did this or not, adding that one of the reasons we did the findings and the appraisal analysis is for the purpose of facing these potential challenges. Council/Agency Board Member Newton asked Deputy City Manager/Director of Finance Okoro if there are any possible short-term or long-term financial impacts. Deputy City Manager/Director of Finance Okoro responded that there would be none from this transaction.

**Mayor/Chairman Hanna** stated that he agrees to the transfer to the City and also enjoyed the history presented in the report.

**Mayor/Chairman Hanna OPENED** the joint public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak.

**Vern Showalter.** Mr. Showalter asked about the land value and what amount would be paid by the City. City Attorney Harper responded that the information was presented in the staff report regarding the value and no money will change hands. City Manager/Executive Director Groves added that there is nothing in this action that is obligating money for infrastructure improvements.

**Lance Gregory.** Mr. Gregory asked about the \$1.5 million to build the dike on the property and if there is a possibility that we will not get that money. City Manager/Executive Director Groves responded that stated that there will be an agreement on the next Council agenda which will then go to the Board of Supervisors for its approval for funding. Mr. Gregory asked if there is any certainty that this preventive measure will protect the property. City Manager/Executive Director Groves responded that, yes, the engineering has been completed to support the protection dike. Mr. Gregory further commented on the infrastructure improvements proposed for the Silverlakes property. City Manager/Executive Director Groves stated that this will be a part of the lease agreement for the final project to go forward.

**Mayor/Chairman Hanna CLOSED the public hearing.**

**M/S Sullivan/Bash to adopt CRA Resolution No. 2011-07, making and approving certain findings and approvals under Section 33433 of the California health and Safety Code for the sale of the Silverlakes Property. The motion was carried by the following roll call vote:**

**AYES: AZEVEDO, BASH, HANNA, NEWTON, SULLIVAN  
NOES: NONE  
ABSENT: NONE  
ABSTAIN: NONE**

**M/S Bash/Azevedo to adopt CRA Resolution No. 2011-08, making and approving certain findings and approvals under Section 33679 of the California health and Safety Code for the sale of the Silverlakes Property. The motion was carried by the following roll call vote:**

**AYES: AZEVEDO, BASH, HANNA, NEWTON, SULLIVAN  
NOES: NONE  
ABSENT: NONE  
ABSTAIN: NONE**

**M/S Azevedo/Bash to adopt Resolution No. 2011-20, approving a Purchase and Sale Agreement related to the sale of the Silverlakes Property to the City of Norco. The motion was carried by the following roll call vote:**

**AYES: AZEVEDO, BASH, HANNA, NEWTON, SULLIVAN  
NOES: NONE  
ABSENT: NONE  
ABSTAIN: NONE**

**M/S Sullivan/Newton to adopt CRA Resolution No. 2011-09, approving a Purchase and Sale Agreement related to the sale of the Silverlakes Property to the City of Norco. The motion was carried by the following roll call vote:**

**AYES: AZEVEDO, BASH, HANNA, NEWTON, SULLIVAN**  
**NOES: NONE**  
**ABSENT: NONE**  
**ABSTAIN: NONE**

6. **ADJOURNMENT:** There being no further business to come before the City Council/Norco Redevelopment Agency, Mayor/Chairman Hanna adjourned the Joint Special Meeting at 5:30 p.m.

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BRENDA K. JACOBS, CMC  
CITY CLERK

/bj-78283



**MINUTES**  
**CITY OF NORCO**  
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY  
REGULAR MEETING  
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE  
APRIL 6, 2011

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CALL TO ORDER: Mayor Pro Tem Bash called the meeting to order at 4:35 p.m.

ROLL CALL: Mayor Berwin Hanna, **Absent**  
Mayor Pro Tem Kevin Bash, **Present**  
Council Member Kathy Azevedo, **Present**  
Council Member Greg Newton, **Present**  
Council Member Harvey C. Sullivan, **Present**

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

Deputy City Attorney Burns – **Present**

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

**Section 54956.9(c) – Conference with Legal Counsel - Anticipated Litigation**

Number of Potential Cases: 1

**Section 54957.6 – Conference with Labor Negotiator**

Negotiating Parties: City Manager Groves and Deputy City Manager/Director of Finance Okoro

Employee Organization: Norco Battalion Chiefs Association  
Norco Firefighters Association  
Norco General Employees Association  
Norco Public Works & Parks Maintenance Workers Association  
Management  
Middle Management, Professional and Confidential Service

REPORT FROM CLOSED SESSION: Deputy City Attorney Burns stated that there is nothing to report from Closed Session.

RECONVENE PUBLIC SESSION: Mayor Pro Tem Bash reconvened the meeting at 7:00 p.m.

PLEDGE OF ALLEGIANCE: Council Member Sullivan

INVOCATION: Grace Fellowship Church  
*Pastor Vernie Fletcher*

PROCLAMATIONS: Corona/Norco Day of the Child  
*Ruth Heineman and Bob Prior*

Mayor Pro Tem Bash presented Ms. Heineman and Mr. Prior with a proclamation commemorating the Corona/Norco Day of the Child, noting that April 16, 2011 is being observed throughout the nation as the Day of the Child.

Child Abuse Prevention Month  
*Mayra Trejo, Representing Prevent Child Abuse  
Riverside County*

Mayor Pro Tem Bash presented Ms. Trejo with a proclamation in observance of Child Abuse Prevention Month held in April of 2011.

PRESENTATIONS: Norco College 20<sup>th</sup> Anniversary  
*Dr. Brenda Davis, President*

Mayor Pro Tem Bash presented Dr. Davis with a plaque commemorating Norco College's 20<sup>th</sup> Anniversary. Dr. Davis commented on the importance of Norco College in the community and thanked the Council for its support.

Citizens Redistricting Commission  
*Jodie Webber*

Ms. Webber stated that she is one of the 14-Member Citizens Redistricting Commission. She stated that the Commission now has a calendar set for the times to take public input, noting that public participation is crucial in this process. She commented on the Census information released and further commented that there was a 41.7% population increase in Riverside County which makes it a vital area to reconsider the lines. Ms. Webber announced that Norco will be the first location for the public hearings, which will be held in the City Council Chambers on Thursday, May 5, 2011, between 6:00 and 9:00 p.m. She added that it is likely the Commission will hold a business meeting earlier in the day. Ms. Webber thanked the City Manager for honoring the request of the Commission to meet in Norco.

**REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:**

1. CRA CONSENT CALENDAR ITEMS:

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

**AYES: AZEVEDO, BASH, NEWTON, SULLIVAN**  
**NOES: NONE**  
**ABSENT: HANNA**  
**ABSTAIN: NONE**

- A. CRA Minutes:  
Regular Meeting of March 16, 2011  
**Recommended Action: Approve the CRA Minutes (City Clerk)**
  
- B. Approval of an Amendment to the Comprehensive Sewer, Water and Trash Discount Program (S.W.A.T.) for Senior Citizens and Disabled Persons.  
**Recommended Action: Adopt CRA Resolution No. 2011-06 approving an amendment to the Comprehensive Sewer, Water and Trash Discount Program (S.W.A.T.) for Senior Citizens and Disabled Persons increasing the water and sewer subsidies. (Executive Director)**

**Pat Overstreet.** Ms. Overstreet spoke in support of the increase to the S.W.A.T. Program subsidies.

2. OTHER CRA MATTERS: No other CRA matters

ADJOURNMENT OF CRA: Mayor Pro Tem Bash adjourned the CRA at 7:20 p.m.

**REGULAR CITY COUNCIL AGENDA AS FOLLOWS:**

3. CITY COUNCIL CONSENT CALENDAR ITEMS:

Council Member Newton pulled Items 3.H and 3.I. Item 3.D was pulled by the public.

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

**AYES: AZEVEDO, BASH, NEWTON, SULLIVAN**  
**NOES: NONE**  
**ABSENT: HANNA**  
**ABSTAIN: NONE**

- A. City Council Minutes:  
Regular Meeting of March 16, 2011  
Special Meeting of March 23, 2011  
Special Meeting of March 29, 2011  
**Recommended Action: Approve the City Council Minutes (City Clerk)**
  
- B. Recap of Actions Taken at the Planning Commission Regular Meeting of March 30, 2011. **Recommended Action: Receive and File (Planning Director)**
  
- C. Procedural Step to Approve Ordinance after Reading of Title Only.  
**Recommended Action: Approval (City Clerk)**
  
- D. Reduction of City Manager Compensation. **Recommended Action: Approve the City Manager's request to forego contractually obligated compensation increase on July 1, 2011 and extend the term of the current Employment Agreement to June 30, 2012. (City Manager) PULLED FOR DISCUSSION**

- E. Annual Adoption of City Investment Policy. **Recommended Action: Approve and Adopt Investment Policy without modification.** (Deputy City Manager/Director of Finance)
- F. Approval for an Increase in the Contract Amount for the Rehabilitation of Well No. 13. **Recommended Action: Approve an increase to the contract with Layne Christensen Company in the amount of \$11,500 for the rehabilitation of Well No. 13.** (Public Works Director)
- G. Approval of an Application for a Certified Local Government Grant. **Recommended Action: Authorize staff to submit a grant application to the State of California for \$12,000 to fund the completion of Norco's Historic Context Statement and develop a Mills Act Program.** (Historic Preservation Consultant)
- H. Recycled Water Agreement between the City of Norco and Western Riverside County Regional Wastewater Authority. **Recommended Action: Approval** (Public Works Director) **PULLED FOR DISCUSSION**
- I. Acceptance of the Norco MDP Lateral NB-3 Storm Drain Improvement Project as Complete and the Appropriation of Additional Funds for the Norco MDP Lateral NB-3 Storm Drain Improvement Project. **Recommended Action: Accept the Norco MDP Lateral NB-3 Storm Drain Improvement Project as complete, authorize the City Clerk to file the Notice of Completion with the County Recorder's Office, and adopt Resolution No. 2011-\_\_\_\_, appropriating additional funds in the amount of \$12,610.50 for the Norco MDP Lateral NB-3 Storm Drain Improvement Project.** (Contract Deputy City Engineer) **PULLED FOR DISCUSSION**

4. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:

- 3.D. Reduction of City Manager Compensation. **Recommended Action: Approve the City Manager's request to forego contractually obligated compensation increase on July 1, 2011 and extend the term of the current Employment Agreement to June 30, 2012.** (City Manager)

**Vern Showalter.** Mr. Showalter commended the City Manager for this action

**Council Member Newton** stated that this is classy.

**Council Member Sullivan** stated that the City Manager is showing great leadership.

**M/S Azevedo/Newton** to approve the City Manager's request to forego contractually obligated compensation increase on July 1, 2011 and extend the term of the current Employment Agreement to June 30, 2012. The motion was carried by the following roll call vote:

**AYES: AZEVEDO, BASH, NEWTON, SULLIVAN**  
**NOES: NONE**  
**ABSENT: HANNA**  
**ABSTAIN: NONE**

- 3.H. Recycled Water Agreement between the City of Norco and Western Riverside County Regional Wastewater Authority. **Recommended Action: Approval** (Public Works Director)

**Council Member Newton** commented on the contract date of March of 2005 and asked Public Works Director Thompson about the onsite supervisor required in that contract. Director Thompson noted that we have an onsite supervisor present when required and have two State-certified City staff members. City Manager Groves stated that if we were serving this water to the City's customers, there would be other requirements and a designated person would be required.

**Council Member Azevedo** commented on the tours taken years ago and added that she would be interested in another water trip for education purposes.

**M/S Sullivan/Newton to approve the Recycled Water Agreement between the City of Norco and the Western Riverside County Regional Wastewater Authority. The motion was carried by the following roll call vote:**

**AYES: AZEVEDO, BASH, NEWTON, SULLIVAN**  
**NOES: NONE**  
**ABSENT: HANNA**  
**ABSTAIN: NONE**

- 3.I. Acceptance of the Norco MDP Lateral NB-3 Storm Drain Improvement Project as Complete and the Appropriation of Additional Funds for the Norco MDP Lateral NB-3 Storm Drain Improvement Project. **Recommended Action: Accept the Norco MDP Lateral NB-3 Storm Drain Improvement Project as complete, authorize the City Clerk to file the Notice of Completion with the County Recorder's Office, and adopt Resolution No. 2011-\_\_\_\_, appropriating additional funds in the amount of \$12,610.50 for the Norco MDP Lateral NB-3 Storm Drain Improvement Project.** (Contract Deputy City Engineer)

**Council Member Newton** commented on the Notice of Completion schedule for the work completed in the vicinity of Corona and Fourth Street and noted that there was still work that need to be completed.

**M/S Newton/Bash to accept the Norco MDP Lateral NB-3 Storm Drain Improvement Project as complete, authorize the City Clerk to file the Notice of Completion with the County Recorder's Office, and adopt Resolution No. 2011-19, appropriating additional funds in the amount of \$12,610.50 for the Norco MDP Lateral NB-3 Storm Drain Improvement Project. The motion was carried by the following roll call vote:**

**AYES:** AZEVEDO, BASH, NEWTON, SULLIVAN  
**NOES:** NONE  
**ABSENT:** HANNA  
**ABSTAIN:** NONE

5. CITY COUNCIL PUBLIC HEARINGS:

- A. Zone Code Amendment 2011-02 (City): A City-Initiated Proposal to add Chapter 18.63 to the Norco Municipal Code entitled Hospitality Development Zone

*The proposed Hospitality Development (H-D) zone will establish the regulations for development at locations in the City where tourist-oriented uses would be encouraged and supported with similarly-oriented uses (e.g. hotels and restaurants).*

**Recommended Action:** Adopt Ordinance No. \_\_\_\_ for first reading (Planning Director)

**Planning Director King** presented the public hearing item.

**Mayor Pro Tem Bash OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak.**

**Pat Overstreet.** Ms. Overstreet spoke in favor of this item adding that she is hoping that the Planning Commission will be involved in the architecture process. She stated that she encourages public art that supports the equestrian lifestyle.

**Mayor Pro Tem Bash CLOSED the public hearing.**

**Council Member Sullivan** stated that he supports this and thinks it is a good idea, noting that it will enhance the development and will have the least impact on the residents.

**Council Member Azevedo** stated that she supports this item adding that it sends a clear vision to developers what the City wants. She noted that this will help set the tone for the City as a destination point. She also stated that she likes the public art statement addressed by Ms. Overstreet.

**Council Member Newton** asked Director King about the zoning and the compatibility with the Historic Preservation Overlay. Director King responded that it is the same format and is compatible.

**Mayor Pro Tem Bash** complimented the Planning Commission noting that he likes the ideas generated.

**M/S Azevedo/Newton to adopt Ordinance No. 932 for first reading. The motion was carried by the following roll call vote:**

**AYES: AZEVEDO, BASH, NEWTON, SULLIVAN**  
**NOES: NONE**  
**ABSENT: HANNA**  
**ABSTAIN: NONE**

- B. Amendment to the City's Comprehensive Fee Schedule to Update and Adjust Fees for Building Division Services

**Recommended Action: Staff is recommending that the public hearing be continued to April 20, 2011 to allow further review of the proposed updated and adjusted fees for Building Division services. (Contract Building Official)**

**Mayor Pro Tem Bash** stated that the public hearing will be continued to April 20, 2011.

6. CITY COUNCIL ITEM FOR ACTION:

- A. Appointments to the Historic Preservation Commission

*There are currently two seats vacated on the Historic Preservation Commission which will be filled by appointments to fill the terms through June of 2013. One of the members of the Commission appointed is required to have professional experience and knowledge in order to serve on the Commission. The other member should have the general qualifications required to serve on the Commission. Three applications have been received for the Council's consideration, one which is qualified to serve with the professional knowledge and experience required for service on the Commission. The other two applicants have the general knowledge and experience required for service on the Commission.*

**Recommended Actions: (a) Appoint Terri Jacquemain, M.A. to serve on the Historic Preservation Commission to fill one vacated seat with the requirements to have professional experience and knowledge; and (b) Appoint one member to fill one vacated seat on the Historic Preservation Commission who fulfills the required qualifications for service on the Commission. (City Clerk)**

**City Clerk Jacobs** presented the item stating that three applications were received for the Council's consideration. One application was received from Teri Jacquemain, who is qualified to serve with the professional knowledge and experience required for service on the Commission. The other two applicants, Kevin Koch and Mark Sawyer, have the general knowledge and experience required for service on the Commission. She stated that the Council is recommended to make the appointments in two separate actions.

**Mark Sawyer.** Mr. Sawyer commented on his qualifications to serve on the Commission noting his passion for the preservation of the history of Norco.

**M/S Sullivan/Newton to appoint Terri Jacquemain, M.A. to serve on the Historic Preservation Commission to fill one vacated seat with the requirements to have professional experience and knowledge. The motion was carried by the following roll call vote:**

**AYES: AZEVEDO, BASH, NEWTON, SULLIVAN**  
**NOES: NONE**  
**ABSENT: HANNA**  
**ABSTAIN: NONE**

**M/S Azevedo/Bash to appoint Mark Sawyer to fill one vacated seat on the Historic Preservation Commission who fulfills the required qualifications for service on the Commission. The motion was carried by the following roll call vote:**

**AYES: AZEVEDO, BASH, NEWTON, SULLIVAN**  
**NOES: NONE**  
**ABSENT: HANNA**  
**ABSTAIN: NONE**

**7. PUBLIC COMMENTS OR QUESTIONS:**

**Pat Overstreet.** Ms. Overstreet extended sympathy to Mayor Hanna on the passing of his mother. She commented that she is hurt and offended by a statement made by Council Member Sullivan at a Schools Committee Meeting where her name was brought up.

**Karen Leonard.** Ms. Leonard encouraged everyone to attend the NHA Casino Night.

**Vern Showalter.** Mr. Showalter commented on the City's Code Compliance Volunteer Program and noted that it officially was kicked off.

**8. OTHER MATTERS – COUNCIL:**

**Council Member Newton:**

- ↓ Asked Director Thompson about the schedule for the installation of the drains in Norco Ridge Ranch. Director Thompson read a prepared message from the City Engineer noting that Valley Crest will begin on Thursday.
- ↓ Commented on 4 or 5 areas in the Norco hills where the trails were washed out. Director Thompson noted that they will be discussing this with Valley Crest.

**Council Member Azevedo:**

- ↓ Reported on meetings she attended at WRCOG and commented on the TUMF funds designated for the Interstate 15 Schleisman Avenue on/off ramp, noting that this project has been postponed on the Transportation Improvement Program schedule. She added that she is hoping that some of the funds that were earmarked for that project could be used for the Hamner Avenue Bridge project.
- ↓ Stated that Dr. Condoleezza Rice will be the key note speaker at WRCOG's General Assembly to be held on June 23, 2011.

**Council Member Sullivan:**

- ↓ Commented on signatures received in 1997 that were brought to the Council regarding the vote to open Corona Avenue. He noted that a short time later, residents brought a lawsuit to the City. He stated that at the Schools Committee meeting, he encouraged the Corona-Norco Unified School District to send a letter to the Council to temporarily open the street. He noted that he did say something to the effect that they might make Pat Overstreet mad, adding that he does not want to make anyone mad.

**Mayor Pro Tem Bash:**

- ↓ Stated that on June 30, 2011, there will be a workshop held at the Norconian Pavilion sponsored jointly by the California Preservation Foundation and the Lake Norconian Club Foundation.
- ↓ Commented on the Norconian Club clean-up day and tour to be held on April 16<sup>th</sup> and invited everyone to attend.
- ↓ Thanked Director Thompson for his response to Mr. Gregory.
- ↓ Noted that he and Contract Economic Development Specialist Grody visited the Howard Johnson Hotel and both were impressed with the new owner, adding that the hotel looks good.
- ↓ Requested that staff contact Southern California Edison about the rocks that were placed in the Riverbed, noting that it prohibits riding in that area. He would like to ask that the rocks be removed.

9. OTHER MATTERS – STAFF:

- A. Sheriff's Department Annual Report for 2010. (Lt. Cooper)

**Lt. Cooper** presented the Sheriff's Department Annual Report for 2010 and summarized it as follows:

City Council's actions to increase law enforcement staffing in 2005 significantly improved the safety and the quality of life in Norco. More arrests were made in 2010 than in any year since 2005. Crime has correspondingly gone down every year since 2005 and has not been this low at any time in the last 20 years. Since 2005:

- Crime decreased 39%
- Arrests increased 36%
- Traffic safety significantly increased; there were no fatal and fewer injury collisions in 2009 and 2010 than in any of the prior 10 years. Grant funding has been used to target alcohol and drug impaired drivers. However, when traffic enforcement staffing was decreased in 2010, non-injury collisions increased 30%.
- City Council's goal to reduce emergency response times has been achieved. In 2010, deputies arrived at high-priority calls for service in 5.1 minutes.

**Council Member Sullivan** thanked **Lt. Cooper** for the report and noted the cutbacks that have and will impact the City.

**Council Member Azevedo** commented on the fact that 80 percent of all of the violations in the City are by non-residents. She further noted that keeping people out of the internal streets preserves the lifestyle and opening streets could increase violators.

**Council Member Newton** noted the lower crime rate and asked Lt. Cooper to comment on it. Lt. Cooper stated that prior to this current recession, crimes usually go up during a down economy adding that the lower crime rate reported is a combination of the Three Strikes Law and targeting career criminals. Council Member Newton commented on the DUIs and stated that he supports the contacts of the DUI offenders at their homes. Lt. Cooper commented on the process used for this program and the need to be proactive with these violators.

B. City Council Regular Meeting and Study Session Schedule. (City Manager)

**City Manager Groves** commented on the scheduling of Council study sessions and the current format, where the meetings are held during the day at City Hall, adding the fact that there have been some complaints from the public that they could not attend. She stated that there is a Council study session scheduled for Wednesday, April 27<sup>th</sup> at 2:00 p.m. to discuss traffic calming and water stabilization accounts. City Manager Groves stated that staff is reviewing how to best use the time allotted for City Council regular meetings, noting that one of the things staff is looking at, beginning for the new fiscal year, is to utilize the second regular City Council meeting of the month for core business and the first regular City Council meeting of the month for study sessions. She discussed the fact that with reduced staffing levels, this will assist in the production end. She stated that staff is seeking feedback on this proposal from the City Council Members.

**Council Member Azevedo** stated that this sounds great but had concerns over last minute business items. City Manager Groves responded that these could still be added as they will be regular meetings.

**Council Member Newton** stated that this would be cost effective and efficient and is worth a try.

**Council Member Sullivan** stated that he supports this proposal.

**City Manager Groves** stated that staff is actively going through the budget process and noted that she cannot confirm yet how many budget workshops will be held. There are two tentative dates set for the budget workshops on May 4<sup>th</sup> and on May 18<sup>th</sup> at 4:00 p.m. in the City Council Chambers. She added that when these dates are finalized, they will be properly noticed.

**Mayor Pro Tem Bash** inquired about going digital with the agenda packets and doing away with the paper packets. City Manager Groves responded that the technology used to deliver this is being discussed between the City's IT staff and the City Clerk. She added that there are some budget impacts that would be involved.

10. ADJOURNMENT: There being no further business to come before the City Council, Mayor Pro Tem Bash adjourned the meeting in memory of Reba Hanna, Mayor Hanna's mother, at 8:30 p.m.

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BRENDA K. JACOBS, CMC  
CITY CLERK



**RECAP OF ACTIONS TAKEN**  
**CITY OF NORCO**  
PLANNING COMMISSION  
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE  
REGULAR MEETING  
APRIL 13, 2011

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1. CALL TO ORDER: **7:00 p.m.**
2. ROLL CALL: **Chair Hedges, Vice-Chair Wright, Commission Members Henderson, Jaffarian and Leonard**
3. STAFF PRESENT: **Planning Director King, Senior Planner Robles, Deputy City Clerk Germain**
4. PLEDGE OF ALLEGIANCE: **Chair Hedges**
5. APPEAL NOTICE: **Read by Staff**
6. HEARING FROM THE AUDIENCE ON ITEMS NOT LISTED ON THE AGENDA: **None**
7. APPROVAL OF MINUTES: Minutes of March 30, 2011: **Approved 4-0 (Chair Hedges abstained due to being absent for that meeting)**
8. CONTINUED ITEM: **Resolution 2011-\_\_\_**: Conditional Use Permit 2011-05 (Klinkenborg): A Request for Approval to allow a 1,512 Square-Foot Detached Garage Building at 2285 Santa Anita Road Located within the A-1-20 Zone. **Recommended Action: Approval (SP Robles): Approved 5-0. This action is final unless appealed to the City Council within 10 calendar days.**
9. PUBLIC HEARING: **Resolution 2011-\_\_\_, Conditional Use Permit 2010-08; Resolution 2011-\_\_\_, Variance 2011-01 (T-Mobile West Corporation)**: A request for approval to allow the installation of an unmanned wireless telecommunication facility to consist of an 80-foot tall freestanding pole designed as a field light that will hold wireless antennas and associated ground mounted support equipment at Wayne Makin Park located at 3364 Western Avenue in the (Open Space) OS zone. The variance is requested to allow the pole to exceed the maximum height of 50 feet permitted by the Norco Municipal Code. **Recommended Action: Approval (SP Robles): Approved 5-0. This action is final unless appealed to the City Council within 10 calendar days.**

10. BUSINESS ITEMS:
  - A. **Resolution 2011-\_\_**: Site Plan 2011-02 (Ponce): A request for approval to allow a 750 square-foot garage/storage building at 2311 Corona Avenue located within the A-1-20 Zone. **Recommended Action: Approval (SP Robles): Continued 4-1 (Henderson) to an unspecified date**
  - B. Pencil File 2010-01 (Rivera): A request for informal review and discussion of a batting cage facility at 2800 Reservoir Drive in the A-1-20 zone. **Recommended Action: Informal Review (PD King): Discussion points and direction provided**
11. CITY COUNCIL: **Received and Filed**
  - A. Recap of Actions Taken at the April 6, 2011 City Council/Community Redevelopment Agency Meeting.
  - B. City Council Minutes dated March 16, 2011
12. PLANNING COMMISSION: Oral Reports from Various Committees: **None**
13. STAFF: Current Work Program: **Received and Filed**
14. OTHER MATTERS: Follow-up on Items from Previous Meetings (Director King): **Received and Filed**
15. ADJOURNMENT: **8:25 p.m.**

/adr-78290

## **CITY OF NORCO STAFF REPORT**

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

**FROM:** Beth Groves, City Manager 

**PREPARED BY:** Andy Okoro, City Treasurer 

**DATE:** April 20, 2011

**SUBJECT:** Quarterly Investment Report for Quarter Ended March 31, 2011

**RECOMMENDATION:** Staff recommends that the City Council receive and file the Quarterly Investment Report for the Quarter Ended March 31, 2011.

**SUMMARY:** Staff is recommending that the City Council receive and file the City's quarterly investment report for the quarter ended March 31, 2011. This report has been prepared to meet the requirements of the applicable sections of the State of California Government Code.

**BACKGROUND/ ANALYSIS:** The City's Investment Policy requires the Treasurer to render a quarterly report to the legislative body. The report is to be prepared in accordance with Government Code Section 53646 (b)(1) and should contain detailed information on all securities, investments, and monies of the local agency; a statement of compliance of the portfolio with the Statement of Investment Policy; and a statement of the City's ability to meet its cash flow requirements for the next six months. The law further requires that the quarterly report be submitted to the legislative body within 30 days from the end of the quarter. This report which is for the quarter ended March 31, 2011 meets the requirements of the Investment Policy and Government Code. It covers the City as well as the Norco Community Redevelopment Agency.

The attached schedules (attachments 1 through 4) have been prepared to meet the detailed requirements of the Government Code and the City's Investment Policy as approved by the Council on April 6, 2011. It is to be noted that the Investment Policy excludes certain investments of the City (bond proceeds) from these requirements. This means that funds from bond proceeds are invested in accordance with the provisions of the bond indentures rather than the provisions of the Investment Policy. Consequently, in determining whether the portfolio holdings are in compliance with the Government Code and the approved Investment Policy, investments of bond proceeds have been excluded.

Attachment 1 provides a summary schedule of the City's operating portfolio holdings by type as of March 31, 2011. This summary also provides information on whether or not each investment category complies with the limitations imposed by law and the City's Investment Policy. Investments that are subject to the Statement of Investment Policy

are operating/idle funds invested by the Treasurer within the provisions of the approved Investment Policy. During the quarter ended March 31, 2011, operating portfolio increased by a net amount of \$1.5 million from \$30.2 million to \$31.7 million due to cash inflows from receipts exceeding cash outflows from expenditures. The City received the first installment of property tax and vehicle license fees during this quarter.

Attachment 2 provides a graphical breakdown of the operating portfolio holdings by investment type as of March 31, 2011. This chart is for investments that are subject to the Investment Policy.

A summary of investments not subject to the provisions of the Investment Policy (bond proceeds and debt service reserve funds) is also shown on Attachment 1. These funds are invested in accordance with applicable bond indenture provisions. During the quarter ended March 31, 2011, bond proceeds and debt service reserve fund portfolio decreased by a net amount of \$1.9 million from \$39.1 million to \$37.2 million due to expenditures for capital projects.

Attachment 3 provides a detailed listing of the City's portfolio holdings as required by the Government Code. In this listing, "N/A" is used to denote that the information is either not available or applicable. The market value of investments in the Local Agency Investment Fund (LAIF) pool has been reported to equal cost because the City's investments in LAIF are readily liquid and the market value of these investments approximates cost. Agency Securities issued by United States Government Sponsored Entities (GSEs) carry standard ratings of "AAA" from Moody's and Standard and Poors Investor Service.

## *CASH FLOWS*

Attachment 4 provides the required cash flow and compliance statement by Treasurer. The most recent cash flow projection for the General Fund goes through June 30, 2011. Based on this projection, staff believes that the General Fund will have sufficient cash flow to meet its obligations through June 30, 2011. Cash flows for the three months ending September 30, 2011 will be impacted the FY 2011-2012 operating budget actions. Should the General Fund run out cash during the next six months, it is anticipated that the negative cash balance will be covered by drawing from cash available in the Special Asset Revenue Fund. Based on this, staff certifies that the General Fund will have sufficient cash flows to meet expenditure requirements for the next six months ending September 30, 2011.

FINANCIAL IMPACT: This is an informational item. There is no fiscal impact.

/jk-78249

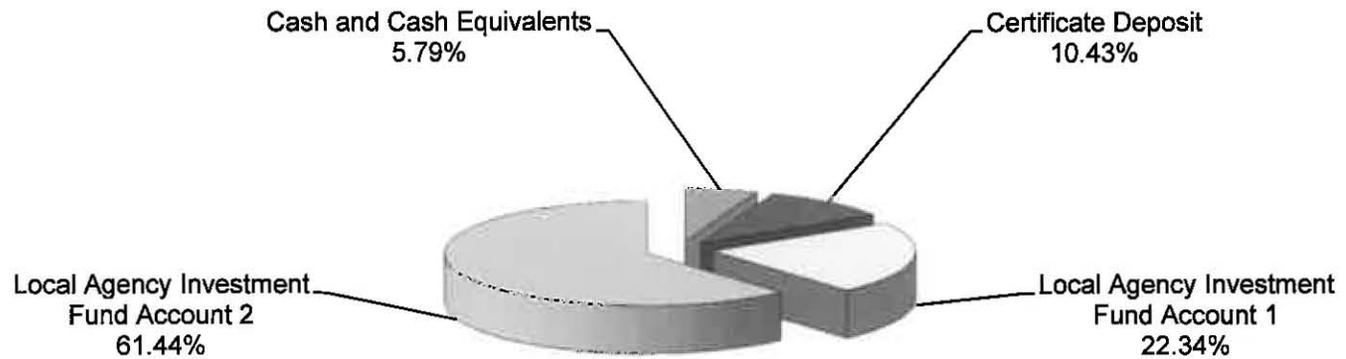
- Attachments:
- 1) Portfolio Summary
  - 2) Summary Graph
  - 3) Portfolio Details – "Investments Not Subject..."
  - 4) Certification Form

**City of Norco, California  
Portfolio Summary  
As of March 31, 2011**

<b>City Investments Subject to Investment Policy</b>	<b>Market Value</b>	<b>Percentage</b>	<b>Policy Maximum</b>	<b>Compliance</b>
Cash and Cash Equivalents	\$ 1,836,873	5.79%	15.00%	In Compliance
Certificate Deposit	3,311,791	10.43%	30.00%	In Compliance
Local Agency Investment Fund Account 1	7,093,048	22.34%	\$40.0 Million	In Compliance
Local Agency Investment Fund Account 2	19,506,522	61.44%	\$40.0 Million	In Compliance
<b>Total</b>	<b>\$ 31,748,234</b>	<b>100.00%</b>		

<b>City Investments Not Subject to Investment Policy</b>	<b>Market Value</b>	<b>Percentage</b>
Community Facilities Districts	\$ 2,622,987	7.06%
Sewer and Water System	17,535,731	47.18%
Refunding Tax Allocation Bonds	17,011,383	45.77%
<b>Total</b>	<b>\$ 37,170,101</b>	<b>100.00%</b>

**Summary of City Portfolio  
(Investments Subject to Investment Policy)  
As of March 31, 2011**



City of Norco, California  
 Portfolio Details  
 As of March 31, 2011  
 Investments Subject to Policy

Cash & Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Checking Accounts	Wells Fargo	N/A	N/A	0.000%	N/A	1,836,873	1,836,873
			<b>Subtotal</b>	<b>Wells Fargo</b>					<b>1,836,873</b>	<b>1,836,873</b>
10/21/2010	10/21/2011	3120019132	Certificate Deposit	Allstate Bank	N/A	1.490%	Various	N/A	152,511	152,511
4/8/2009	4/8/2011	3240002117	Certificate Deposit	Allstate Bank	N/A	2.230%	Various	N/A	99,284	99,284
4/21/2010	4/20/2012	2329958022	Certificate Deposit	Citizen Business Bk	N/A	0.900%	Various	N/A	100,555	100,555
9/9/2010	5/20/2011	2329958065	Certificate Deposit	Citizen Business Bk	N/A	0.700%	Various	N/A	150,739	150,739
10/21/2010	4/21/2011	1011084741	Certificate Deposit Account Register Services	Citizen Business Bk	N/A	0.500%	Various	N/A	1,401,287	1,401,287
10/21/2010	4/21/2011	1011083877	Certificate Deposit Account Register Services	Citizen Business Bk	N/A	0.500%	Various	N/A	1,407,414	1,407,414
			<b>Subtotal</b>	<b>Wells Fargo</b>					<b>3,311,791</b>	<b>3,311,791</b>

Local Agency Investment Fund

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Local Agency Investment Fund Account 1	State of California	N/A	N/A	N/A	N/A	7,093,048	7,093,048
N/A	N/A	N/A	Local Agency Investment Fund Account 2	State of California	N/A	N/A	N/A	N/A	19,506,522	19,506,522
			<b>Subtotal</b>						<b>26,599,570</b>	<b>26,599,570</b>

Total Investments Subject to Policy

**31,748,234      31,748,234**

City of Norco, California

Portfolio Details

As of March 31, 2011

**Investments Not Subject to Policy (Bond Proceeds)**

**Community Facilities Districts**

Cash and Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	First American Treasury Obligation	94496805 US Bank	N/A	N/A	0.000%	N/A	160,597	160,597
N/A	N/A	N/A	First American Treasury Obligation	94644004 US Bank	N/A	N/A	0.000%	N/A	189,120	189,120
N/A	N/A	N/A	First American Treasury Obligation	791884004 US Bank	N/A	N/A	0.000%	N/A	531,819	531,819
N/A	N/A	N/A	First American Treasury Obligation	794148002 US Bank	N/A	N/A	0.000%	N/A	1,741,452	1,741,452
<b>Subtotal</b>									<b>2,622,987</b>	<b>2,622,987</b>
<b>Total Community Facilities Districts</b>									<b>2,622,987</b>	<b>2,622,987</b>

**Investments Not Subject to Policy (Bond Proceeds)**

**Sewer and Water System**

Cash and Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	31846V708	First American Prime Obligations	130584001 US Bank	AAA	N/A	0.000%	N/A	199	199
N/A	N/A	N/A	U.S. Bank N.A. Open 1b Monthly	130584004 US Bank	N/A	N/A	0.000%	N/A	1,421,821	1,421,821
1/12/2011	6/24/2011	89233HTQ7	Toyota Motor Credit Corp.	130584004 US Bank	AAA	0.300%	0.003%	4,000,000	3,994,567	3,994,567
1/11/2011	11/1/2011	313396NS8	F H L M C	130584004 US Bank	AAA	0.260%	0.260%	3,000,000	2,993,630	2,993,630
<b>Subtotal</b>									<b>8,410,217</b>	<b>8,410,217</b>

Local Agency Investment Fund

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Local Agency Investment Fund Account 1 (Sewer/Water)	2009 State of California	N/A	N/A	N/A	N/A	718,403	718,403
<b>Subtotal</b>									<b>718,403</b>	<b>718,403</b>

U.S. and Agency Securities

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
12/15/2010	12/15/2015	3136FPC70	F N M A M T N	130584001 US Bank	AAA	2.000%	2.000%	1,461,000	1,461,000	1,441,291
12/9/2010	9/9/2013	313371VU7	Federal Home Loan Bks	130584004 US Bank	AAA	1.000%	1.000%	4,000,000	4,000,000	3,958,680
7/28/2010	1/28/2013	313370BX5	Federal Home Loan Bks	130584004 US Bank	AAA	1.000%	1.000%	3,000,000	3,000,000	3,007,140
<b>Subtotal</b>									<b>8,461,000</b>	<b>8,407,111</b>
<b>Total Sewer and Water System</b>									<b>17,589,620</b>	<b>17,535,731</b>

City of Norco, California  
 Portfolio Details  
 As of March 31, 2011

**Investments Not Subject to Policy (Bond Proceeds)  
 Refunding Tax Allocation Bonds**

Cash & Cash Equivalents

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	First American Treasury Obligations	94432433 US Bank	N/A	N/A	0.00%	N/A	23,051	23,051
N/A	N/A	N/A	First American Treasury Obligations	94432435 US Bank	N/A	N/A	0.00%	N/A	143	143
N/A	N/A	N/A	First American Treasury Obligations	94432443 US Bank	N/A	N/A	0.00%	N/A	99	99
N/A	N/A	N/A	First American Treasury Obligations	94432445 US Bank	N/A	N/A	0.00%	N/A	319	319
N/A	N/A	N/A	First American Treasury Obligations	94662503 US Bank	N/A	N/A	0.00%	N/A	309	309
N/A	N/A	N/A	First American Treasury Obligations	94662507 US Bank	N/A	N/A	0.00%	N/A	2,159,834	2,159,834
N/A	N/A	N/A	First American Treasury Obligations	787891004 US Bank	N/A	N/A	0.00%	N/A	1,381	1,381
N/A	N/A	N/A	First American Treasury Obligations	792126003 US Bank	N/A	N/A	0.00%	N/A	1,532,991	1,532,991
N/A	N/A	N/A	First American Treasury Obligations	792126004 US Bank	N/A	N/A	0.00%	N/A	1,504	1,504
N/A	N/A	N/A	First American Treasury Obligations	129543003 US Bank	N/A	N/A	0.00%	N/A	973,754	973,754
N/A	N/A	N/A	US Bank Money Market	140828000 US Bank	N/A	N/A	0.14%	N/A	7	7
N/A	N/A	N/A	US Bank Money Market	140828001 US Bank	N/A	N/A	0.20%	N/A	1,433,544	1,433,544
N/A	N/A	N/A	US Bank Money Market	140828004 US Bank	N/A	N/A	0.20%	N/A	1,463,322	1,463,322
N/A	N/A	N/A	US Bank Money Market	140828005 US Bank	N/A	N/A	0.26%	N/A	4	4
<b>Subtotal</b>									<b>7,590,262</b>	<b>7,590,262</b>

Local Agency Investment Fund

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	N/A	Local Agency Investment Fund Account 2	2010 TABs State of California	N/A	N/A	N/A	N/A	112,289	112,289
N/A	N/A	N/A	Local Agency Investment Fund Account 2	2003 TABs State of California	N/A	N/A	N/A	N/A	425,907	425,907
<b>Subtotal</b>									<b>538,196</b>	<b>538,196</b>

U.S. and Agency Securities

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
6/3/2009	6/3/2011	3133XTV45	Federal Home Loan Bks	94662506 US Bank	AAA	1.130%	1.524%	5,630,000	5,586,255	5,639,909
<b>Subtotal</b>									<b>5,630,000</b>	<b>5,586,255</b>

Investment Agreements

Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	3/1/2030	N/A	Guaranteed Investment Contract	94432433 US Bank	N/A	N/A	5.71%	N/A	2,161,566	2,161,566
N/A	3/1/2030	N/A	Guaranteed Investment Contract	94432443 US Bank	N/A	N/A	5.16%	N/A	347,000	347,000
N/A	2/27/2015	N/A	Guaranteed Investment Contract	787891003 US Bank	N/A	N/A	3.41%	N/A	734,450	734,450
<b>Subtotal</b>									<b>3,243,016</b>	<b>3,243,016</b>

**Total Refunding Tax Allocation Bonds**

**16,957,729 17,011,383**

**Total Investments Not Subject to Policy**

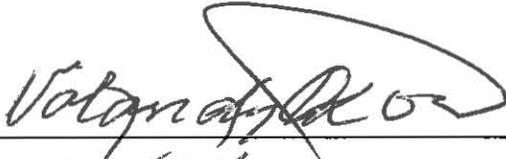
**37,170,336 37,170,101**

**Attachment 4**

**Quarterly Investment Portfolio**

**For the Quarter Ended March 31, 2010**

As required by the Government Code, the Treasurer certifies that the investments reported in the accompanying schedules (Attachments 1 through 3) comply with the City of Norco Investment Policy and that sufficient liquidity along with anticipated revenues are available to meet the City and Redevelopment Agency budgeted expenditure requirements for the next six months ending September 30, 2011.

A handwritten signature in black ink, appearing to read "Andy Okoro", written over a horizontal line.

Andy Okoro, City Treasurer

/jk-78250

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

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

DATE: April 20, 2011

SUBJECT: Execution of a Funding Agreement between the City of Norco and the Riverside County Flood Control and Water Conservation District to Construct a Protection Dike

RECOMMENDATION: Approve the Funding Agreement between the City of Norco and the Riverside County Flood Control and Water Conservation District.

**SUMMARY:** The City of Norco has prepared plans and specifications for the construction of a Protection Dike, which will provide emergency flood protection to City-owned real property along the northerly bank of the Santa Ana River. The Riverside County Flood Control and Water Conservation District (the "District") has agreed to provide a funding contribution in an amount not to exceed \$1,500,000 to the City of Norco for the construction of the proposed improvements.

**BACKGROUND/ANALYSIS:** The City of Norco has completed plans and specifications for construction of a protection dike along the northerly bank of the Santa Ana River. The proposed project will be constructed to provide emergency protection to City-owned property north of the Santa Ana River between Hamner Avenue and the Interstate 15 Freeway. The proposed improvements will also provide ancillary protection to the District's Eastvale Line E channel storm drain facility. The District has pledged support to seek an allocation for 100% funding of the actual bid amount for the construction of the proposed protection facilities.

The City of Norco will secure all necessary rights-of-way, advertise, inspect and manage and maintain the project and will invoice the District upon the award of contract to construct the proposed project.

The purpose of the Funding Agreement is to memorialize the mutual understandings between both parties with respect to construction, ownership, operation and maintenance, including the funding contribution.

**FISCAL IMPACT:** Funds will be deposited into the Storm Drain Capital Improvement Program Fund (129) upon award of contract.

Attachment: Funding Agreement  
/wrt-78269

**FUNDING AGREEMENT**  
**SANTA ANA RIVER PROTECTION DIKE**

The RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, hereinafter called "DISTRICT", and the CITY OF NORCO, hereinafter called "CITY", hereby agree as follows:

**RECITALS**

A. CITY has requested funding for construction of certain emergency flood protection works to be constructed on CITY owned real property located along the northerly bank of Santa Ana River between Hamner Avenue and the Interstate 15 freeway; and

B. The proposed improvements, consisting of a protection dike some 3000 feet in length, will provide up to "50-year" protection (2% annual chance flood) from Santa Ana River flows; and

C. The proposed improvements will also provide ancillary protection to the District's Eastvale Line E Channel outlet works; and

D. DISTRICT has budgeted the sum of one million five hundred thousand dollars (\$1,500,000.00) from its Fiscal Year 2010-2011 budget for the purpose of funding CITY'S proposed construction of the above referenced protection dike, hereinafter called "PROJECT"; and

E. CITY shall prepare or cause to be prepared the necessary plans and specifications and will be responsible for the advertising, award and administration of a public works construction contract for the PROJECT; and

F. CITY has determined that the PROJECT is exempt from the California Environmental Quality Act (CEQA) and on February 8, 2011, filed a Notice of Determination with the office of the Assessor-County Clerk-Recorder for Riverside County.

G. CITY shall be solely responsible for complying with all applicable environmental programs and regulations including but not limited to the federal Clean Water Act (Sections 404 and 401), the National Flood Insurance Act (Section 1361(c)), CEQA, the California Fish and Game Code (Section 1600) and the Western Riverside County Multi-Species Habitat Conservation Plan (WRCMSHCP); and

H. DISTRICT pledges to support CITY'S efforts to construct PROJECT and provide funding for PROJECT as set forth herein; and

I. The purpose of this Agreement is to memorialize the mutual understandings by and between DISTRICT and CITY with respect to the construction, inspection, ownership, operation and maintenance of PROJECT, and the payment of DISTRICT CONTRIBUTION; and

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties hereto mutually agree as follows:

#### SECTION I

CITY shall:

1. Secure, at its sole cost and expense, all necessary rights of way, rights of entry and temporary construction easements necessary to construct, inspect, operate and maintain PROJECT.
2. Comply with the applicable provisions of CEQA, the WRCMSHCP and the National Flood Insurance Program (40 CFR Part 60).
3. Secure, at its sole cost and expense, all necessary permits, approvals, licenses or agreements required by any Federal or State resource or regulatory agencies pertaining to the construction, operation and maintenance of PROJECT. Such documents, hereinafter called "REGULATORY PERMITS", may include, but are not limited to, a Section

404 permit issued by USACOE, a Section 401 Water Quality Certification issued by the California Regional Water Quality Control Board (CRWQCB), a Section 1602 Streambed Alteration Agreement issued by the California Department of Fish and Game and National Pollutant Discharge Elimination System Permits issued by the State Water Resources Control Board.

4. Advertise PROJECT for bids pursuant to the applicable provisions of the California Public Contract Code. At the time of advertising for bids, provide DISTRICT with a copy of the PROJECT plans, specifications, bid documents and any subsequent addenda thereto.

5. Prior to the award of the construction contract for the PROJECT, submit an invoice to DISTRICT for the estimated cost of constructing PROJECT. The invoice shall be supported by CITY'S bid abstracts for PROJECT.

6. Construct PROJECT pursuant to a CITY administered public works contract.

7. Supervise and inspect all aspects of PROJECT construction.

8. Upon completion of PROJECT construction and CITY'S acceptance thereof, accept sole responsibility for the design, ownership, operation and maintenance of PROJECT.

9. Upon completion of PROJECT construction, provide DISTRICT with a copy of the CITY'S Notice of Completion.

## SECTION II

DISTRICT shall:

1. Within thirty (30) days of receiving of CITY'S invoice, pay CITY the lesser of i) the bid price for all bid items pertaining directly to PROJECT construction or ii) the

sum of one million five hundred thousand dollars (\$1,500,000.00); whichever is less (the "DISTRICT CONTRIBUTION").

### SECTION III

It is further mutually agreed:

1. The DISTRICT CONTRIBUTION is a one-time cash contribution to be used by CITY solely for the purpose of constructing PROJECT as set forth herein. No additional funding whatsoever shall be provided by DISTRICT for any subsequent PROJECT modifications, extensions or repairs.

2. In the event the actual construction cost for PROJECT is less than the amount of the DISTRICT CONTRIBUTION, CITY shall refund the difference to DISTRICT within thirty (30) days of filing the Notice of Completion for PROJECT.

3. Under the provisions of this Agreement, the DISTRICT shall bear no responsibility whatsoever for the design, construction, ownership, operation or maintenance of PROJECT.

4. In the event that any claim or legal action is brought against DISTRICT, in connection with this Agreement and based upon the actual or alleged acts or omissions of the CITY, its officers, employees, consultant, contractors or agents, including but not limited to claims or legal action related to the design, construction, operation, maintenance or failure of PROJECT, the CITY shall defend, indemnify and hold DISTRICT harmless therefrom without cost to DISTRICT. This shall include providing DISTRICT with legal representation and pay for related costs for any such claim or legal action, and payment of any settlement or judgment on behalf of DISTRICT, all at no cost to DISTRICT. Upon the CITY'S failure to do so, DISTRICT shall be entitled to recover from CITY all of its costs and expenses, including, but not limited to, reasonable attorneys' fees.

5. In the event of any arbitration, action or suit brought by either the CITY or DISTRICT against the other party by reason of any breach on the part of the other party of any of the covenants and agreements set forth in this Agreement, or any other dispute between DISTRICT and CITY concerning this Agreement, the prevailing party in any such action or dispute, by a final judgment or arbitration award, shall be entitled to have and recover from the other party all costs and expenses or claims, including but not limited to, attorneys' fees and expert witness fees. This section shall survive any termination of this Agreement.

6. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

7. This Agreement is to be construed in accordance with the laws of the State of California. Neither CITY nor DISTRICT shall assign this Agreement without the written consent of the other party.

8. This Agreement is made and entered into for the sole protection and benefit of the parties hereto. No other person or entity shall have any right of action based upon the provisions of this Agreement.

9. Any and all notices sent or required to be sent to the parties of this Agreement will be mailed by first class mail, postage prepaid, to the following addresses:

RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT  
1995 Market Street  
Riverside, CA 92501

CITY OF NORCO  
2870 Clark Avenue  
Norco, CA 92860

10. This Agreement is the result of negotiations between the parties hereto, and the advice and assistance of their respective counsel. The fact that this Agreement was prepared as a matter of convenience by DISTRICT shall have no import or significance. Any uncertainty

or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT prepared this Agreement in its final form.

11. Any waiver by DISTRICT or CITY of any breach by any other party of any provision of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or any other provision hereof. Failure on the part of DISTRICT or CITY to require from any other party exact, full and complete compliance with any of the provisions of this Agreement shall not be construed as in any manner changing the terms hereof, or estopping DISTRICT or CITY from enforcing this Agreement.

12. This Agreement is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith. This Agreement may be changed or modified only upon the written consent of the parties hereto.

//

//

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

\_\_\_\_\_  
(to be filled in by the Clerk of the Board)

RECOMMENDED FOR APPROVAL

**RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT**

By \_\_\_\_\_  
WARREN D. WILLIAMS  
General Manager-Chief Engineer

By \_\_\_\_\_  
MARION ASHLEY, Chairman  
Riverside County Flood Control and Water  
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

PAMELA J. WALLS  
County Counsel

KECIA HARPER-IHEM  
Clerk of the Board

By \_\_\_\_\_  
NEAL R. KIPNIS  
Deputy County Counsel

By \_\_\_\_\_  
Deputy

(SEAL)

RECOMMENDED FOR APPROVAL:

**CITY OF NORCO**

By \_\_\_\_\_  
BETH GROVES  
City Manager

By \_\_\_\_\_  
BERWIN HANNA  
Mayor

APPROVED AS TO FORM:

ATTEST:

By \_\_\_\_\_  
JOHN HARPER  
City Attorney

By \_\_\_\_\_  
BRENDA JACOBS  
City Clerk

(SEAL)

Funding Agreement – Santa Ana River Protection Dike  
MHW:

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: David Gilbertson, Contract Deputy City Engineer 

DATE: April 20, 2011

SUBJECT: Acceptance of the Auger/Grinder Wastewater System Project as Complete

RECOMMENDATION: That the City Council accept the Auger/Grinder Wastewater System Project as complete and authorize the City Clerk to file the Notice of Completion with the County Recorder's Office.

**SUMMARY:** The Auger/Grinder Wastewater System Project consisted of the construction and installation of switch gear, control panel, and an auger grinder sewage unit. The work also included the installation of four sewer manholes and by-pass facilities.

**BACKGROUND/ANALYSIS:** On October 20, 2010, the City Council awarded a public works contract to AToM, Inc. in the amount of \$281,095 with an additional 10% for change orders for the Auger/Grinder Wastewater System Project. The final contract amount is \$308,456.28 which is 9% over the base contract award amount. The final contract amount is based on the actual quantity of material used on the project as verified by staff.

Work on the project has been completed to the satisfaction of the City Engineer and a Notice of Completion has been prepared. Staff is requesting that the City Council accept the work performed by AToM, Inc. and authorize the City Clerk to record the Notice of Completion.

**FINANCIAL IMPACT:** At its December 2, 2009 meeting, the City Council appropriated funds available within the FY 2010/11 Sewer Facilities Capital Improvement Fund Program to complete the project.

Attachment: N/A  
/wrt-78273

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk

DATE: April 20, 2011

SUBJECT: Proposed Reductions in City Council Benefits and Compensation for the Proposed Fiscal Year 2011-2012 Preliminary Budget

RECOMMENDATION: That the City Council approve the following reductions in the proposed City Council Fiscal Year preliminary 2011-2012 Budget:

1. Reduce Conferences and Meetings" line item by \$4,050;
2. Pay employee share of PERS Contribution;
3. Eliminate cell phone stipends; and
4. Eliminate medical savings account subsidies.

**SUMMARY:** In preparation for the proposed Fiscal Year 2011-2012 preliminary Budget, staff is recommending that the City Council approve reductions in their budget line items in an amount totaling \$11,046.

**BACKGROUND/ANALYSIS** As part of the Fiscal Year 2011-12 Budget preparation process, City staff was asked to present various budget reduction scenarios. In reviewing the City Council budget line items, staff is recommending that the City Council formally approve the following proposed reductions to the FY 2011-2012 preliminary Budget.

1. Reduce Conferences and Meetings" line item by \$4,050
2. Pay employee share of PERS Contribution for savings of \$3,321
3. Eliminate cell phone stipends for savings of \$3,000
4. Eliminate medical savings account subsidies for savings of \$675

The total reductions, if all are implemented, would be \$11,046, or an 11% reduction from the City Council's Fiscal Year 2010-11 Amended Budget.

**FISCAL IMPACT:** By incorporating the proposed reductions, there would be a \$1,660.50 reduction to the Norco Redevelopment Agency Budget and a \$9,385.50 reduction to the General Fund Budget.

/bj-78276

**Agenda Item 3.F.**

## CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk 

DATE: April 20, 2011

SUBJECT: City-Initiated Proposal to add Chapter 18.63 to the Norco Municipal Code entitled Hospitality Development Zone

RECOMMENDATION: Adopt **Ordinance No. 932** for second reading.

SUMMARY: The first reading of Ordinance No. 932 was held on April 6, 2011 and was adopted by the City Council by a 4-1 vote, with Mayor Hanna absent. Staff is recommending that the City Council adopt Ordinance No. 932 for second reading. This code change is a City-initiated proposal to add Chapter 18.63 to the Norco Municipal Code entitled Hospitality Development Zone.

Attachment: Ordinance No. 932

/bj-78277

## **ORDINANCE NO. 932**

### **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO APPROVING AN AMENDMENT TO TITLE 18 OF THE NORCO MUNICIPAL CODE BY ADDING CHAPTER 18.63 (HOSPITALITY DEVELOPMENT ZONE) WITH ANY RELATED CROSS-REFERENCES IN OTHER CHAPTERS AS NEEDED. ZONE CODE AMENDMENT 2011-02**

WHEREAS, the CITY OF NORCO initiated Zone Code Amendment 2011-02, an amendment to Norco Municipal Code Title 18 (Zoning Code), adding Chapters 18.63 (Hospitality Development Zone); and

WHEREAS, the Zone Code Amendment was duly submitted to said City's Planning Commission for decision at a public hearing for which proper notice was given; and

WHEREAS, the Zone Code Amendment was scheduled for public hearing on March 9, 2011 on or about 7 p.m. in the Council Chambers at 2820 Clark Avenue, Norco, California 92860; and

WHEREAS, at the time set, the Planning Commission held a public hearing and received both oral and written testimony pertaining to the Zone Code Amendment; and

WHEREAS, the Planning Commission adopted Resolution 2011-18 recommending to the City Council that Zone Code Amendment 2011-02 be approved; and

WHEREAS, the Zone Code Amendment was duly submitted to the City Council for decision at a public hearing for which proper notice was given; and

WHEREAS, the Zone Code Amendment was scheduled for public hearing on April 6, 2011 on or about 7 p.m. in the Council Chambers at 2820 Clark Avenue, Norco, California 92860; and

WHEREAS, at the time set, the City Council held a public hearing and received both oral and written testimony pertaining to the Zone Code Amendment; and

WHEREAS, the City of Norco acting as the Lead Agency has determined that the project is categorically exempt from California Environmental Quality Act (CEQA) and the City of Norco Environmental Guidelines pursuant to Section 3.13.

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

Chapter 18.63

HOSPITALITY DEVELOPMENT ZONE

Sections:

- 18.63.02 Intent and Purpose.
- 18.63.04 Applicability.
- 18.63.06 Uses permitted through approval of a Specific Plan.
- 18.63.08 Development Standards.
- 18.63.10 Existing Development.
- 18.63.12 Specific Plan Requirement.

18.63.02 Intent and Purpose.

*The Hospitality Development Zone is intended to provide for the coordinated development of planned commercial projects oriented to the traveling public (as defined in Section 18.02 of this Chapter) in an orderly and aesthetically pleasing manner that buffers surrounding land uses as needed and preserves the City's equestrian lifestyle. The Zone establishes a more comprehensive review procedure with flexibility in development standards to accommodate the distinct features and opportunities of individual areas and properties. It is intended that areas within the HD Zone are developed in a manner that reflects any unique characteristics of the congruous area upon which the zoning exists by blending the built environment with these characteristics.*

18.63.04 Applicability.

*The regulations and general rules set forth in this Chapter shall apply in Hospitality Development Zones. The regulations provide for a review of comprehensive development plans and for use and development on existing lots. Where a conflict occurs between the requirements of this chapter and other City requirements, this Chapter shall apply. Any proposed project including, but not limited to, division of land, site plan or any grading wholly or partially within a Hospitality Development Zone shall be subject to the provisions of this Chapter.*

18.63.06 Uses permitted through approval of a Specific Plan.

*The following category of uses may be permitted upon approval of a Specific Plan.*

- (1) *Planned development for tourist commercial uses catering to the travelling public. Activities include, but are not limited to:*
  - a) *Hotels, motels, motor hotels, bed and breakfast inns  
(Does not include agricultural, work, or recreational camps)*
  - b) *Full-serve restaurants, themed restaurants, restaurant rows  
(Does not include drive-through, or car-serve restaurants)*
- (2) *Planned development for mixed-use commercial/recreational projects.*
- (3) *Planned commercial resort projects.*

*A detailed list and description of individually permitted uses and development standards will be established with the adopted Specific Plan pursuant to Chapter 18.52.*

**18.63.08 Development Standards.**

*Site development standards not addressed through the adoption of a Specific Plan shall be the same development standards of Chapter 18.29 (C-G ZONE), with the exception that permitted and conditionally-permitted uses in the C-G zone do not apply in the HD zone without approval of a Specific Plan.*

**18.63.10 Existing Development.**

*Legal uses, lots, and structures existing prior to the adoption of the HD zone for a property in question, which are not consistent with the standards and requirements of the HD zone, shall be deemed non-conforming and subject to the provisions of Chapter 18.39 (GENERAL PROVISIONS – NON-CONFORMING USES, LOTS, AND STRUCTURES).*

**18.63.12 Specific Plan Requirement.**

*To assure that the requirements of this chapter are properly met and the area is comprehensively planned, a Specific Plan as authorized in the California Government Code (commencing with Section 65450) and processed in the manner set forth in Chapter 18.52 (Specific Plan) of this Code must be in effect prior to the approval of any subdivision of land, any grading of property that would require a grading permit, and any construction that would require a building permit, excepting therefrom any work done by the City or other public agency for the protection of public health, safety, or general welfare.*

**SECTION 2: EFFECTIVE DATE:** This Ordinance shall become effective 30 days after final passage thereof.

**SECTION 3: SEVERABILITY:** If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, and phrase, hereof, irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, or phrases hereof be declared invalid or unconstitutional.

**SECTION 4: 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 April 20, 2011.

\_\_\_\_\_  
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, 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 April 6, 2011 and thereafter at a regular meeting of said City Council duly held on April 20, 2011, 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 April 20, 2011.

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

/sk-78152

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager

PREPARED BY: Keith Clarke, Contract Building Official

DATE: April 20, 2011

SUBJECT: Amendment to Comprehensive Fee Resolution to Update and Adjust Fees for Building Division Services

RECOMMENDATION: Staff is recommending that the public hearing be continued to May 4, 2011 to allow further review of the proposed updated and adjusted fees for Building Division services.

SUMMARY: A review of Building Division user fees has been completed by the City hired consulting firm of Revenue Cost Specialists (RCS), with assistance and final review provided by the Building Division staff. As the review of the proposed updated and adjusted fees for Building Division services has not been completed by City staff, it is recommended that the public hearing be continued to May 4, 2011.

/bj-78175

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Andy Okoro, Deputy City Manager/Director of Finance *AO*

DATE: April 20, 2011

SUBJECT: Approval of Intention to Amend the Contract with the Public Employees' Retirement System

RECOMMENDATION: **Adopt: Resolution No. 2011 \_\_\_\_**, approving a resolution of intention to approve an amendment to the contract between the Board of Administration of the California Public Employees' Retirement System and the City Council of the City of Norco.

**SUMMARY:** On June 6, 2007, the City Council approved a Memorandum of Understanding (MOU) between the City of Norco and the Norco Firefighters Association (NFA) which provided for retirement enhancement. Staff recommends that the City Council adopt the attached Resolution of Intention to approve an amendment to the contract between the Public Employees' Retirement System (PERS) and the City Council.

**BACKGROUND/ANALYSIS:** The MOU between the City and NFA covering the period between June 6, 2007 and June 30, 2011 was approved by the City Council on June 6, 2007. The MOU requires that the City provide a PERS retirement enhancement of 3% @ 50 formula prior to June 30, 2011.

Approving this Resolution of Intention to amend the contract with PERS is required prior to the adoption of a City Ordinance which will implement the contract amendment. A sample copy of the contract amendment and a summary of the key provisions of the 3% @ 50 formula are attached for your information. Following adoption of the Resolution of Intention to amend the PERS contract, staff will prepare the appropriate ordinance (as required by PERS) for City Council approval prior to the actual contract amendment.

Effective January 1, 2009, California Government Code Section 7507 requires the following:

- Future annual costs of the proposed contract amendment be made public at a public meeting at least two weeks prior to the adoption of the final Ordinance.
- An actuary be present at the public meeting to provide information if future costs exceed ½ of 1% of the future annual costs of existing benefits.

**Agenda Item 7.A.**

Resolution of Intention to Approve an Amendment to Contract Between the Board of Administration of the California Public Employees' Retirement System and the City Council of the City of Norco

Page 2

April 20, 2011

- A local public agency's chief executive officer acknowledge in writing that he or she understands the current and future costs of the retirement benefit as determined by the actuary.
- Adoption of any retirement benefit not be placed on the consent calendar.

**FINANCIAL IMPACT:** Based on an actuarial evaluation performed by PERS, the City's total employer rate will change by 11.921%. This rate is likely to change (up or down) each year depending on demographic, economic and investment earnings assumptions. The PERS actuary has determined the fiscal impact of this amendment as follows:

1) Change in Present Value of Benefits	\$2,836,702
2) Change in the Accrued Liability	\$2,375,137
3) Change in the Total Employer Rate	11.921%

The change in the present value of benefits in the amount of \$2,836,702 represents the total cost of the contract amendment in "today's" dollar.

An actuary from CalPERS will be available to answer questions.

/jk-78274

Attachments:

1. Resolution No. 2011-\_\_\_\_ Resolution of Intention to Approve an Amendment to Contract Between the Board of Administration of the California Public Employees' Retirement System
2. Sample Amendment to Contract
3. Summary of Major Provisions 3% @ 50 Formula (Section 21362.2), Local Safety Members
4. Contract amendment cost analysis from California Public Employees' Retirement System dated December 9, 2010

## RESOLUTION NO. 2011-\_\_\_\_\_

### A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION, CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL OF THE CITY OF NORCO

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and;

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 21362.2 (3% @ 50 Full formula) for local safety members.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco does hereby gives notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on April 20, 2011.

\_\_\_\_\_  
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, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a regular meeting held on April 20, 2011 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 April 20, 2011.

---

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

/jk-78275

Attachments:

Amendment to Contract Between the Board of Administration, California Public Employees' Retirement System and the City Council of the City of Norco

**RESOLUTION OF INTENTION  
TO APPROVE AN AMENDMENT TO CONTRACT  
BETWEEN THE  
BOARD OF ADMINISTRATION  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
AND THE  
CITY COUNCIL  
CITY OF NORCO**

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 21362.2 (3% @ 50 Full formula) for local safety members.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

By: \_\_\_\_\_  
Presiding Officer

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date adopted and approved



**EXHIBIT**

California  
Public Employees' Retirement System

---

**AMENDMENT TO CONTRACT**

**Between the  
Board of Administration  
California Public Employees' Retirement System  
and the  
City Council  
City of Norco**

---

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective April 3, 1976, and witnessed February 18, 1976, and as amended effective January 2, 1982, April 7, 1984, July 1, 1992, November 18, 1995, January 18, 1997, February 8, 1998 and December 30, 2006 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective December 30, 2006, and hereby replaced by the following paragraphs numbered 1 through 14 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members and age 50 for local safety members.
  2. Public Agency shall participate in the Public Employees' Retirement System from and after April 3, 1976 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:
  - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
  - (b) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.
  - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
  - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.
  - (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.
  - (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.
  - (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
  - a. Local Fire Fighters (herein referred to as local safety members);
  - b. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
  - a. **FIRE DISPATCHER CADETS; AND**
  - b. **POLICE OFFICERS.**
6. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment before and not on or after December 30, 2006 shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service prior to December 31, 1981, termination of Social Security, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).
7. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment on or after December 30, 2006 shall be determined in accordance with Section 21354.5 of said Retirement Law, subject to the reduction provided therein for service prior to December 31, 1981, termination of Social Security, for members whose service has been included in Federal Social Security (2.7% at age 55 Full and Modified).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a local safety member shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
9. Public Agency elected and elects to be subject to the following optional provisions:
  - a. Section 20965 (Credit for Unused Sick Leave).
  - b. Section 20503 (To Remove the Exclusion of "Elected Officials", Prospectively from April 7, 1984).

- c. Section 20042 (One-Year Final Compensation) for local safety members only.
  - d. Section 21574 (Fourth Level of 1959 Survivor Benefits).
10. Public Agency, in accordance with Government Code Section 20834, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20834, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20834.
11. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
12. Public Agency shall also contribute to said Retirement System as follows:
- a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local safety members.
  - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
  - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
13. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

14. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BOARD OF ADMINISTRATION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL  
CITY OF NORCO

BY \_\_\_\_\_  
DARRYL WATSON, CHIEF  
EMPLOYER SERVICES DIVISION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY \_\_\_\_\_  
PRESIDING OFFICER

\_\_\_\_\_  
Witness Date

Attest:

\_\_\_\_\_  
Clerk

# **CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

Actuarial and Employer Services Branch

Public Agency Contract Services

(888) CalPERS (225-7377)

## **SUMMARY OF MAJOR PROVISIONS**

**3% @ 50 Formula (Section 21362.2)**

**Local Safety Members**

### **SERVICE RETIREMENT**

To be eligible for service retirement, a member must be at least age 50 and have five years of CalPERS credited service. If provided by the employer's contract, mandatory retirement age for local safety members is age 60.

The monthly retirement allowance is determined by age at retirement, years of service credit and final compensation. The basic benefit is 3% of final compensation for each year of credited service upon retirement at age 50. The allowance is limited to 90% of final compensation.

Final compensation is the average monthly pay rate during the last consecutive 36 months of employment, or 12 months if provided by the employer's contract, unless the member designates a different period of 36 or 12 consecutive months when the average pay rate was higher. Certain items of special compensation earned during your final compensation period will be included in your final compensation, in accordance with Board regulations.

### **DISABILITY RETIREMENT**

Members substantially incapacitated from performing the usual duties for the position for his/her current employer would be eligible for disability retirement provided they have at least five years of service credit. The monthly retirement allowance is 1.8% of final compensation for each year of service. The maximum percentage for members who have between 10.000 and 18.518 years of service credit is one-third of their final compensation. If the member is eligible for service retirement the member will receive the highest allowance payable, service or disability. If provided by the employer's contract, the benefit would be a minimum of 30% of final compensation for the first five years of service credit, plus 1% for each additional year of service to a maximum benefit of 50% of final compensation.

### **INDUSTRIAL DISABILITY RETIREMENT**

Members permanently incapacitated from performing their duties, as defined above under Disability Retirement, and the disability is a result of a job-related injury or illness may receive an Industrial Disability Retirement benefit equal to 50% of their final compensation. If provided in the employer's contract and the member is totally disabled, the disability retirement allowance would equal 75% of final compensation in lieu of the disability retirement allowance otherwise provided. If the member is eligible for service retirement, the service retirement allowance is payable. The total allowance cannot exceed 90% of final compensation.

### **PRE-RETIREMENT DEATH BENEFITS**

**Basic Death Benefit:** This benefit is a refund of the member's contributions plus interest and up to six months' pay (one month's salary rate for each year of current service to a maximum of six months).

1957 Survivor Benefit: An eligible beneficiary may elect to receive either the Basic Death Benefit or the 1957 Survivor Benefit. The 1957 Survivor Benefit provides a monthly allowance equal to one-half of the highest service retirement allowance the member would have received had he/she retired on the date of death. The 1957 Survivor Benefit is payable to the surviving spouse or registered domestic partner until death or to eligible unmarried children until age 18.

1959 Survivor Benefit: (If provided by the employer's contract and the member is not covered under social security.) A surviving spouse or registered domestic partner and eligible children may receive a monthly allowance as determined by the level of coverage. This benefit is payable in addition to the Basic Death Benefit or 1957 Survivor Benefit. Children are eligible if under age 22 and unmarried.

Pre-Retirement Option 2W Death Benefit: (If provided by the employer's contract.) The spouse or registered domestic partner of a deceased member, who was eligible to retire for service at the time of death, may elect to receive the Pre-Retirement Option 2W Death Benefit in lieu of the lump sum Basic Death Benefit. The benefit is a monthly allowance equal to the amount the member would have received if he/she had retired for service on the date of death and elected Option 2W, the highest monthly allowance a member can leave a spouse or registered domestic partner.

Special Death Benefit: A surviving spouse, registered domestic partner, or eligible children or step children may receive a monthly allowance equal to one-half of the final compensation. If the cause of death is due to external violence or physical force while on the job, and there are eligible surviving children in addition to a spouse or registered domestic partner, the allowance may be increased to a maximum of 75%.

#### COST-OF-LIVING ADJUSTMENTS

The cost of living allowance increases are limited to a maximum of 2% compounded annually unless the employer's contract provides a 3, 4, or 5% increase.

#### DEATH AFTER RETIREMENT

The lump sum death benefit is \$500 (or \$600, \$2,000, \$3,000, \$4,000 or \$5,000 if provided by the employer's contract) regardless of the retirement plan chosen by the member at the time of retirement.

#### TERMINATION OF EMPLOYMENT

Members who have separated from employment may elect to leave their contributions on deposit or request a refund of contributions and interest. Those who leave their contributions on deposit may apply at a later date for a monthly retirement allowance if the minimum service and age requirements are met. Members who request a refund of their contributions terminate their membership and are not eligible for any future benefits unless they return to CalPERS membership.

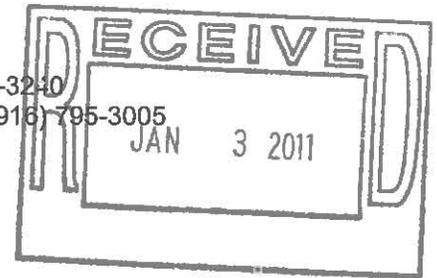
#### EMPLOYEE CONTRIBUTIONS

Local safety members covered by the 3% @ 50 formula contribute 9% of reportable earnings. Those covered under a modified formula (coordinated with Social Security) do not contribute on the first \$133.33 earned.

The employer also contributes toward the cost of the benefits. The amount contributed by the employer for current service retirement benefits generally exceeds the cost to the employee. In addition, the employer bears the entire cost of prior service benefits (the period of time before the employer provided retirement coverage under CalPERS). All employer contribution rates are subject to adjustment by the CalPERS Board of Administration.



Actuarial Office  
P.O. Box 1494  
Sacramento, CA 95812-1494  
TTY for Speech and Hearing Impaired - (916) 795-3240  
(888) CalPERS (or 888-225-7377)



December 9, 2010

Employer Number: 1093  
Employer Name: CITY OF NORCO  
Rate Plan: SAFETY PLAN

Dear Requestor:

A contract amendment(s) cost analysis for the valuation(s) requested and related information is enclosed.

The change in the employer contribution rate, as of the effective date of the proposed amendment, is displayed on page 4.

If you are aware of others interested in this information (i.e., payroll staff, county court employees, port districts, etc.), please inform them. Sections 20463 (b) and (c) of the California Public Employees' Retirement Law require the governing body of a public agency which requests a contract amendment cost analysis to provide each affected employee organization with a copy within five days of receipt. Likewise if a cost analysis is requested by an employee organization, the employee organization is required to provide a copy of the analysis to the public agency within five days of receipt.

**IMPORTANT: This cost analysis expires August 1, 2011.** A Resolution of Intention (R of I) approved by the agency governing body to amend the contract must be received by this office on or before August 1, 2011 and the amendment effective date must be before July 1, 2012. If either of these two conditions is not met, an updated cost analysis is required to amend the contract. An updated cost analysis may be available as early as November 2011.

To complete the contract amendment process based on the enclosed analysis, you must do the following:

- Complete and return the enclosed Contract Amendment Request and Schedule of Agency Actions forms. Within 30 days, CalPERS staff will send your agency the R of I form for adoption.
- Complete and return the adopted R of I to CalPERS on or before August 1, 2011. Adoption of the Final Resolution/Ordinance by this date is not required.

**Important Risk Disclosure**

- **The Nature of Actuarial Work:** All actuarial calculations, including the ones in this cost estimate are based on numerous assumptions about the future. This includes demographic assumptions about the percentage of your employees that will terminate, die, become disabled, and retire in each future year, and economic assumptions about what salary increases each employee receives and the most important assumption, what the assets at CalPERS will earn for each year into the future until the last dollar is paid to current members of your plan. While CalPERS has set these assumptions as our best estimate of the real future of your plan, it must be understood that these assumptions are very long term predictors and will surely not be realized each year as we go forward. **This means that your employer contribution retirement rate can vary dramatically with or without any benefit changes because short term experience does not conform to the long term actuarial assumptions.**
- Investment return is much more volatile than liability fluctuations and can cause employer rates to vary significantly. For example, for the past twenty year period ending June 30, 2010, returns for each fiscal year ranged from -24% to +20.1%. The impact of investment return on employer contribution rates varies significantly based on the plan's volatility index (the ratio of the market value of assets to the payroll).

- Projected Volatility Index:** As is stated above, the cost estimates supplied in this communication are based on a number of assumptions about very long term demographic and economic behavior. Even if these assumptions (terminations, deaths, disabilities, retirements, salary growth, and investment return) are exactly realized, there will be differences on a year to year basis. This year to year difference between actual experience and the assumptions is called a gain or loss which serves to lower or raise the employer's rates from year to year, respectively. So, the rates will fluctuate, especially due to the ups and downs of investment returns.

The volatility in annual employer rates may be affected by this amendment. The reason is that this amendment will require your plan to transfer into a pool with higher benefits and earlier retirement ages. This will in turn require the accumulation of more assets per member earlier in their career. Rate volatility can be measured by the ratio of plan assets to active member payroll. Higher asset to payroll ratios produce more volatile employer rates. To see this, consider two pools, one with assets that are 4 times active member payroll, and the other with assets that are 8 times active member payroll. In a given year, when assets rise or fall 10% above or below the actuarial assumption, the pool with a volatility index of 4 experiences a dollar gain or loss of 40% of payroll while the pool with a volatility index of 8 experiences a dollar gain or loss of 80% of payroll. If this gain or loss is spread over 20 years (and we oversimplify by ignoring interest on the gain or loss), then the first pool's rate changes by 2% of pay while the second pool's rate changes by 4% of pay.

For all pools, the desired state is to be 100% funded (i.e., assets to equal accrued liability). Therefore, we disclose the ratio of accrued liability to payroll rather than assets to payroll as a measure of the pool's potential future rate volatility. The higher the ratio, the more volatile the future rate may be. The table below contains these measures of potential future rate volatility for the plan's current pool and the new pool into which it would transfer. It should be noted that these ratios increase over time but generally tend to stabilize as the plan matures.

As of June 30, 2009	Current Pre-Amendment Pool	New Post-Amendment Pool
Pool's Accrued Liability	\$ 440,333,381	\$ 9,721,675,347
Pool's Payroll	60,158,108	973,814,168
Projected Volatility Index	7.3	10.0

**Modified Smoothing Policy:** As you no doubt are aware, the current financial market volatility has impacted the CalPERS trust fund and will impact future employer rates. The CalPERS Board has adopted a *temporary modification* to the smoothing policy which was implemented in the June 30, 2009 valuation. The modification does the following:

- Expanded the rate smoothing corridor from 80% to 120% of market value of assets (MVA) to 60% to 140% of MVA for June 30, 2009, to 70% to 130% for June 30, 2010, and back to 80% to 120% of MVA for June 30, 2011.
- Isolated and amortized gains and losses recognized on these three years using a fixed and declining 30-year period as opposed to the rolling 30-year amortization period.

If you have questions about the cost analysis, please call (888) CalPERS (225-7377). Please ask to speak to a contract analyst for questions about the timing of the contract amendment. Please ask to speak to me for questions about this cost analysis.



RICHARD SANTOS, CFA, ASA, MAAA  
Senior Pension Actuary, CalPERS

Enclosures

## Actuarial Cost Estimates in General

What will this amendment cost? Unfortunately, there is no simple answer. There are two major reasons for the complexity of the answer:

- The first was described in the risk disclosure and involves the nature of actuarial work based on demographic and economic assumptions.
- The second is the fact that the actuarial funding process produces the answer to the question of amendment cost as the sum of two separate pieces:
  1. The increase in Normal Cost (i.e., the increase in future annual premiums in the absence of surplus or unfunded liability) expressed as a percentage of total active payroll, and
  2. The increase in Past Service Cost (i.e., Accrued Liability – representing the current value of the increased benefit for all past service of eligible members) which is expressed as a lump sum dollar amount.

To communicate the total cost, the Past Service Cost (i.e., the lump sum) is converted to a percent of payroll and added to the Normal Cost to set the employer rate required for the amendment. Converting the Past Service Cost lump sum to a percent of payroll requires a specific amortization period. For plans that amend, the amortization period is usually 20 years.

## Assets for Pooled Plans

Pooled plans at CalPERS share assets within the pool. Therefore, the concepts of a plan's assets and surplus/unfunded liability are no longer valid, with two exceptions. The first exception is the need to determine superfunded status and the second exception is the need to transfer assets between pools when a plan changes benefit formulas and must transfer from one pool to another. This transfer process is described in the section below. Replacing the concept of a plan's assets and a plan's surplus/unfunded liability are the pool's assets and surplus/unfunded liability and the concept of the plan's side fund.

The potential change to each meaningful measurement for the plan due to this potential plan amendment will be disclosed in the remaining sections of this communication.

## Transfers between Pools

Plans at CalPERS are assigned to pools based on the service retirement formula for which they contract. Therefore, a request to amend from one service retirement formula to another requires a transfer of the plan from its current pool, call it Pool A, to a new pool, call it Pool B. When such an amendment occurs, the **transfer between pools will be deemed to have occurred as of the first annual rate setting actuarial valuation that recognizes the new contract amendment. In this case that will be the June 30, 2010 actuarial valuation.** So, if this proposed amendment is adopted, the plan will "cash out" of pool A and "buy into" pool B as of June 30, 2010. When the plan "cashes out" of Pool A, the plan will receive a prorated share of pool A's assets (excluding side funds) based on the ratio of the plan's liabilities to pool A's liabilities. The plan's remaining unamortized side fund as of June 30, 2010 will be added to this share of Pool A's assets to form the plan's total assets to cover the new higher liabilities that the plan brings into pool B as of June 30, 2010. The difference between total assets brought by the plan into pool B and the amount needed for the plan to "buy into" pool B will form the plan's new side fund.

## Changes in the Present Value of Benefits

The table below shows the change in the plan's total present value of benefits for the proposed plan amendment. The present value of benefits represents the total dollars needed today to fund all future benefits for *current* members of the plan (i.e., without regard to future employees). The increase in this amount must be paid by increases in future employer and perhaps future employee contributions. As such, the change in the present

value of benefits due to the plan amendment represents the total "cost" of the plan amendment. Some of this total cost may be covered by additional employee contributions and/or current side fund surplus.

	Pre-Amendment As of 06/30/2009	Change As of 06/30/2009	Post-Amendment As of 06/30/2009
Plan's Present Value of Benefits	\$21,790,097	\$2,836,702	\$24,626,799

### Change in Superfunded Status

A plan with actuarial value of assets (AVA) in excess of the total present value of benefits is called *superfunded*, and neither future employer nor employee contributions are required. Of course, events such as plan amendments and investment or demographic gains or losses can change a plan's condition from year to year. For example, a plan amendment could cause a plan to move from being superfunded to being in an unfunded position. It is CalPERS policy to retain a plan's superfunded status throughout a fiscal year based on the most recently completed actuarial valuation regardless of plan amendments. So, superfunded status would change only on the subsequent valuation date, for the 2012/2013 fiscal year. The projected superfunded status for fiscal year 2012/2013 with and without this plan amendment is shown below.

	Pre-Amendment Fiscal Year 2012/2013	Post-Amendment Fiscal Year 2012/2013
Plan's Superfunded Status	No	No

### Changes in Accrued Liability

The actuarial funding process calculates a regular contribution schedule of employee contributions and employer contributions (called normal costs) which are designed to accumulate with interest to equal the total present value of benefits by the time every member has left employment. As of each June 30, the actuary calculates this "desirable" level of funding as of that point in time. The *accrued liability* is equal to the present value of benefits less the present value of scheduled future employee contributions and future employer normal costs. That is, the present value of benefits represents the funding level needed if there are to be no future contributions and the accrued liability represents the funding level if there are to be future contributions (employee contributions and future employer normal costs). When a plan is "on schedule", only future employee contributions and future employer normal costs are needed. A plan that is "behind schedule" must temporarily increase contributions to get back on schedule and a plan that is "ahead of schedule" can temporarily reduce future contributions. If this amendment were included in the June 30, 2009 annual valuation, your plan's accrued liability would change as shown below.

	Pre-Amendment As of 06/30/2009	Change As of 06/30/2009	Post-Amendment As of 06/30/2009
Plan's Accrued Liability	\$16,283,328	\$2,375,137	\$18,658,465

### Changes in the Plan's Side Fund

As stated in the section on transfers between pools, if this amendment is adopted in time to be recognized in the June 30, 2010 actuarial valuation, the plan will be deemed to change pools on that valuation date. In this case, the plan's side fund will be adjusted as necessary as of this date. Shown below is the development of the plan's projected assets to be "cashed out" of the pool it is leaving as of June 30, 2010.

<b>Projected Pre-Amendment Amounts as of 06/30/2010</b>		
1. Plan's projected Accrued Liability without the plan amendment	\$	17,734,746
2. Current Pool's projected Accrued Liability		467,561,048
3. Plan's share of current Pool's projected Accrued Liability (1) / (2)		3.793%
4. Current Pool's projected Actuarial Value of Assets excluding side funds	\$	420,023,904
5. Plan's share of Current Pool's projected non-side fund Assets (3) x (4)		15,931,646
6. Plan's projected side fund without plan amendment		129,262
7. Plan's projected total asset "cash out" of current pool at actuarial value (5) + (6)		16,060,908

Shown below is the plan's "buy in" to the new pool and the change in the plan's side fund projected as of June 30, 2010.

<b>Projected Post-Amendment Amounts As of 06/30/2010</b>		
1. Plan's projected Accrued Liability with plan amendment	\$	20,405,246
2. New Pool's projected funded ratio		91.1%
3. Projected assets needed to "buy into" new Pool (1) x (2)	\$	18,580,405
4. Plan's projected total Assets Available (from (7) in table above)		16,060,908
5. Plan's projected new side fund (4) - (3)		(2,519,497)

## Changes in the Initial Employer Contribution Rate

The Public Employees' Retirement Law requires rate changes due to plan amendments to be implemented immediately on the effective date of the change in plan benefits. This change is displayed as the "Change to Total Employer Rate" below. If the contract amendment effective date is on or before June 30, 2011, the change in the employer contribution rate will be added to the employer's rate for the current fiscal year.

In general, CalPERS' policy provides that, upon a plan amendment, the side fund will be broken into two components. The first component is the change in the side fund due to the plan amendment. This component will be separately amortized over 20 years. The second component of the side fund is the remaining unamortized portion of side fund as though no amendment had occurred. This pre-existing component will continue to be amortized as it was prior to the plan amendment. Finally, these two components will be added together to form a single side fund amount. The amortization period of this combined single side fund will be set to produce a single side fund payment that is as close as possible to the payment that would have resulted had the two side fund components not been combined. CalPERS amortization policies may require a further change in the amortization period known as a fresh start. These policies are contained in Appendix A of Section 2 of your 2009 annual actuarial report.

The following table shows the change in your plan's employer contribution rate for fiscal 2011/2012 due to the plan amendment. The post-amendment information shown is the actual initial contribution rate that will apply during fiscal 2011/2012 if you adopt the amendment prior to fiscal 2011/2012. The change in normal cost may be much more indicative of the long term change in the employer contribution rate due to the plan amendment. The plan's amortization of its side fund is a temporary adjustment to the employer contribution to "get the plan back on schedule" over the amortization period shown.

**CONTRACT AMENDMENT COST ANALYSIS - VALUATION BASIS: JUNE 30, 2009**  
**SAFETY PLAN FOR CITY OF NORCO**  
**Employer Number: 1093**  
**Benefit Description: Section 21362.2 3% @ 50 Full Formula For Local Safety Members**

	<b>Pre-Amendment</b>	<b>Change</b>	<b>Post-Amendment</b>
<b>2011/2012 Employer Rate</b>			
Pool's Net Employer Normal Cost	14.014%	3.150%	17.164%
Pool's Payment on the Unfunded Liability	5.155%	0.772%	5.927%
<b>Surcharge for Class 1 Benefits</b>			
a) FAC 1	0.871%	0.150%	1.021%
Phase out of Normal Cost Difference	0.000%	0.000%	0.000%
Amortization of Side Fund	(0.423%)	7.849%	7.426%
<b>Total Employer Rate</b>	<b>19.617%</b>	<b>11.921%</b>	<b>31.538%</b>
Side Fund Amortization Period	14		20
2012/2013 Estimated Employer Rate	*		32.4%

In the above table, the Total Employer Rate is the actual initial contribution rate that will apply during fiscal year 2011/2012 if you adopt the amendment. The 2011/2012 rates do not incorporate the investment return for the fiscal year ending June 30, 2010. However, the 2012/2013 Estimated Employer Rate does incorporate this return, but assumes no demographic gains or losses.

\* The estimated 2012/2013 rate shown in the annual report mailed to you in November 2010, normally used as the pre-amendment rate, was calculated based on an estimated rate of return of 11% for the fiscal year ending June 30, 2010. When the assets were finally closed, it was determined that the actual rate of return was 13%. The post-amendment estimate of the 2012/2013 rate shown above is based on the 13% rate of return in order to offer you a more realistic cost estimate.

The table below shows the change in your plan's employee contribution rate (if any) for fiscal year 2011/2012 due to the plan amendment.

	<b>Pre-Amendment</b>	<b>Change</b>	<b>Post-Amendment</b>
2011/2012 Employee Rate	9.000%	0.000%	9.000%

**Additional Disclosure**

If your agency is requesting cost information for two or more benefit changes, the cost of adopting more than one of these changes **may not** be obtained by adding the individual costs. Instead, a separate valuation must be done to provide a cost analysis for the combination of benefit changes. If the proposed plan amendment applies to only some of the employees in the plan, the rate change due to the plan amendment still applies to the entire plan, and is still based on the total plan payroll.

Please note that the cost analysis provided in this document **may not** be relied upon after August 1, 2011. If you have not taken action to amend your contract by this date, you must contact our office for an updated cost analysis, based on the new annual valuation.

Descriptions of the actuarial methodologies, actuarial assumptions, and plan benefit provisions may be found in the appendices of the June 30, 2009 annual report. Please note that the results shown here are subject to change if any of the data or plan provisions differ from what was used in this study.

## Certification

This actuarial valuation for the proposed plan amendment is based on the participant, benefits, and asset data used in the June 30, 2009 annual valuation, with the benefits modified if necessary to reflect what is currently provided under your contract with CalPERS, and further modified to reflect the proposed plan amendment. The valuation has been performed in accordance with standards of practice prescribed by the Actuarial Standards Board, and the assumptions and methods are internally consistent and reasonable for this plan, as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.



RICHARD SANTOS, CFA, ASA, MAAA  
Senior Pension Actuary, CalPERS

## Summary of Plan Amendments Valued

### COVERAGE GROUP 74001

#### Pre-Amendment

- The Service Retirement benefit calculated for service earned by this group of members is a monthly allowance equal to the product of the 2% @ 50 benefit factor, years of service, and final compensation. (Final compensation is reduced by \$133.33 per month for members with a modified formula). The benefit factors for retirement at integral ages are shown below:

<u>Retirement Age</u>	<u>2% at 50 Factor</u>
50	2.000%
51	2.140%
52	2.280%
53	2.420%
54	2.560%
55 and older	2.700%

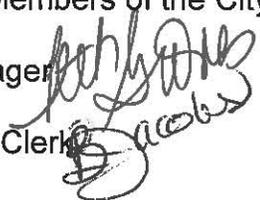
#### Post-Amendment

- The Service Retirement benefit calculated for service earned by this group of members is a monthly allowance equal to the product of the 3% @ 50 benefit factor, years of service, and final compensation. (Final compensation is reduced by \$133.33 per month for members with a modified formula). The benefit factors for retirement at integral ages are shown below:

<u>Retirement Age</u>	<u>3% at 50 Factor</u>
50	3.000%
51	3.000%
52	3.000%
53	3.000%
54	3.000%
55 and older	3.000%

# CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk 

DATE: April 20, 2011

SUBJECT: Expiration of the Temporary Transportation Uniform Mitigation Fee (TUMF) Reduction Period

RECOMMENDATION: 1.) Adopt **Ordinance No. \_\_\_\_\_**, for first reading, amending Chapter 3.50 of the Norco Municipal Code removing the temporary fee reduction period under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program; and

2.) Adopt **Resolution No. 2011-\_\_\_**, ending the temporary fee reduction period under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program.

**SUMMARY:** In December of 2010, the City Council approved an extension to Transportation Uniform Mitigation Fees ("TUMF") that included a 50% fee reduction period through December 31, 2011, or once the \$20 million aggregate cap in uncollected TUMF revenue is reached upon notification by letter from the WRCOG Executive Director at the direction of the WRCOG Executive Committee. It has been determined that it would be to the best financial interest of the City to end that TUMF reduction period early, as the City does not have a clear defined method to demonstrate how it will address the loss of fees not collected through alternate funding and cost saving methods.

**BACKGROUND/ANALYSIS:** On December 6, 2010, the WRCOG Executive Committee voted to extend the ability for local jurisdictions to implement a 25% or 50% fee reduction for up to one more year from January 1, 2011, to December 31, 2011, with a maximum cap of \$20 million for all uncollected TUMF revenues resulting from the fee reduction since implementation of the policy. The majority of the Western Riverside County jurisdictions did not implement the fee reduction. The ability for local jurisdictions to implement the fee reduction will be terminated automatically on December 31, 2011, or once the \$20 million aggregate cap in uncollected TUMF revenue is reached upon notification by letter from the WRCOG Executive Director at the direction of the WRCOG Executive Committee.

On December 15, 2010, the City Council adopted Ordinance No. 929 and Resolution No. 2010-71 extending the TUMF reduction period to December 31, 2011.

The proposed ordinance and resolution will end the temporary TUMF reduction period that was previously set to expire on December 31, 2011. The temporary TUMF reduction period action in no manner relieved the City Council of any past and future program funding backfill obligations previously required before this action. As stated when the temporary TUMF reduction was extended, there could be possible impacts on the amount of funding available for future local and regional transportation projects, as well as future financial impacts if the City is unable to find project cost savings or alternative funding sources to make up the 50% fee reduction. Given those facts, along with the fact that the City does not have a clear defined method to demonstrate how it will address the loss of fees not collected through alternate funding and cost saving methods, staff is recommending that the temporary TUMF reduction period expire immediately, at which time the City of Norco will revert to the 100% TUMF fees as adopted in Resolution No. 2009-81.

**FINANCIAL IMPACT:** Since first implemented in January of 2010, the City's TUMF obligation equates to \$153,532. If it remains in place as is, the financial impact is undetermined, and the City could be compelled to use other transportation funds to backfill the TUMF program developer impact fees.

/bj-78271

Attachments: Ordinance No. \_\_\_\_\_, for first reading  
Resolution No. \_\_\_\_\_

# ORDINANCE NO. \_\_\_\_

## AN ORDINANCE OF THE CITY OF NORCO, CALIFORNIA AMENDING CHAPTER 3.50 OF THE NORCO MUNICIPAL CODE REMOVING THE TEMPORARY FEE REDUCTION PERIOD UNDER THE WESTERN RIVERSIDE COUNTY TRANSPORTATION UNIFORM MITIGATION FEE (TUMF) PROGRAM

The City Council of the City of Norco resolves as follows:

SECTION 1. TEMPORARY FEE REDUCTION PERIOD: The City Council has determined that the TUMF Program temporary fee reduction period shall expire immediately. The City Council understands that this action in no manner relieves the City Council of any past and future program funding backfill obligations previously required before this action. The City Council understands and hereby agrees to make monthly reports to WRCOG, in a format determined by WRCOG in its sole discretion, of the outstanding amount of uncollected TUMF revenue resulting from the fifty percent (50%) temporary fee reduction since its original implementation.

NOW THEREFORE, the City Council of the City of Norco further resolves as follows:

SECTION 1. Norco Municipal Code Chapter 3.50 is hereby amended as follows:

### Section 3.50.030 Establishment of the Transportation Uniform Mitigation Fee.

This subsection (D) is deleted pursuant to Resolution No. 2011-\_\_\_\_.

~~D. Temporary Fee Reduction Period.~~

~~1. Notwithstanding, under Section 3.50.030 of Ordinance No. 912 and the adopted TUMF schedule, the City Council may, by separate resolution, adopt a reduced TUMF fee schedule applicable only through December 31, 2011 or until such time the City receives written notice from the WRCOG Executive Director under direction of the WRCOG Executive Committee that the \$20 million aggregate cap in uncollected TUMF revenues has been reached, whichever occurs earlier. The TUMF may be so reduced by up to 50 percent of fees established in the schedule adopted pursuant to this section. If fees are reduced, all other sections of Ordinance No. 912 shall still be in effect during the temporary fee reduction period. After December 31, 2011, the regular TUMF schedule, as adopted by the City Council and revised from time to time pursuant to this section, shall automatically apply.~~

~~2. If reduced fees are paid pursuant to this subsection (D) at issuance of a building permit and either the application or the building permit expires, subsequent building permit application on the same parcel shall be subject to the full TUMF amount, unless the temporary fee reduction period is still in effect at the time the subsequent application is made.~~

**Section 3.50.090 Ordinance 929.**

~~If, for whatever reason, the ordinance codified in this chapter is declared invalid or unenforceable by a court of competent jurisdiction, Ordinance No. 929 and all other related ordinances, resolutions, and policies shall remain in full force and effect.~~

**SECTION 2. EFFECT:** No provisions of this Ordinance shall entitle any person who has already paid the TUMF to receive a refund, credit, or reimbursement of such payment. This Ordinance does not create any new TUMF.

**SECTION 3. SEVERABILITY:** If any one or more of the terms, provisions or sections of this Ordinance shall to any extent be judged invalid, unenforceable and/or voidable for any reason whatsoever by a court of competent jurisdiction, then each and all of the remaining terms, provisions and sections of this Ordinance shall not be affected thereby and shall be valid and enforceable.

**SECTION 4. EFFECTIVE DATE:** This Ordinance shall take effect thirty (30) days after its adoption.

**SECTION 5. POSTING:** The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall cause the same within fifteen (15) days of its passage to be posted at no less than five (5) 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 May 4, 2011.

\_\_\_\_\_  
Mayor of the City of Norco, California

ATTEST:

\_\_\_\_\_  
Brenda K. Jacobs, CMC, City Clerk  
City Clerk of the City of Norco

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 April 20, 2010 and thereafter at a regular meeting of said City Council duly held on May 4, 2011 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 May 4, 2011.

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

/bj-78267

## RESOLUTION NO. 2011-\_\_

### A RESOLUTION OF THE CITY OF NORCO, CALIFORNIA ENDING THE TEMPORARY FEE REDUCTION PERIOD UNDER THE WESTERN RIVERSIDE COUNTY TRANSPORTATION UNIFORM MITIGATION FEE (TUMF) PROGRAM

The City Council of the City of Norco resolves as follows:

SECTION 1. The City Council hereby determines that the reduced TUMF fee schedule as adopted in Section 3 of Resolution 2009-81 and the temporary fee reduction period under the Western Riverside County TUMF Program shall expire immediately. The City Council understands that this action in no manner relieves the City Council of any past and future program funding backfill obligations previously required before this action. The City Council understands and hereby agrees to make monthly reports to WRCOG, in a format determined by WRCOG in its sole discretion, of the outstanding amount of uncollected TUMF revenue resulting from the fifty percent (50%) temporary fee reduction since its original implementation.

SECTION 2. This resolution shall take effect immediately, at which time the City of Norco will revert to the 100% TUMF fees as adopted in Resolution No. 2009-81.

SECTION 3. Resolution No. 2010-71 is hereby repealed in its entirety.

PASSED AND ADOPTED by the City Council of the City of Norco at a meeting held on April 20, 2011.

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Mayor of the City of Norco, California

ATTEST:

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

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a meeting held on April 20, 2011 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 April 20, 2011.

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

/bj-77260