



AGENDA
CITY OF NORCO
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
JULY 20, 2011

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

Number of Potential Cases: 1

RECONVENE PUBLIC SESSION: 7:00 p.m.

REPORT OF ACTION(S) TAKEN IN CLOSED SESSION (§54957.1)
City Attorney

PLEDGE OF ALLEGIANCE: Council Member Sullivan

INVOCATION: Calvary Chapel – Norco
Pastor Louie Montieth

PRESENTATION: Norco Horsemen's Association
Ten Top Trails that Need Improvement

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:
Regular Meeting of July 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:
Regular Meeting of July 6, 2011
Recommended Action: **Approve the City Council Minutes** (City Clerk)
 - B. Recap of Actions Taken at the Planning Commission Regular Meeting of July 13, 2011. **Recommended Action: Receive and File** (Planning Director)
 - C. Quarterly Investment Report for Quarter Ended June 30, 2011. **Recommended Action: Receive and File** (Deputy City Manager/Director of Finance)
 - D. Approval of an Agreement with the City of Corona for Battalion Chief Services with the City of Norco. **Recommended Action: Approve an Agreement with the City of Corona for Battalion Chief Services in the amount of \$110,000.** (Fire Chief)
 - E. Approval of a Cooperative Reimbursement Agreement between the City of Norco and the Riverside County Flood Control & Water Conservation District to Construct the North Norco Channel Line N-5A. **Recommended Action: Approve Project No. 2-0-00136 Funding Agreement between the City of Norco and the Riverside County Flood Control and Water Conservation District and authorize the City Manager to execute the Agreement.** (Director of Public Works)
 - F. Ratification of the Fiscal Year 2011-12 Western Riverside County Regional Wastewater Authority Budget. **Recommended Action: Adopt Resolution No. 2011-___, approving the 2011-12 Western Riverside County Regional Wastewater Authority Budget** (Director of Public Works)
 - G. Approval of a Water, Sewer and Recycled Utilities Service Contract between the City of Norco and the Naval Weapons Station (NWS) Seal Beach Detachment Corona, California. **Recommended Action: Approve a Water, Sewer and Recycled Utilities Contract between the City of Norco and the Naval Weapons Station, Seal Beach Detachment Corona, California and authorize the City Manager to execute the agreement.** (Director of Public Works)

4. ITEM(S) 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. Ordinance Approving the Development Agreement between the City of Norco and Balboa Management Group, LLC for the Silverlakes Equestrian & Sports Park. **Recommended Action: Adopt Ordinance No. 934 for second reading.** (City Clerk)
 - B. Ordinance Amending the Norco Municipal Code to Establish the Criteria for One, Two, and Three Year Dog Licensing Throughout the City of Norco. **Recommended Action: Adopt Ordinance No. 935 for second reading.** (City Clerk)
6. CITY COUNCIL PUBLIC HEARINGS:
 - A. Public Hearing Ordering the Continuation of Landscape Maintenance Districts and Confirming a Diagram and Assessment and Providing for an Annual Assessment Levy for Districts No. 1 - Beazer, Tract 28765; No. 2 – Western Pacific, Tract 25779; No. 3 – Centex, Tract 28626; No. 4 – Norco Ridge Ranch, Tracts 29588 and 29589; and No. 5 – Hawk’s Crest, Tract 30230

The “Landscaping and Lighting Act of 1972” requires an Engineer’s Report for the existing Landscape Maintenance Districts (LMDs) be reviewed and approved annually by the City Council after a Public Hearing to continue assessments for the districts. The formation of the five districts allow for an annual increase not to exceed the Consumer Price Index (CPI). The annual CPI adjustment per parcel assessment in all districts was 1.3% according to the published 2010 CPI.

Recommended Actions: That the City Council open the Public Hearing and if no more than 50 percent of the property owners within the District protest, it would be appropriate to adopt Resolution No. 2011-___, (Beazer); Resolution No. 2011-___, (Western Pacific); Resolution No. 2011-___, (Centex); Resolution No. 2011-___, (Norco Ridge Ranch); Resolution No. 2011-___, (Hawk’s Crest), Ordering the Continuation of a Landscaping Maintenance District and Confirming a Diagram and Assessment and Providing for Annual Assessment Levy. (City Engineer)

B. Rate Adjustments Proposed by Waste Management of the Inland Empire

The existing fifteen-year Franchise Agreement provides that Waste Management is entitled to receive rate adjustments for inflation (based on the Consumer Price Index) and "pass through" disposal cost increases. The Agreement further provides that such rate adjustments shall not be unreasonably withheld. The rate adjustments include a Consumer Price Index (CPI) increase of 3.0 percent from March 2010 to March 2011. It is the City Attorney's opinion that this CPI rate adjustment does not trigger Proposition 218 provisions as the existing agreement provides that the franchisee is entitled to adjust rates on an annual basis to cover increased costs due to inflation based on increases in the CPI. Therefore, following the public hearing process, staff is recommending approval of the proposed rates. The new rates will become effective on August 1, 2011.

Recommended Action: Adopt Resolution No. 2011-___, amending the Agreement between the City of Norco and USA Waste of California, Inc., DBA Waste Management of the Inland Empire, for the collection, transportation, recycling, and disposal of solid waste and approving rates therefore. (Deputy City Manager/Director of Finance)

7. 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.

8. OTHER MATTERS – COUNCIL:

9. OTHER MATTERS – STAFF:

10. 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.



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

CALL TO ORDER: Mayor Hanna called the meeting to order at 6:00 p.m.

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**

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

City Attorney Harper– **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

RECONVENE PUBLIC SESSION: Mayor Hanna reconvened the meeting at 7:00 p.m.

REPORT OF ACTION(S) TAKEN IN CLOSED SESSION (§54957.1): City Attorney Harper stated that there were no reportable actions from Closed Session discussions.

PLEDGE OF ALLEGIANCE: Council Member Azevedo

INVOCATION: St. Mel's Catholic Church
Father Declan Fogarty

PRESENTATIONS: Sergeant Custodio Ponce
In Recognition of Receiving the
LAPD Medal of Valor

Mayor Hanna presented a Certificate of Recognition to Sergeant Ponce in honor of him receiving the LAPD Medal of Valor.

Parks and Recreation Month – July 2011

Mayor Hanna presented a proclamation to Parks, Recreation & Community Services Director Petree in recognition of Parks and Recreation Month.

Agenda Items 1.A. & 3.A.

Commission Service Appreciation
Glenn Hedges

Mayor Hanna presented a City Tile to Mr. Hedges in recognition of his service on the Streets, Trails & Utilities Commission.

EDAC Service Appreciation
Jeff Compton

Mayor Hanna presented a City Tile to Mr. Compton in recognition of his service on the Economic Development Advisory Council ("EDAC"). Pat Overstreet, representing the Norco Regional Conservancy, presented Mr. Compton with a plaque recognizing his contributions to the Conservancy.

REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

1. **CRA CONSENT CALENDAR ITEMS: Mayor Hanna stated that the amount requested in Item 1.C. was input incorrectly on the agenda and should correctly state "Approval of First-Time Homebuyer Case No.2011-02 in the Amount of \$36,750".**

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

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

- A. **CRA Minutes:
Regular Meeting of June 15, 2011
Recommended Action: Approve the CRA Minutes (City Clerk)**
 - B. **Approval of First-Time Homebuyer Case No. 2011-01 in the Amount of \$29,250. Recommended Action: Approval (Housing Manager)**
 - C. **Approval of First-Time Homebuyer Case No.2011-02 in the Amount of ~~\$29,950~~ \$36,750. Recommended Action: Approval (Housing Manager)**
2. **OTHER CRA MATTERS: No other CRA matters**

ADJOURNMENT OF CRA: 7:15 p.m.

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

3. CITY COUNCIL CONSENT CALENDAR ITEMS:

Item 3.H was pulled by the public for discussion.

M/S Sullivan/Bash 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, HANNA, NEWTON, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- A. City Council Minutes:
Regular Meeting of June 15, 2011
Recommended Action: **Approve the City Council Minutes** (City Clerk)
- B. Recap of Actions Taken at the Planning Commission Regular Meeting of June 29, 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. Approval of a Cooperation Agreement for the City of Norco to Participate in the County of Riverside's Urban County Program for Fiscal Years 2012-13, 2013-14 and 2014-15. **Recommended Action: Adopt Resolution No. 2011-55 approving the Cooperation Agreement.** (Housing Manager)
- E. Approval of a Reimbursement Agreement between the City of Norco and Balboa Management Group, LLC. **Recommended Action: Adopt Resolution No. 2011-50, approving a Reimbursement Agreement between the City of Norco and Balboa Management Group, LLC to fund weed abatement and site maintenance of the Silverlakes property.** (Public Works Director)
- F. Acceptance of Bids and Award of Contract for the Norco Drive Sewer and Water Improvements Project. **Recommended Action: Accept bids submitted for the installation of sewer and water improvements and award a contract to Vido Samarzich, Inc. in the amount of \$166,446 and authorize the City Manager to approve contract change orders up to 10 percent of the contract amount.** (Public Works Director)

- G. Award of Contract for Riverside County Flood Control and Water Conservation District Master Drainage Plan Storm Drain Design Services. **Recommended Action: Award a professional design services contract to Armstrong and Brooks Consulting Engineers for a not-to-exceed amount of \$94,555.** (Public Works Director)
- H. Discussion of Zoning Standards that Regulate the Maximum Number of Roosters Allowed on Properties in the A-1 Zone. **Recommended Action: Direct the Planning Commission to take the matter up for discussion and report back at a later date any proposed recommendations.** (Planning Director) **PULLED FOR DISCUSSION**

4. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:

- 3.H. Discussion of Zoning Standards that Regulate the Maximum Number of Roosters Allowed on Properties in the A-1 Zone. **Recommended Action: Direct the Planning Commission to take the matter up for discussion and report back at a later date any proposed recommendations.** (Planning Director)

Dave Henderson. Mr. Henderson stated that he would like input from the Council before this item is discussed by the Planning Commission.

Council Member Newton commented on his concerns when he served on the Planning Commission in regards to the Council sending back items to the Planning Commission for discussion without direction and input from them. He further commented on a proposal he would suggest, that being placing a moratorium on the number of roosters during the time period that the Planning Commission discusses this item. City Attorney Harper stated that that would be a change to the Municipal Code and the number of roosters allowed would stay in place during a moratorium.

Planning Director King stated that he is recommending to the Planning Commission the establishment of a sub-committee that would consist of two members of the Planning Commission, Animal Control staff and Planning Division staff to discuss this and then bring it back to the Planning Commission to recommend a proposal to bring back to the City Council.

Discussion took place regarding cock fighting roosters and the problems associated with the raising of them.

M/S Bash/Newton to direct the Planning Commission to take the matter up for discussion and report back at a later date any proposed recommendations. The motion was carried by the following roll call vote:

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

5. CITY COUNCIL PUBLIC HEARINGS:

- A. Consideration of documents related to Silverlakes Equestrian & Sports Park by and between the City of Norco and Balboa Management Group, LLC

In January of 2008, the Norco City Council/Norco Redevelopment Agency ("City/Agency") approved a Memorandum of Understanding ("MOU") with Belstarr Sports Management, LLC to proceed with development of a recreation and park facility on the Silverlakes site. Balboa Management Group, LLC is the successor entity to Belstarr Sports Management, LLC and is hereby referred to as Balboa. The MOU outlined the roles, expectations, goals and responsibilities of the parties.

Subsequently, on March 4, 2009 the City Council approved Conditional Use Permit 2008-09 (CUP) and certified the project environmental impact report (EIR). Since that time, active negotiations have been underway resulting in key legal documents the City Council must approve for the development to proceed.

On August 11, 2010, the City of Norco Planning Commission conducted a public hearing to consider the Silverlakes Development Agreement and voted unanimously to approve Planning Resolution 2010-11 recommending that the City Council approve the Development Agreement. The Development Agreement was considered through the public hearing process at this same meeting.

Approval of these documents from the City Council is required so that Balboa in cooperation with the City of Norco can move forward with the development of the Silverlakes Equestrian & Sports Park.

Recommended Action: Approve and adopt in separate actions:

- a. **Norco Silverlakes Ground Lease by and between the City of Norco (Landlord) and Balboa Management Group, LLC (Tenant).**
- b. **Norco Silverlakes Shared Use Agreement by and between the City of Norco (Landlord) and Balboa Management Group, LLC (Tenant).**
- c. **Resolution No. 2011-___, Restating the Conditions of Approval of Resolution No. 2009-08 (Adopted on March 4, 2009) relating to Conditional Use Permit No. 2008-09 for the Silverlakes Equestrian & Sports Park located on the east side of Hamner Avenue north of the Santa Ana River.**

- d. **Ordinance No. 2011-___**, for first reading. Approving the Development Agreement between the City of Norco and Balboa Management Group, LLC for the Silverlakes Equestrian & Sports Park.
- e. **Resolution No. 2011-___**, approving findings that the Silverlakes Equestrian & Sports Park Project is consistent with the Deed Restriction on the 122-acre Silverlakes Property.
- f. **Funding, Construction and Acquisition Agreement by and between the City of Norco and Balboa Management Group, LLC, a Delaware Limited Liability Company.**

(City Manager)

City Manager Groves introduced the public hearing item and provided a brief history of the Silverlakes Equestrian & Sports Park project. She commented on the City Council actions required to proceed with the development. The current site plan was presented, detailing the highlights of the development.

Mr. R. J. Brandes, representing Balboa Management Group, LLC, stated that this project is "about the City of Norco" and thanked everyone for their support, noting that this proves has been a team effort.

Larry Kosmont, representing Kosmont Companies, provided detailed information on the project and the process and terms as stated in the key documents presented for City Council approval.

Council Member Newton thanked the City Manager and staff for all of their hard work. In response to his question, Public Works Director Thompson confirmed that the offsite, water and sewer improvements will be funded by Water and Sewer Fund Bond Proceeds.

Mayor Pro Tem Bash stated that he was a part of this project since it started and thanked all of the individuals that contributed throughout the years. He further stated that this project is creating for 99 years a place for kids and noted the legacy it is creating and the economic engine it will serve as.

Council Member Azevedo thanked Mr. Brandes and his team for their efforts and stated -- "let the games begin."

Council Member Sullivan commented on the City's purchase of Silverlakes noting that he did not support the purchase at that time because of the high cost. He thanked Mr. Brandes for his efforts.

Mayor Hanna stated that he was behind this project from the beginning and thanked City staff and Mr. Brandes for their efforts.

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

Judy Bonham. Ms. Bonham asked where portable stalls would be placed on the site. Mr. Brandes noted on the site plan where 1,200 – 1,400 stalls could be located.

Julian Smith. Mr. Smith stated that he is an adjacent property owner to the site and asked some questions regarding the size of the proposed multi-purpose building and the financial investment the project requires. City Manager Groves responded that the actual size of the multi-purposed building is yet to be determined. Mr. Brandes stated that this project will be a model for other cities and further stated that he has put time into knowing that this project will “pay the bills.” Mr. Smith asked if there will be any commercial facilities on this project and also how flooding in the future will be prevented on the site. City Manager Groves commented on the deed restriction adding that there is no plan for a permanent riding stable. She further commented on the protection dike that has been built to prevent future flooding.

Pat Overstreet. Ms. Overstreet thanked everyone for their work on this project and added that she also believes that it will serve as the economic engine to save this town.

Bobbie Pope. Ms. Pope asked if there would be western horse events scheduled. Mr. Brandes responded that there would be.

Mayor Hanna CLOSED the public hearing.

M/S Bash/Newton to approve the Norco Silverlakes Ground Lease by and between the City of Norco (Landlord) and Balboa Management Group, LLC (Tenant). 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/Sullivan to approve the Norco Silverlakes Shared Use Agreement by and between the City of Norco (Landlord) and Balboa Management Group, LLC (Tenant). The motion was carried by the following roll call vote:

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

M/S Hanna/Newton to adopt Resolution No. 2011-51, Restating the Conditions of Approval of Resolution No. 2009-08 (Adopted on March 4, 2009) relating to Conditional Use Permit No. 2008-09 for the Silverlakes Equestrian & Sports Park located on the east side of Hamner Avenue north of the Santa Ana River. 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 Ordinance No. 934, for first reading. Approving the Development Agreement between the City of Norco and Balboa Management Group, LLC for the Silverlakes Equestrian & Sports Park. 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 Resolution No. 2011-52, approving findings that the Silverlakes Equestrian & Sports Park Project is consistent with the Deed Restriction on the 122-acre 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/Hanna to approve the Funding, Construction and Acquisition Agreement by and between the City of Norco and Balboa Management Group, LLC, a Delaware Limited Liability Company. The motion was carried by the following roll call vote:

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

- B. Amendment to the Norco Municipal Code to Establish the Criteria for One, Two, and Three Year Dog Licensing Throughout the City of Norco

Code Amendment 2011-03 is a City-initiated proposal to amend Title 6 of the Norco Municipal Code (NMC) for "Dog Licensing Process" for rabies control required by the State of California. This code amendment is to establish criteria for the one, two, and three year dog licensing process. In addition, it will standardize the process with other agencies' rabies licensing programs.

Recommended Action: Adopt Ordinance No. ____ for first reading.
(Parks, Recreation & Community Services Director)

Director Petree introduced the public hearing item.

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

M/S Bash/Sullivan to adopt Ordinance No. 935 for first reading. The motion was carried by the following roll call vote:

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

- C. Amendments to the City's Comprehensive Fee Resolution

On June 2, 2010, the City Council adopted Resolution No. 2010-26 updating the fees for general City services. On October 20, 2010, the City Council adopted Resolution No. 2010-61, amending the General Fees not included in the previous revision to include Parks, Recreation & Community Services. Again on May 4, 2011, City Council adopted Resolution No. 2011-22, revising fees for the Building Division services. This proposed Resolution recommends adjustments to certain fees based on the changes to the Consumer Price Index from March 2010 to March 2011 and addition of certain new fees to the Comprehensive Fee Schedule.

Recommended Action: Adopt Resolution No. 2011-____, updating and adjusting fees for General City Services. (Deputy City Manager/Director of Finance)

Deputy City Manager/Director of Finance Okoro introduced the public hearing item stating that it is being proposed that certain user fees be adjusted by applying the Consumer Price Index from March 2010 through March 2011, which was 3.1 percent during that time period. He stated that there are a few other fees being recommended to add as those services are now being provided to justify those fees.

Council Member Newton asked if there are fees charged for illegal grading without permits and also asked if there is anything in place to charge a fee for a "stop work notice" or the ability to fine the contractor. Public Works Director Thompson responded that this action is covered in the Norco Municipal Code and not in user fees. He added that the City does not have a "stop work notice" fee as such.

Council Member Sullivan asked if the fee for Moreno Arena was a fully burdened fee for people out of town. Parks, Recreation & Community Services Director Petree responded that the Council had adopted that there would no longer be groups 1, 2 and 3; only a group 3. He added that the rate to rent the facility is fully burdened, adding that all of the local groups were identified by the Council as special interest groups and have a pro-rated fee increase in place.

Mayor Hanna OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak. With on one wishing to speak, Mayor Hanna **CLOSED** the public hearing.

M/S Bash/Newton to adopt Resolution No. 2011-53, updating and adjusting fees for General City Services. The motion was carried by the following roll call vote:

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

D. Public Hearing Confirming Costs for Spring Weed Abatement

The 2011 Spring Weed Abatement Report of Costs lists property owners whose vacant parcels were abated by the Fire Department's weed abatement contractor for the 2011 Spring Weed Abatement Program. After Council adopts the Resolution, property owners will be invoiced for payment of the abatement.

Recommended Action: Adopt Resolution No. 2011-___, confirming the report of costs for abatement of weeds and hazardous vegetation as a public nuisance and imposing special assessment liens on vacant parcels within the City. (Fire Department)

Fire Chief Bryan introduced the public hearing item stating that this is the second part of this year's weed abatement process. He noted that there were a limited number of parcels that required abatement by the City. Fire Chief Bryan commented on the abatement of the property owned by Russell Jackson, noting that there were some

communication problems with the individual and recommended that the resolution be adopted with the addition that this property owner will not be charged the administrative fee.

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

M/S Bash/Sullivan to adopt Resolution No. 2011-54, confirming the report of costs for abatement of weeds and hazardous vegetation as a public nuisance and imposing special assessment liens on vacant parcels within the City, with the caveat that the property owner of Parcel No. 131310015-9 (Russell Jackson) will not be charged the administrative fee. The motion was carried by the following roll call vote:

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

6. PUBLIC COMMENTS OR QUESTIONS:

Jim Williamson. Mr. Williamson commented on the pavers discussed in previous Council meetings and stated that pavers are safe and would like to see them stay. He added that it is the fault of the rider if there is an accident and there is nothing unsafe about the pavers.

Judy Bonham. Ms. Bonham commented on the article in the newspaper regarding the pavers and stated that she does not think that the pavers caused the accident as reported and further stated that she does not think there is a need to remove the pavers.

Bobbie Pope. Ms. Pope commented on the pavers, noting two new installations since the moratorium was put in place. She further commented on the pavers installed in the "flat land" and believes they are dangerous. Ms. Pope added that the trails need to be open and safe for all riders.

7. OTHER MATTERS – COUNCIL:

Council Member Sullivan

- 👉 Thanked everyone that came to the street dedication for Dr. Malcolm G. Miller, M.D. Way, noting what a great man Malcolm was and he was also highly respected.

Council Member Azevedo:

- ✚ Commented on an alternative material that is being looked at by City staff that could possibly be used instead of the pavers.
- ✚ Noted that one of the events that can be held at the Silverlakes Equestrian & Sports Park is the 4th of July event.
- ✚ Commented on the National Day of the Cowboy, noting the highlights of the opening ceremonies that will take place. She requested that the City Seal be placed on the City's wagon that is going to be used at that event.

Mayor Pro Tem Bash:

- ✚ Commented on the pavers placed at Cavaletti Park, as a part of the ADA requirements. He also commented on the step-over in the Park and noted the problems it is causing. Parks, Recreation & Community Services Director Petree stated that there is off-road activity in and around the Park and added that the step-over will be removed, which is currently not placed correctly.
- ✚ Commented on the support being received for portions of the Navy Base to be designated as historic sites.
- ✚ Stated that money has been raised for four stained glass windows in the chapel on the Navy Base (12 total in the chapel).

Council Member Newton:

- ✚ Asked if the discussion regarding the Rebuild Letter was scheduled on the Planning Commission agenda. Planning Director King responded that this is scheduled on the next agenda.
- ✚ Requested that the step-over at Cavaletti Park be removed quickly.
- ✚ Asked Parks, Recreation & Community Services Director Petree about the fuel modification on 30 entitled lots in LMD No. 4. Director Petree responded that he will discuss this with Chief Bryan as these are private lots.

Mayor Hanna:

- ✚ Asked Public Works Director Thompson if information could be provided regarding how to access the trails across the training dike. Director Thompson responded that a ramp will be built with a spray on it so that it will keep it from not getting slippery, adding that it should be finished by next week Friday.

8. OTHER MATTERS – STAFF: No comments from City staff.

Louis Davis, Regional Manager from Southern California Edison, presented a check in the amount of \$500 to the City in support of the National Day of the Cowboy event.

9. ADJOURNMENT: There being no further business to come before the City Council, Mayor Hanna adjourned the meeting at 8:55 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK



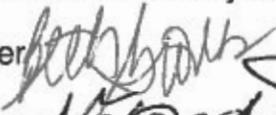
**RECAP OF ACTIONS TAKEN
CITY OF NORCO
PLANNING COMMISSION
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
REGULAR MEETING
JULY 13, 2011**

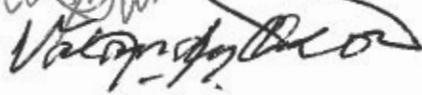
1. CALL TO ORDER: **7:00 p.m.**
2. ROLL CALL: **Chair Hedges, Vice Chair Wright, Commission Members Henderson, Jaffarian and Leonard**
3. STAFF PRESENT: **Planning Director King, Senior Planner Robles**
4. PLEDGE OF ALLEGIANCE: **Commissioner Leonard**
 - A. ELECTION OF NEW CHAIR AND VICE CHAIR: **Commissioner Wright was elected Chair and Commissioner Henderson was elected Vice Chair.**
5. APPEAL NOTICE: **Read by Staff**
6. HEARING FROM THE AUDIENCE ON ITEMS NOT LISTED ON THE AGENDA: **Received and Filed**
7. APPROVAL OF MINUTES: Minutes of June 29, 2011 **Recommended Action: Approval** (Deputy City Clerk): **Approved 5-0**
8. CONTINUED ITEM: Site Plan 2011-05 (Beckman): A Request for Approval to Allow a 439 Square-Foot Tack Room/Shed at 249 Oldenburg Lane Located within the Norco Ridge Ranch Specific Plan (NRRSP). (Continued from June 29, 2011) **Recommended Action: Continue** (SP Robles): **Continued 5-0 to an undetermined date.**
9. PUBLIC HEARINGS: **None**
10. BUSINESS ITEMS:
 - A. Site Plan 2011-15 (Woolley): A Request for Approval to Allow a 420 Square-Foot Detached Patio Cover at 2016 Western Avenue 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.**
 - B. Site Plan 2011-16 (Richman): A Request for Approval to Allow a 169 Square-Foot Detached Lattice Patio Cover at 2922 Vandermolen Drive Located within the Norco Ridge Ranch Specific Plan (NRRSP). **Recommended Action: Approval** (SP Robles): **Approved 5-0. This action is final unless appealed to the City Council within 10 calendar days.**

- C. Criteria for Issuing Rebuild Letters (City): A Request to Review and Make Recommendations Regarding the Establishment of Criteria of the Issuance of Rebuild Letters for Non-Conforming Residential Uses in the Commercial Zones. **Recommended Action: Discuss for recommendation to the City Council (PD King): Direction was received to formulate and draft a zone code amendment.**
 - D. Rooster Sub-Committee: Review and Discuss Zoning Standards that Regulate the Maximum Number of Roosters Allowed on Properties in the A-1 Zone. **Recommended Action: Appoint two Planning Commissioners to sit with staff from Animal Control and Planning Divisions on a temporary sub-committee to review and revise as needed current regulations for the keeping of roosters (PD King): This item was moved to the beginning of the agenda. Commissioners Henderson and Leonard were appointed.**
11. CITY COUNCIL: **Received and Filed**
- A. Recap of Actions Taken at the July 6, 2011 City Council/Community Redevelopment Agency Meeting.
 - B. City Council Minutes dated June 15, 2011
12. PLANNING COMMISSION: Oral Reports from Various Committees: **Received and Filed**
13. STAFF: Current Work Program: **Received and Filed**
14. OTHER MATTERS
- A. Follow-up on Items from Previous Meetings (Director King): **Received and Filed**
15. ADJOURNMENT: **7:54 p.m. to a meeting scheduled for July 27, 2011**

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: July 20, 2011

SUBJECT: Quarterly Investment Report for Quarter Ended June 30, 2011

RECOMMENDATION: Staff recommends that the City Council receive and file the Quarterly Investment Report for the Quarter Ended June 30, 2011.

SUMMARY: Staff is recommending that the City Council receive and file the City's quarterly investment report for the quarter ended June 30, 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 June 30, 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 June 30, 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 June 30, 2011, operating portfolio increased by a net amount of \$5 million from \$31.7 million to \$36.7 million due to cash inflows from

receipts exceeding cash outflows from expenditures. The City received the second installment of various property taxes and vehicle license fees during this fourth fiscal quarter.

Attachment 2 provides a graphical breakdown of the operating portfolio holdings by investment type as of June 30, 2011. This chart is for investments that are subject to the Investment Policy. Nearly 96% of the City and Redevelopment Agency operating cash is invested in the State of California Local Agency Investment Fund (LAIF). The remaining 4% comprises of cash and certificates of deposit.

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 June 30, 2011, bond proceeds and debt service reserve fund portfolio decreased by a net amount of \$1.1 million from \$37.2 million to \$36.1 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 LAIF has been reported to equal cost because the City's investments in the pool 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. As of June 30, 2011, the City and Agency has bond proceeds and debt service reserve fund investments totaling \$20,455,966 in U.S. Agencies and Treasury securities. The major credit rating agencies have threatened to downgrade these investments if the federal government debt limit is not raised by August 2, 2011. A downgrade of these investments may cause the market values to decline.

CASH FLOWS

Staff has completed a preliminary cash flow projection for the next six months ending December 31, 2011. This preliminary projection indicates that the General Fund would likely run out of cash in November 2011. Should the General Fund run out cash during the next six months, it is anticipated that the negative cash balance will be covered by short term borrowing or 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 December 31, 2011.

FINANCIAL IMPACT: Not Applicable.

/jk-78894

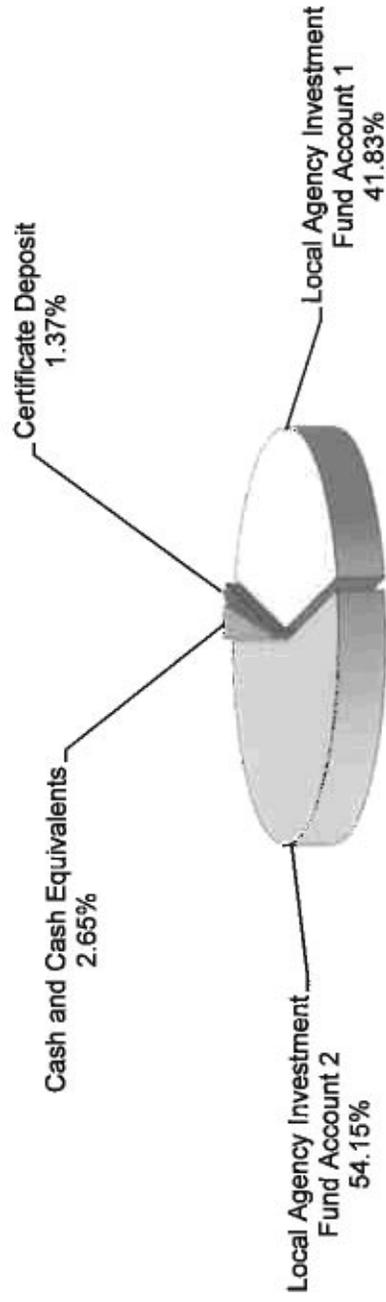
Attachments: 1) Portfolio Summary
2) Summary Graph
3) Portfolio Details – "Investments Not Subject..."
4) Certification Form

City of Norco, California
Portfolio Summary
As of June 30, 2011

<u>City Investments Subject to Investment Policy</u>	<u>Market Value</u>	<u>Percentage</u>	<u>Policy Maximum</u>	<u>Compliance</u>
Cash and Cash Equivalents	\$ 974,875	2.65%	15.00%	In Compliance
Certificate Deposit	503,462	1.37%	30.00%	In Compliance
Local Agency Investment Fund Account 1	15,377,243	41.83%	\$40.0 Million	In Compliance
Local Agency Investment Fund Account 2	19,906,856	54.15%	\$40.0 Million	In Compliance
Total	<u>\$ 36,762,436</u>	<u>100.00%</u>		

<u>City Investments Not Subject to Investment Policy</u>	<u>Market Value</u>	<u>Percentage</u>
Community Facilities Districts	\$ 2,806,442	7.78%
Sewer and Water System	17,401,633	48.22%
Refunding Tax Allocation Bonds	15,878,827	44.00%
Total	<u>\$ 36,086,902</u>	<u>100.00%</u>

**Summary of City Portfolio
(Investments Subject to Investment Policy)
As of June 30, 2011**



City of Norco, California
 Portfolio Details
 As of June 30, 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	974,875	974,875
			Subtotal	Wells Fargo					974,875	974,875
10/21/2010	10/21/2011	3120019132	Certificate Deposit	Alistate Bank	N/A	1.490%	Various	N/A	152,511	152,511
4/8/2011	4/8/2013	3240002117	Certificate Deposit	Alistate 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	100,707	100,707
5/20/2011	5/20/2012	2329958085	Certificate Deposit	Citizen Business Bk	N/A	0.700%	Various	N/A	150,959	150,959
			Subtotal	Wells Fargo					503,462	503,462

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	15,377,243	15,377,243
N/A	N/A	N/A	Local Agency Investment Fund Account 2	State of California	N/A	N/A	N/A	N/A	19,906,856	19,906,856
			Subtotal						35,284,099	35,284,099
			Total Investments Subject to Policy						36,762,436	36,762,436

City of Norco, California
 Portfolio Details
 As of June 30, 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	94496800 US Bank	N/A	N/A	0.000%	N/A	6,772	6,772
N/A	N/A	N/A	First American Treasury Obligation	94496805 US Bank	N/A	N/A	0.000%	N/A	160,655	160,655
N/A	N/A	N/A	First American Treasury Obligation	94644004 US Bank	N/A	N/A	0.000%	N/A	189,188	189,188
N/A	N/A	N/A	First American Treasury Obligation	791884000 US Bank	N/A	N/A	0.000%	N/A	19,199	19,199
N/A	N/A	N/A	First American Treasury Obligation	791884004 US Bank	N/A	N/A	0.000%	N/A	998	998
N/A	N/A	N/A	First American Treasury Obligation	794148000 US Bank	N/A	N/A	0.000%	N/A	101,741	101,741
N/A	N/A	N/A	First American Treasury Obligation	794148002 US Bank	N/A	N/A	0.000%	N/A	452	452
Subtotal									479,005	479,005

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 (CFD)	93-1 State of California	N/A	N/A	N/A	N/A	58,136	58,136
Subtotal									58,136	58,136

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
5/17/2011	12/8/2015	3136FRNJ8	Federal National Mig Assn	794148002 US Bank	AAA	2.000%	2.000%	1,741,000	1,741,000	1,737,483
5/17/2011	8/25/2014	31331KLS7	Federal Farm Credit Bks	791884004 US Bank	AAA	1.390%	1.390%	531,000	531,000	531,818
Subtotal									2,272,000	2,269,301
Total Community Facilities Districts									2,809,141	2,806,442

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	N/A	U.S. Bank N.A. Open Ib Monthly	130584001 US Bank	N/A	N/A	0.000%	N/A	1,475,809	1,475,809
N/A	N/A	N/A	U.S. Bank N.A. Open Ib Monthly	130584004 US Bank	N/A	N/A	0.000%	N/A	9,292,789	9,292,789
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
Subtotal									13,762,228	13,762,228

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	637,425	637,425
Subtotal									637,425	637,425

City of Norco, California
 Portfolio Details
 As of June 30, 2011

U.S. and Agency Securities

Purchase Date	Maturity Date	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
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	3,001,980
		Subtotal					3,000,000	3,000,000	3,001,980
		Total Sewer and Water System						17,399,653	17,401,633

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

Cash & Cash Equivalents

Purchase Date	Maturity Date	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
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	First American Treasury Obligations	94432443 US Bank	N/A	N/A	0.00%	N/A	99	99
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	First American Treasury Obligations	94662503 US Bank	N/A	N/A	0.00%	N/A	309	309
N/A	N/A	First American Treasury Obligations	94662507 US Bank	N/A	N/A	0.00%	N/A	7,738,083	7,738,083
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	First American Treasury Obligations	792126003 US Bank	N/A	N/A	0.00%	N/A	5,388	5,388
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	First American Treasury Obligations	129543003 US Bank	N/A	N/A	0.00%	N/A	1,105	1,105
N/A	N/A	US Bank Money Market	140828001 US Bank	N/A	N/A	0.20%	N/A	737,998	737,998
N/A	N/A	US Bank Money Market	140828004 US Bank	N/A	N/A	0.20%	N/A	3,843	3,843
N/A	N/A	US Bank Money Market	140828005 US Bank	N/A	N/A	0.26%	N/A	4	4
		Subtotal						8,490,176	8,490,176

Local Agency Investment Fund

Purchase Date	Maturity Date	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	N/A	Local Agency Investment Fund Account 2	2010 TABs State of California	N/A	N/A	N/A	N/A	112,397	112,397
N/A	N/A	Local Agency Investment Fund Account 2	2003 TABs State of California	N/A	N/A	N/A	N/A	50,542	50,542
		Subtotal						162,939	162,939

U.S. and Agency Securities

Purchase Date	Maturity Date	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
4/12/2011	11/29/2013	313373F49 Federal Home Loan Bks	792126003 US Bank	AAA	1.200%	1.200%	1,530,000	1,530,000	1,548,421
6/7/2011	12/7/2015	3136FRMF7 F N M A MTN	129543003 US Bank	AAA	2.000%	2.000%	973,000	973,000	971,356
6/9/2011	12/9/2014	313373VG4 Federal Home Loan Bks	140828004 US Bank	AAA	1.550%	1.550%	1,460,000	1,460,000	1,462,920
		Subtotal					3,963,000	3,963,000	3,982,697

City of Norco, California
 Portfolio Details
 As of June 30, 2011

Investment Agreements

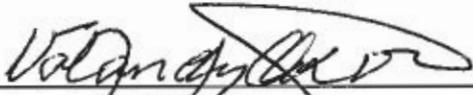
Purchase Date	Maturity Date	CUSIP #	Description of Security	Account	Rating	Coupon Rate	Yield to Maturity	Face Value	Cost	Market Value
N/A	3/1/2030	N/A	Guaranteed Investment Contract	94432433 US Bank	N/A	N/A	5.71%	N/A	2,161,566	2,161,566
N/A	3/1/2030	N/A	Guaranteed Investment Contract	94432443 US Bank	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
			Subtotal						3,243,016	3,243,016
			Total Refunding Tax Allocation Bonds						15,859,131	15,878,827
			Total Investments Not Subject to Policy						36,067,924	36,086,902

Attachment 4

Quarterly Investment Portfolio

For the Quarter Ended June 30, 2011

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 December 31, 2011.

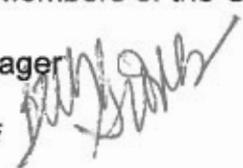


Andy Okoro, City Treasurer

/jk-78893

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Peter Bryan, Fire Chief

DATE: July 20, 2011

SUBJECT: Approval of an Agreement with the City of Corona Fire Department for Battalion Chief Services with the City of Norco

RECOMMENDATION: Approve an Agreement with the City of Corona for Battalion Chief Services in the amount of \$110,000.

SUMMARY: Battalion Chief emergency response is vital to incident management and ensuring the safety of the public and fire personnel. Due to budget constraints and retirements, the City of Norco does not currently employ full time Battalion Chiefs. Therefore, staff recommends contracting with the Corona Fire Department for incident command battalion chief coverage.

BACKGROUND/ANALYSIS: From 1997 to 2004, the City of Norco contracted with the Corona Fire Department for various levels of Battalion Chief coverage. From 2004 until June 30 of 2011, the Norco fire Department employed Battalion Chiefs and therefore did not need the contracted service.

Battalion Chiefs respond to major or significant events to coordinate resource ordering and cost tracking, assign resources to emergency incident functions, ensure the safety to the public and fire personnel, and provide critical incident scene management.

Corona will provide this service with a 30-day cancellation clause and semi-annual billing/payments.

FINANCIAL IMPACT: \$110,000 is available in the FY 2011-2012 Budget. The Annual Fee for this Agreement shall be paid in two installments. In the event that this Agreement is terminated pursuant to the terms of this Agreement, Corona shall refund to Norco any Annual Fee overpayment.

/mb-78974

Attachment: Agreement

**CITY OF CORONA
AGREEMENT FOR BATTALION CHIEF SERVICES
WITH THE CITY OF NORCO**

1. PARTIES AND DATE.

This Agreement for Battalion Chief Services ("Agreement") is made and entered into this 3rd day of August, 2011 ("Effective Date"), by and between the City of Norco, a California municipal corporation (hereinafter called "Norco"), and the City of Corona, a California municipal corporation (hereinafter called "Corona"). Norco and Corona are sometimes individually referred to in this Agreement as "Party" or collectively as "Parties."

2. RECITALS.

2.1 Both Norco and Corona maintain, as part of their municipal services, organized and equipped Fire Departments charged with the duty of fire protection, rescue, emergency medical care and other emergency services within their respective jurisdictions.

2.2 Norco has jurisdictional authority and responsibility for the City of Norco. Corona has jurisdictional authority and responsibility for the City of Corona.

2.3 Norco believes it is in the best interests of its city to have Corona provide Battalion Chief Services (as defined below) to Norco pursuant to the terms and conditions of this Agreement. Corona is willing and able to provide such Battalion Chief Services to Norco, and Norco shall provide compensation for such Battalion Chief Services to Corona as specified in this Agreement.

2.4 Norco expressly acknowledges and agrees that each response to a request for Battalion Chief Services may be delayed or denied by Corona, without liability to Corona, due to an existing emergency or other Battalion Chief demand within Corona.

2.5 Norco and Corona are authorized to enter into this agreement pursuant to California Government Code section 55632.

3. TERMS.

3.1 Definitions.

3.1.1 Battalion Chief(s) shall mean the on-duty Corona Fire Department Battalion Chief(s) performing Battalion Chief Services for the relevant emergency incident, and shall include any Chief Officer acting in the capacity of Battalion Chief.

3.1.2 Battalion Chief Services shall mean the usual and customary command and control responsibilities and emergency incident management responsibilities (excluding administrative responsibilities) of a battalion chief of a municipal fire department, including but not limited to any and all emergency incident command and control services necessary to provide fire suppression or other fire protection, rescue, emergency medical care and other emergency services.

3.1.3 Chief Officer shall mean any officer of the Corona Fire Department who is authorized by Corona to perform Battalion Chief Services, and who is serving as the Battalion Chief for the relevant emergency incident.

3.2 Term of Agreement. The term of this Agreement shall commence as of the Effective Date of this Agreement and continue until midnight on June 30, 2012 ("First Term"). This Agreement shall automatically extend for additional one (1) year terms until midnight on June 30 of each successive fiscal year, unless and until terminated pursuant to the terms of this Agreement ("Successive Terms").

3.3 Battalion Chief Services. Corona shall provide Battalion Chief Services to Norco by dispatching one (1) of Corona's on-duty Battalion Chiefs, for purposes of emergency incident management, to those emergencies listed in Exhibit "A" attached hereto and incorporated herein by this reference. In the event that Corona's on-duty Battalion Chief is otherwise engaged in another emergency or incident, as determined by Corona in its sole and absolute discretion, Corona shall dispatch a Chief Officer capable of rendering Battalion Chief Services, if a Chief Officer is available in Corona's sole and absolute discretion. Corona shall dispatch the Battalion Chief when such emergencies occur within Norco's jurisdictional limits and if Corona is notified of such emergency in time to make such a dispatch. Corona shall also dispatch the Battalion Chief to any other emergency incident upon Norco's request for the services of a Battalion Chief or Chief Officer, subject to availability, as determined by the City in its sole and absolute discretion, and the limitations of this Agreement.

3.4 Operational Period. The Battalion Chief shall provide Battalion Chief Services for one operational period of four (4) hours. Incidents exceeding the operational period of four (4) hours shall be provided to Norco at the billable hourly rate in the City of Corona's Billable Hourly Rate Schedule then in effect and as amended from time to time ("Billable Hourly Rate"). Incidents requiring the response of an additional Battalion Chief may be provided by Corona at the applicable Billable Hourly Rate, upon availability as determined by Corona in its sole and absolute discretion. Alternatively, such Battalion Chief may be provided to Norco through the Operational Area Mutual Aid System.

3.5 Incident Stabilization. When, in the opinion of the Battalion Chief, the incident has been stabilized, the Battalion Chief may turn over control of the incident to the senior Norco officer on scene.

3.6 Performance of Duties. The Battalion Chief shall perform Battalion Chief Services in accordance with the requirements and expectations of California law, applicable written Norco policies and/or procedures which have been provided in advance by Norco to the Battalion Chief, the Norco Municipal Code, any other applicable federal or state codes or statutes, and the usual and customary duties of a Battalion Chief.

3.7 Employment of Battalion Chief. The Battalion Chief is engaged to work by Norco on an independent contractor basis and not as an employee of Norco. The Battalion Chief shall not be deemed an employee of Norco for any purposes (including retirement benefits), and shall be considered only an employee of Corona for the purposes of all disciplinary and other employment related actions related to the Battalion Chief, as consistent with the terms of this Agreement.

3.8 Personnel and Administrative Actions. Norco personnel shall retain responsibility for all administrative decisions and actions, including, but not limited to, personnel and disciplinary issues, except in the case of an emergency or when deemed necessary by the Battalion Chief in his or her sole and absolute discretion.

3.9 Administrative Policy. Norco shall prepare an administrative policy which shall detail the responsibilities of all Norco personnel in relation to the Battalion Chief, and which shall require Norco personnel to act upon any and all direction of the Battalion Chief during the provision of Battalion Chief Services. Norco shall provide a copy of such policy to Corona.

3.10 Other Policies and Procedures. Norco shall provide Corona with all necessary regulations, policies, procedures, manuals, and other information required to perform the Battalion Chief Services, including those outlined in Section 3.6 above. Corona shall ensure that its Battalion Chiefs are familiar with these regulations, policies, procedures, manuals, and other information.

3.11 Command Incident Training. Corona shall provide quarterly incident command training to Norco personnel, as agreed upon by the Parties hereto.

3.12 Additional Services. For any other requests for Battalion Chief Services outside those contemplated by this Agreement ("Additional Services"), Norco shall provide Corona with at least seven (7) calendar days prior notice of a request for such Additional Services. Requests made less than seven (7) calendar days in advance may be considered by Corona on a case-by-case basis and may be granted or denied in its sole and absolute discretion. Such Additional Services, if provided, will be provided at the Billable Hourly Rate.

3.13 Fire Chief Contact. Norco shall provide Corona with the address, location and telephone number where the Norco Fire Chief can be reached on a twenty-four (24) hour per day, seven (7) day per week basis.

3.14 Authority of Battalion Chief. When the Battalion Chief is performing Battalion Chief Services for Norco, the Battalion Chief shall be under the operational authority of the Norco Fire Chief only. Notwithstanding the foregoing, the Battalion Chief providing Battalion Chief Services in Norco shall have full authority to incur expenses and other financial commitments, and to obtain resources and other emergency services, all on behalf of Norco, as deemed necessary in the sole and absolute discretion of the Battalion Chief in the performance of Battalion Chief Services, and Corona shall not be liable, financially or legally, for such expenses or commitments.

3.15 Fire Investigation. Norco shall maintain its responsibility for all fire investigation, including primary cause and origin. Corona may provide such services as Additional Services at the Billable Hourly Rate when requested by the Norco Fire Chief or his designee.

3.16 Annual Fee. As consideration for the provision of Battalion Chief Services pursuant to this Agreement, Norco shall pay Corona One Hundred and Ten Thousand Dollars (\$110,000) for the First Term of this Agreement, subject to annual adjustment for Successive Terms pursuant to this Agreement ("Annual Fee").

3.16.1 Annual Fee Adjustment. The Annual Fee shall be annually adjusted on July 1st of each Successive Term, based on the increase in the Consumer Price Index ("CPI"), if any, as defined by the U.S. Department of Labor for Los Angeles, Riverside, and Orange County, California for All Urban Consumers. Notwithstanding the foregoing, at no time shall the increase be greater than three percent (3%) nor less than zero percent (0%). Additionally, Corona and Norco shall meet annually prior to July 1st of each Successive Term to review and adjust the Annual Fee for the upcoming Successive Term. Corona shall notify Norco in writing of any such increase.

3.16.2 Annual Fee Installment Payments. The Annual Fee shall be paid by Norco in two (2) installments on July 1st and January 1st of each Successive Term. Corona may remit an invoice to Norco for each installment on or about June 1st and December 1st of each Successive Term. Each installment shall be fifty percent (50%) of the Annual Fee, and shall be paid within thirty (30) days receipt of the invoice from Corona, but in no event shall the installment be paid later than July 1st and January 1st of each Successive Term.

3.16.3 Pro-Rated Annual Fee for First Term. The Annual Fee for the First Term of this Agreement shall be paid on a pro-rata monthly basis of 1/12th the Annual Fee per month, such that the first installment of the Annual Fee for the First Term, due on August 15th, 2011, shall be for five (5) months in the amount of Forty-Five Thousand Eight Hundred Thirty-Three Dollars and Thirty-Three Cents (\$45,833.33). The second installment for the First Term, due on January 1, 2012, shall be for six (6) months in the amount of Fifty-Five Thousand Dollars and No Cents (\$55,000).

3.16.4 Refund; Outstanding Amounts Due. In the event that this Agreement is terminated pursuant to the terms of this Agreement, Corona shall refund to Norco any Annual Fee overpayment on a pro-rated monthly basis of 1/12th the Annual Fee per month. Corona shall make such refund only for the full calendar months in the First Term or Successive Terms remaining after the effective date of such termination. In the event that this Agreement is terminated pursuant to the terms of this Agreement, Norco shall pay to Corona any and all outstanding amounts due for Battalion Chief Services or Additional Services rendered prior to the effective date of such termination.

3.17 Contingency of Battalion Chief Services. Corona's obligation hereunder shall be expressly contingent upon its staffing and equipment availability, as well as existing fire conditions in the jurisdictional area of Corona, as determined by Corona in its sole and absolute discretion. In the event Corona determines that the Battalion Chief or other Chief Officer is unable to respond to an incident in the City of Norco, Norco's first on-scene Captain shall establish and maintain control of the incident.

3.18 Termination. At any time and without cause, either Norco or Corona may terminate this Agreement by giving thirty (30) days advance written notice to the other Party.

3.19 Annual Meeting. The Norco Fire Chief and Corona Fire Chief, or their designees, shall meet at least once annually to review the suitability of the Agreement.

3.20 Insurance.

3.20.1 Workers Compensation Insurance. Corona shall maintain workers' compensation insurance in at least the minimum limits set by California statute, or self-insurance for the same limits, for any injuries sustained in the normal course and scope of the Battalion Chief's performance of Battalion Chief Services, without cost to Norco.

3.20.2 Additional Insurance. Each Party shall provide its own insurance or self-insurance for its own apparatus, equipment and employees, including the Battalion Chief, including general liability insurance and automobile insurance.

3.21 Wages and Benefits. Corona and Norco shall each pay all wages, salaries, and other amounts due to their own personnel in connection with any and all Battalion Chief Services under this Agreement, as well as that which may be required by law. Each Party shall be responsible for all reports and obligations respecting their own personnel, including, but not limited to, social security taxes, income tax withholding, unemployment insurance, benefits and workers' compensation insurance. Employees or agents of one Party shall not be deemed employees of the other for any purpose.

3.22 Indemnification.

3.22.1 Norco's Indemnity Obligation. Norco shall defend, indemnify and hold Corona, its officials, officers, employees, volunteers, agents, agencies and independent contractors free and

harmless from any and all claims, demands, causes of action, costs, expenses, losses, damages, injuries or liabilities, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to negligent or willful acts or omissions of Norco, its officials, officers, employees, volunteers, agents, agencies and independent contractors, in any manner arising from the performance of this Agreement or provision of the Battalion Chief Services, including without limitation the payment of all consequential damages, attorneys fees and other related costs and expenses, except to the extent caused by Corona's negligent or willful acts or omissions.

3.22.2 Corona's Indemnity Obligation. Corona shall defend, indemnify and hold Norco, its officials, officers, employees, volunteers, agents, agencies and independent contractors free and harmless from any and all claims, demands, causes of action, costs, expenses, losses, damages, injuries or liabilities, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to negligent or willful acts or omissions of Corona, its officials, officers, employees, volunteers, agents, agencies and independent contractors, in any manner arising from the performance of this Agreement or provision of the Battalion Chief Services, including without limitation the payment of all consequential damages, attorneys fees and other related costs and expenses, except to the extent caused by Norco's negligent or willful acts or omissions.

3.22.3 Additional Indemnity Obligation. Notwithstanding the foregoing, Norco shall defend, indemnify, and hold harmless the Battalion Chief, Corona and its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, losses, damages, injuries or liabilities, in law or equity, to property or persons, including wrongful death, in any manner arising when the Battalion Chief is performing official duties as Norco's Battalion Chief (including any workers compensation liability Corona may incur as a result of injury to the Battalion Chief suffered while performing duties as Norco's Battalion Chief), including without limitation the payment of all consequential damages, attorneys fees and other related costs and expenses, except to the extent caused by the Battalion Chief's negligent or willful acts or omissions.

3.23 Fire Chiefs as Party Representatives. Corona and Norco hereby designate their respective Fire Chiefs, or their designees, to act as their representatives for the performance of this Agreement. Each representative shall have the power to Act on behalf of their respective Party for all purposes under this Agreement.

3.24 Notices. Any notices required to be given under this Agreement shall be deemed to have been properly delivered, served, or given for all purposes when personally delivered to the Party to whom it is directed to, or in lieu of such personal service, when mailed postage prepaid to the following addresses:

Corona:	Norco:
City of Corona Fire Dept.	City of Norco Fire Dept.
400 S. Vicentia Ave.	P.O. Box 428
Corona, CA 92882	Norco, CA 92860
Attn: Fire Chief	Attn: Fire Chief

Any Party may change its address for the purposes of this paragraph by giving written notice of such change in the manner prescribed by this paragraph.

3.25 Not a Joint Venture or Joint Powers Authority. The Parties intend by this Agreement to establish only an Agreement for contract Battalion Chief Services, and do not intend to create a joint powers agency, partnership, joint venture, or joint enterprise of any kind.

3.26 No Third Party Beneficiaries. This Agreement is only for the benefit of the Parties hereto as corporate entities and shall not be construed as or deemed to operate as an agreement for the benefit of any third party or parties, and no third party or parties shall have any right of action or obtain any right to benefits or position of any kind for any reason whatsoever.

3.27 Prevailing Party. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable the attorney's fees and all other costs of such action.

3.28 Entire Agreement; Amendment. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings, or agreements. This Agreement may only be amended by a writing signed by both Parties.

3.29 Severability. In the event that any provision or portion of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable for any reason, such provision or portion shall be severable from this Agreement. Such invalidity, illegality or unenforceability shall not be construed to have any effect on the validity, legality or enforceability of the remaining provisions or portions of this Agreement.

3.30 Waiver. No failure on the part of either Party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that either Party may have hereunder, nor does waiver of a breach or default under this Agreement constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.

3.31 Governing Law. This Agreement, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Riverside.

3.32 Authority to Enter into Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective Party.

3.33 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties, and shall not be assigned by either Party without the prior written consent of the other Party.

3.34 Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and executed on the date first hereinabove written.

CITY OF NORCO

By: _____
Mayor

Attest:

By: _____
Norco City Clerk

Approved as to Form:

By: _____
City Attorney

CITY OF CORONA

By: _____
Mayor

Attest:

By: _____
Corona City Clerk

Approved as to Form:

By: _____
Best Best & Krieger LLP
City Attorney

EXHIBIT "A"
EMERGENCIES

Aircraft Emergencies

Commercial Natural Gas Leak

Commercial Smoke Check

Hazardous Materials Release

Heavy Rescue

Technical Rescue (Confined Space, Trench Rescue, High Angle Rescue, Water Rescue)

Structure Fires

Vegetation Fire High

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: July 20, 2011

SUBJECT: Execution of a Cooperative Funding Agreement between the City of Norco and the Riverside County Flood Control and Water Conservation District to Construct the North Norco Channel Line N-5A

RECOMMENDATION: That City Council Approve Project No. 2-0-00136 Funding Agreement between the City of Norco and Riverside County Flood Control and Water Conservation District and authorize the City Manager to execute the agreement.

SUMMARY: The City of Norco has prepared plans and specifications for the construction of Sierra Avenue Street Improvement Project that included improvements to the North Norco Channel Line N-5A in the amount of \$63,336.25. The Riverside County Flood Control and Water Conservation District (RCFC&WCD) has agreed to contribute a 100% funding reimbursement to the City of Norco for the construction of Line N-5A Storm Drain Improvements.

BACKGROUND/ANALYSIS: On April 7, 2010, the City Council awarded a public works contract to All American Asphalt in the amount of \$535,025.40 for the Sierra Avenue Street Improvement Project. The plans and specifications for the Sierra Avenue Street Improvement Project included storm drainage improvements to the master drainage plan (MDP) Line N-5A. The Riverside County Flood Control and Water Conservation District (RCFC&WCD) allocated \$63,336.25 in their 2011-12 budget for reimbursement of the MDP Line N-5A storm drain improvements. The City of Norco prepared specifications and plans, advertised, inspected and managed the project through completion.

The purpose of the cooperative 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 execution of the agreement.

Attachment: Funding Agreement

/wrt-78952

FUNDING AGREEMENT
NORTH NORCO CHANNEL LINE N-5A
PROJECT NO. 2-0-00136

1
2
3 The RIVERSIDE COUNTY FLOOD CONTROL AND WATER
4 CONSERVATION DISTRICT, hereinafter called "DISTRICT", and the CITY OF NORCO,
5 hereinafter called "CITY", hereby agree as follows:

RECITALS

6
7 A. CITY has caused to be prepared the necessary plans and specifications to
8 construct certain street improvements as part of its Sierra Avenue Improvements project,
9 hereinafter called "STREET IMPROVEMENTS"; and
10

11 B. CITY has also caused to be prepared the necessary plans and specifications
12 to construct certain storm drain improvements as part of its Sierra Avenue Improvements
13 project, hereinafter called "STORM DRAIN IMPROVEMENTS"; and

14 C. Together, STREET IMPROVEMENTS and STORM DRAIN
15 IMPROVEMENTS are hereinafter called "PROJECT"; and

16 D. DISTRICT has included the sum of sixty-three thousand three hundred
17 thirty-six dollars and twenty-five cents (\$63,336.25) in its Fiscal Year 2011-2012 Zone 2
18 budget, hereinafter called "DISTRICT CONTRIBUTION", for the purpose of contributing
19 funds to CITY'S construction of said STORM DRAIN IMPROVEMENTS; and
20

21 E. CITY has awarded a construction contract for PROJECT; and

22 F. CITY has filed a Notice of Completion for PROJECT and furnished
23 DISTRICT with a copy of CITY'S Notice of Completion; and
24

25 G. CITY has submitted a request to DISTRICT for reimbursement of the
26 actual construction cost of said STORM DRAIN IMPROVEMENTS in the amount of sixty-
27 three thousand three hundred thirty-six dollars and twenty-five cents (\$63,336.25); and
28

1 H. DISTRICT wishes to support CITY'S efforts to construct STORM DRAIN
2 IMPROVEMENTS; and

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

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

9
10 SECTION I

11 CITY shall:

- 12 1. Construct PROJECT pursuant to a CITY administered public works
13 contract.
- 14 2. Supervise and inspect all aspects of PROJECT'S construction.
- 15 3. Upon completion of PROJECT construction and CITY'S acceptance
16 thereof, be solely responsible for the ownership, operation and maintenance of PROJECT.

17
18 SECTION II

19 DISTRICT shall:

- 20 1. Within sixty (60) days of the execution of this Agreement, pay DISTRICT
21 CONTRIBUTION to CITY in an amount not to exceed sixty-three thousand three hundred
22 thirty-six dollars and twenty-five cents (\$63,336.25).
- 23 2. Under the provisions of this Agreement, DISTRICT shall bear no
24 responsibility whatsoever for the construction, ownership, operation and maintenance of
25 PROJECT.
26
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28

SECTION III

1
2 It is further mutually agreed:

3 1. DISTRICT CONTRIBUTION shall be used by CITY solely for the
4 purpose of constructing STORM DRAIN IMPROVEMENTS as set forth herein.

5 2. In the event that any claim or legal action is brought against DISTRICT, in
6 connection with this Agreement and based upon the actual or alleged acts or omissions of CITY,
7 its officers, employees, consultants, contractors or agents, including but not limited to claims or
8 legal action related to design, construction or failure of PROJECT, CITY shall defend,
9 indemnify and hold DISTRICT harmless therefrom without cost to DISTRICT. This shall
10 include providing DISTRICT with legal representation and pay for related costs for any such
11 claim or legal action, and payment of any settlement or judgment on behalf of DISTRICT, all at
12 no cost to DISTRICT. Upon CITY'S failure to do so, DISTRICT shall be entitled to recover
13 from CITY all of its costs and expenses, including, but not limited to, reasonable attorneys' fees.
14

15 3. In the event of any arbitration, action or suit brought by either CITY or
16 DISTRICT against the other party by reason of any breach on the part of the other party of any
17 of the covenants and agreements set forth in this Agreement, or any other dispute between
18 DISTRICT and CITY concerning this Agreement, the prevailing party in any such action or
19 dispute, by a final judgment or arbitration award, shall be entitled to have and recover from the
20 other party all costs and expenses or claims, including but not limited to, attorneys' fees and
21 expert witness fees. This section shall survive any termination of this Agreement.
22

23 4. If any provision in this Agreement is held by a court of competent
24 jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless
25 continue in full force without being impaired or invalidated in any way.
26
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1 5. This Agreement is to be construed in accordance with the laws of the State
2 of California. Neither CITY nor DISTRICT shall assign this Agreement without the written
3 consent of the other party.

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

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

9
10 RIVERSIDE COUNTY FLOOD CONTROL
11 AND WATER CONSERVATION DISTRICT
12 1995 Market Street
13 Riverside, CA 92501
14 Attn: Steve Thomas

CITY OF NORCO
2870 Clark Avenue
Norco, CA 92860
Attn: Bill Thompson

15 8. This Agreement is the result of negotiations between the parties hereto, and
16 the advice and assistance of their respective counsel. The fact that this Agreement was prepared
17 as a matter of convenience by DISTRICT shall have no import or significance. Any uncertainty
18 or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT
19 prepared this Agreement in its final form.

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

26 10. This Agreement is intended by the parties hereto as a final expression of
27 their understanding with respect to the subject matter hereof and as a complete and exclusive
28

1 statement of the terms and conditions thereof and supersedes any and all prior and
2 contemporaneous agreements and understandings, oral or written, in connection therewith. This
3 Agreement may be changed or modified only upon the written consent of the parties hereto.

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

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(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

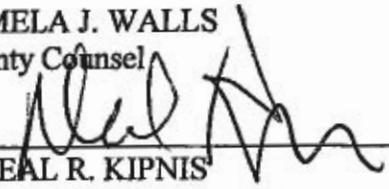
By _____
MARION ASHLEY, Chairman
Riverside County Flood Control and Water
Conservation District Board of Supervisors

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)

Funding Agreement
North Norco Channel - Line N-5A
06/21/11
CLC:blj

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RECOMMENDED FOR APPROVAL:

CITY OF NORCO

By _____
BETH GROVES
City Manager

By _____
BERWIN HANNA
Mayor

APPROVED AS TO FORM:

ATTEST:

By _____
BRENDA JACOBS
City Attorney

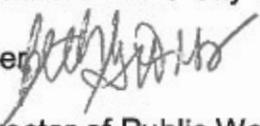
By _____
JOHN HARPER
City Clerk

(SEAL)

Funding Agreement
North Norco Channel - Line N-5A
06/21/11
CLC:blj

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: July 20, 2011

SUBJECT: Ratification of Fiscal Year 2011-2012 Western Riverside County Regional Wastewater Authority Budget

RECOMMENDATION: Adopt **Resolution 2011 ____** approving the Fiscal Year 2011-2012 Western Riverside County Regional Wastewater Authority Budget, establishing rates to be charged for conveyance, treatment and disposal of wastewater.

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

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

Attached is a copy of the WRCRWA FY 2011-12 Operating and Capital Improvement Budget, establishing rates and charges effective July 1, 2011. The budget document was approved by the WRCRWA Board at their June 30, 2011 meeting.

The budget data was first reviewed by the Executive Committee with a unanimous recommendation for approval by the Board of Directors. The Fiscal Year 2011/2012 Budget shows an increase of approximately \$163,598, or 3.9%, over the prior year budget. Compared to FY 2010-11 rates, the fixed charge component per million gallons a day treated (MGD) per month is increasing \$9,018 from \$12,549 to \$21,567 or 58% and the variable charge per million gallons will decrease \$408 from \$1,488 to \$1,080 or 27.4%. This data is described in more detail on Page 11 of the budget document. The budget document describes the wastewater treatment capacity and conveyance system costs as well as the member agency bond debt and Capital Improvement responsibilities.

During the treatment plant upgrade and expansion project the Consultant reviewed the existing fixed and variable cost allocation costs. Upon presentation of a modification to the cost allocation methodology the Executive Committee recommended the WRCRWA Board of Directors approve the new cost strategy. The new allocation further defines

Ratification WRCRWA FY 11-12 Budget

Page 2

July 20, 2011

those costs that are fixed costs versus variable, and is reflected in the 2011/12 adopted budget.

FINANCIAL IMPACT: City staff has included the cost for treatment and collection as well as outstanding debt service requirements in our preparation of the City's FY 2011/12 sewer operations budget (126-809). Capital Improvements outlined in the WRCRWA budget have been included in the City's FY 2011/12 Sewer Capital Improvement fund budget (149). Upon the Council's favorable consideration and approval of the WRCRWA FY 2011/12 budget, staff will provide the Authority with a copy of the resolution and a Minute excerpt of Council's action to satisfy the ratification requirement.

Attachments: WRCRWA FY 2011-12 Budget

/wrt-78950

RESOLUTION NO. 2011-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA TO ADOPT THE 2011/2012 WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY BUDGET, ESTABLISHING RATES TO BE CHARGED FOR CONVEYANCE, TREATMENT AND DISPOSAL OF WASTEWATER, LOCATED IN NORCO CALIFORNIA

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

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

WHEREAS, the City of Norco owns and operates a public wastewater collection system that discharges to the WRCRWA treatment system; and

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

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

NOW THEREFORE, BE IT RESOLVED the City of Norco City Council adopt the Western Riverside County Regional Wastewater Authority 2011/2012 Budget.

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

Mayor of the City of Norco, California

ATTEST:

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

Resolution No. 2011-____

Page 2

July 20, 2011

I, Brenda K. Jacobs, City Clerk of the City of Norco, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California at a regular meeting thereof held on July 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 July 20, 2011.

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

**WESTERN RIVERSIDE COUNTY REGIONAL
WASTEWATER AUTHORITY**

DRAFT

Fiscal Year 2011/2012 Budget



Member Agencies

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

**WESTERN RIVERSIDE COUNTY REGIONAL
WASTEWATER AUTHORITY**

Fiscal Year 2011/2012 Budget

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SUMMARY BY FUND

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Budget

Summary by Fund

	<u>Operations</u>	<u>Debt Service</u>	<u>Capital</u>	<u>Total</u>
Estimated Beginning Balances 7/1/11	1,307,602	-	77,638	1,385,240
Revenues				
Agency Contributions from Rates	4,365,023			4,365,023
Interest Income	1,464	-	800	2,264
Agency Debt Service Contributions		746,505		746,505
Agency Capital Contributions			8,556,750	8,556,750
Transfer from Conveyance - Asset Replacement Reserve	20,000			20,000
Darco Construction Lease			6,720	6,720
Syann Lease	7,596			7,596
Total Revenues	<u>4,394,083</u>	<u>746,505</u>	<u>8,564,270</u>	<u>13,704,858</u>
Expenditures				
Treatment Operations	3,705,000			3,705,000
Conveyance System	157,850			157,850
Administration & General	253,585			253,585
Debt Service		746,505		746,505
Transfer to Conveyance - Asset Replacement Reserve			20,000	20,000
Capital Expenditures			8,556,750	8,556,750
Total Expenditures	<u>4,116,435</u>	<u>746,505</u>	<u>8,576,750</u>	<u>13,439,690</u>
Projected Balances 6/30/12	(a) \$ 1,585,250	\$ -	\$ 65,158	\$ 1,650,408

(a) The Operations Fund balance includes the following reserve balances:
 South Regional Conveyance System Asset Replacement Reserve \$ 600,000
 Reserve for Capital Improvements and Special Studies 300,000
 Treatment Plant Asset Replacement Reserve 302,586
Total \$ 1,202,586

**MEMBER AGENCY
FUNDING BY
CATEGORY**

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Budget

Member Contribution Summary

Expenditure Category	SAWPA	WMWD	JCSD	Norco	HGSD	Corona	Total
<u>Operations:</u>							
Treatment Plant	-	608,239	1,625,600	1,210,560	260,601	-	3,705,000
Conveyance System	-	93,602	-	84,377	19,871	-	197,850
General & Administration	-	61,177	103,019	69,736	19,653	-	253,585
Reserve for Asset Replacement	-	26,197	44,114	29,862	8,416	-	108,588
Reserve for Capital Improvements and Special Studies	-	24,125	40,625	27,500	7,750	-	100,000
Total Operating Contributions	-	813,340	1,813,358	1,422,035	316,291	-	4,365,023
<u>Debt Service:</u>							
SRF Loans	533,924	33,834	-	146,694	32,053	-	746,505
Variable Rate Bonds	-	-	-	-	-	-	-
Total Debt Service Contributions	533,924	33,834	-	146,694	32,053	-	746,505
Total Capital Expenditures	-	1,882,513	3,791,963	2,197,756	594,518	90,000	8,556,750
Total Proposed Member Contributions	\$ 533,924	\$ 2,729,687	\$ 5,605,321	\$ 3,766,485	\$ 942,862	\$ 90,000	\$ 13,668,278

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Budget

Calculation of Operating Expenses By Member - Carollo

	Amount Per MGD Per Month	Estimated Flows	
		Treatment MGD	Conveyance MGD
Proposed Rates			
Fixed			
Treatment	\$ 15,469	0.670	0.670
Conveyance	1,283	2,740	-
Administration	2,642	2,150	2,150
Res for Asset Replacement	1,131	0.390	0.390
Res Cap Improvements	1,042	5,950	3,210
Total	\$ 21,567		
Variable			
Treatment	\$ 1,022		
Conveyance	58		
Res Maj Maint	-		
Total	\$ 1,080		

Estimated Member Contributions to Operating Expenses for FY 2011/2012

	Capacity		Treatment		Conveyance		G&A		Reserve for Replacement		Reserve for Cap. Improv.		Total
	Treatment	Conveyance	Fixed	Variable	Fixed	Variable	Fixed	Variable	Fixed	Variable	Fixed	Variable	
SAWPA	-	-	-	-	-	-	-	-	-	-	-	-	-
WMWD	1,930	5,150	358,256	249,983	79,304	14,298	61,177	14,298	26,197	24,125	24,125	24,125	813,340
JCSD	3,250	-	603,281	1,022,319	-	-	103,019	-	44,114	40,625	40,625	40,625	1,813,358
NORCO	2,200	2,500	408,375	802,185	38,497	45,880	69,736	45,880	29,862	27,500	27,500	27,500	1,422,035
HGSD	0,620	0,750	115,088	145,513	11,549	8,322	19,653	8,322	8,416	7,750	7,750	7,750	316,291
Total	8,000	8,400	\$ 1,485,000	\$ 2,220,000	\$ 129,350	\$ 68,500	\$ 253,585	\$ 253,585	\$ 108,588	\$ 100,000	\$ 100,000	\$ 100,000	\$ 4,365,023

**OPERATIONS
FUND
EXPENDITURES**

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Operations Fund Budget**

Operating Fund Summary

<u>Budget Element</u>	<u>Amount</u>
Treatment Operations	
Treatment Plant	3,593,900
Pre-treatment	<u>111,100</u>
Total Treatment Operations	3,705,000
Conveyance System	197,850
General and Administrative	253,585
Reserve for Asset Replacement	108,588
Reserve for Capital Improvements and Special Studies	100,000
Total Operating Costs	<u><u>4,365,023</u></u>

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Operations Fund Budget**

Treatment Operations

Treatment Plant

Description:

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

Labor Cost

Labor and Overhead		1,133,900
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Laboratory

Laboratory - In-house	5,000	
Laboratory - Outside Services	60,000	
Total Laboratory	65,000	65,000

Facility Maintenance

Maintenance - System Repairs (Facility Maint.)		200,000
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Other Direct Costs

Vehicles/Equipment Usage	10,000	
Utilities (Electric, Gas, Water, Phone)	1,200,000	
Chemicals	320,000	
U.V. Bulbs & Ballasts	75,000	
Disposal Charges - Solids/Sludge	520,000	
Permits, Licenses and Fees	50,000	
Maintenance - Buildings and Yard	15,000	
Material, Supplies	5,000	
Total Other Direct Costs	2,195,000	2,195,000

Total Treatment Plant

		3,593,900
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**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Operations Fund Budget**

Treatment Operations - continued

Pre-treatment

Description:

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

Labor Cost

Labor and Overhead	26,100	
Outside Services	<u>45,000</u>	
Total Labor Cost		71,100

Other Direct Expenses

Vehicles/Equipment Usage	1,000	
Laboratory - Outside Services	38,000	
Material, Supplies	<u>1,000</u>	
Total Other Direct Expenses		40,000

Total Pre-treatment	<u><u>111,100</u></u>
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Total Treatment Operations	<u><u>3,705,000</u></u>
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**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Operations Fund Budget**

Conveyance System Operations

Description:

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

Labor Cost

Labor and Overhead	76,850
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Facility Maintenance

Maintenance - System Repairs (Facility Maint.)	15,000
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Major Repair/Replacement

Major Repair Replacement Reserve	40,000
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Other Direct Expenses

Vehicle/Equipment Usage	3,000	
Utilities (Electric, Gas, Water, Phone)	60,000	
Maintenance - Buildings and Yard	2,000	
Material, Supplies	1,000	
	<hr/>	
Total Other Direct Expenses		66,000

TOTAL CONVEYANCE SYSTEM

197,850

**WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Operations Fund Budget**

General and Administrative

Description:

G & A Expenses Charged Directly to WRCRWA

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

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

Administration

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

Finance

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

Consulting Cost

Outside Services	104,000
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Other Indirect Costs

Insurance Expense	75,000	
Audit Expense	20,000	
Mercury Monitoring - SARDA	4,500	
Basin Monitoring Program	13,825	
Cyanide Sampling	1,760	
EC Monitoring Program	3,000	
Bank Charges	1,000	
Data Management Software	-	
General Supplies	500	
Total Other Indirect Costs		119,585

Legal Cost

General	30,000
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TOTAL GENERAL ADMINISTRATION

253,585

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Operations Fund Budget
Comparison to Prior Year

	2010/2011 Est. Actual	2010/2011 Budget	2011/2012 Budget	2012 Budget Over (Under) 2011 Budget	
				Amount	% Change *
<small>* compared to prior year line item</small>					
<small>* compared to total 10/11 Op Budget</small>					
Treatment Plant					
Labor Costs	800,000	1,063,688	1,133,900	70,212	1.7%
In-house Laboratory	5,000	5,000	5,000	-	0.0%
Outside Services (Laboratory)	60,000	60,000	60,000	-	0.0%
Facility Maintenance	275,000	250,000	200,000	(50,000)	-1.2%
Vehicles/Equipment Rental	14,000	10,000	10,000	-	0.0%
Utilities (Electric, Gas, Water)	1,160,353	1,150,000	1,200,000	50,000	1.2%
Chemicals	330,000	280,000	320,000	40,000	1.0%
U.V. Bulbs & Ballasts	95,000	100,000	75,000	(25,000)	-0.6%
Solids Disposal/Sludge	600,000	500,000	520,000	20,000	0.5%
Permits and Fees	41,000	50,000	50,000	-	0.0%
Landscape	35,000	30,000	15,000	(15,000)	-0.4%
Supplies	5,000	5,000	5,000	-	0.0%
Total Treatment Costs	3,420,353	3,503,688	3,593,900	90,212	2.1%
Pre-treatment					
Labor Costs	15,000	16,364	26,100	9,736	0.2%
Equipment Rental	3,000	2,000	1,000	(1,000)	0.0%
Laboratory - Quality Testing	15,000	15,000	38,000	23,000	0.5%
Outside Services	30,000	30,000	45,000	15,000	0.4%
Supplies	400	1,000	1,000	-	0.0%
Total Pre-treatment Costs	63,400	64,364	111,100	46,736	1.1%
Total Treatment Operations	3,483,753	3,568,052	3,705,000	136,948	3.3%
Conveyance System					
Labor Costs	55,000	64,288	76,850	12,562	0.3%
Facility Maintenance	10,000	5,000	15,000	10,000	0.2%
Major Repair/Replacement	7,000	40,000	40,000	-	0.0%
Vehicle/Equipment Rental	4,000	10,000	3,000	(7,000)	-0.2%
Utilities	60,000	55,000	60,000	5,000	0.1%
Outside Services - Landscape	2,000	1,800	2,000	200	0.0%
Misc. Supplies/Operating Expenses	400	1,000	1,000	-	0.0%
Total Conveyance System Costs	138,400	177,088	197,850	20,762	0.6%
General and Administration					
Outside Services (Consulting)	100,000	100,000	104,000	4,000	0.1%
Insurance Expense	73,180	45,000	75,000	30,000	0.7%
Audit Expense	15,000	20,000	20,000	-	0.0%
Mercury Monitoring - SARDA	4,500	4,500	4,500	-	0.0%
Basin Monitoring Program	28,763	28,000	13,825	(14,175)	-0.3%
Cyanide Sampling	1,760	1,760	1,760	-	0.0%
EC Sampling	3,000	3,000	3,000	-	0.0%
Bank Charges	1,000	1,000	1,000	-	0.0%
Data Management Software	-	500	-	(500)	0.0%
General Supplies	500	500	500	-	0.0%
Legal Costs	30,000	48,000	30,000	(18,000)	-0.4%
Total General and Administration	257,703	252,280	253,585	1,325	0.0%
Reserve for Asset Replacement	104,025	104,025	108,588	4,563	0.1%
Reserve for Capital Improve. & Special Studies	100,000	100,000	100,000	-	0.0%
Total Operating Costs	4,083,881	4,201,425	4,365,023	163,598	3.9%

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Operations Fund Budget

Comparison of 2010/2011 Estimated Actual to 2011/2012 Budget

	2010/2011 Estimated Actual	2011/2012 Budget	Budget Over (Under) Estimated Actual
<u>Treatment Plant</u>			
Labor Costs	800,000	1,133,900	333,900
In-house Laboratory	5,000	5,000	-
Outside Services-Laboratory	60,000	60,000	-
Facility Maintenance	275,000	200,000	(75,000)
Vehicles/Equipment Rental	14,000	10,000	(4,000)
Utilities (Electric, Gas, Water)	1,160,353	1,200,000	39,647
Chemicals	330,000	320,000	(10,000)
U.V. Bulbs & Ballasts	95,000	75,000	(20,000)
Solids Disposal/Sludge	600,000	520,000	(80,000)
Permits and Fees	41,000	50,000	9,000
Landscape	35,000	15,000	-
Supplies	5,000	5,000	-
Total Treatment Costs	3,420,353	3,593,900	193,547
<u>Pre-treatment</u>			
Labor Costs	15,000	26,100	11,100
Equipment Rental	3,000	1,000	(2,000)
Laboratory - Quality Testing	15,000	38,000	23,000
Outside Services	30,000	45,000	15,000
Supplies	400	1,000	600
Total Pre-treatment Costs	63,400	111,100	47,700
Total Treatment Operations	3,483,753	3,705,000	241,247
<u>Conveyance System</u>			
WMWD Staff Labor	55,000	76,850	21,850
Facility Maintenance	10,000	15,000	5,000
Major Repair/Replacement	7,000	40,000	33,000
Vehicle/Equipment Rental	4,000	3,000	(1,000)
Utilities	60,000	60,000	-
Outside Services - Landscape	2,000	2,000	-
Misc. Supplies/Operating Expenses	400	1,000	600
Total Conveyance System Costs	138,400	197,850	59,450
<u>General and Administration</u>			
Outside Services (Consulting)	100,000	104,000	4,000
Insurance Expense	73,180	75,000	1,820
Audit Expense	15,000	20,000	5,000
Mercury Monitoring - SARDA	4,500	4,500	-
Basin Monitoring Program	28,763	13,825	(14,938)
Cyanide Sampling	1,760	1,760	-
EC Sampling	3,000	3,000	-
Bank Charges	1,000	1,000	-
Data Management Software	-	-	-
General Supplies	500	500	-
Legal Costs	30,000	30,000	-
Total General and Administration	257,703	253,585	(4,118)
Reserve for Asset Replacement	104,025	108,588	4,563
Reserve for Capital Improv. & Special Studies	100,000	100,000	-
Total Operating Costs	4,083,881	4,365,023	301,142

RATE CALCULATION

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Operations Fund Budget
Calculation of 2011/2012 Wastewater Rates
Allocation of Fixed and Variable Costs
Per Carollo Cost Allocation Report Dated September 2010

	2011/2012 Budget		
	Total	Fixed Costs	Variable Costs
Treatment Operations			
<u>Treatment Plant</u>			
Labor	1,133,900	1,133,900	-
Laboratory	65,000	85,000	-
Facility Maintenance	200,000	100,000	100,000
Vehicle/Equipment Rental	10,000	10,000	-
Utilities	1,200,000	-	1,200,000
Chemicals	320,000	-	320,000
U.V. Bulbs & Ballasts	75,000	-	75,000
Solids Disposal/Sludge	520,000	-	520,000
Permits and Fees	50,000	50,000	-
Landscape	15,000	15,000	-
Supplies	5,000	-	5,000
Subtotal Treatment Plant	3,593,900	1,373,900	2,220,000
<u>Pre-treatment</u>			
Labor	26,100	26,100	-
Vehicle/Equipment Rental	1,000	1,000	-
Laboratory - Quality Testing	36,000	36,000	-
Outside services	45,000	45,000	-
Supplies	1,000	1,000	-
Total Treatment Operations	3,705,000	1,485,000	2,220,000
Conveyance System			
Labor	76,850	76,850	-
Facility Maintenance	15,000	7,500	7,500
Major Repair/Replacement	40,000	40,000	-
Vehicle/Equipment Rental	3,000	3,000	-
Utilities	60,000	-	60,000
Outside Services-Landscape	2,000	2,000	-
Supplies	1,000	-	1,000
Total Conveyance System	197,850	129,350	68,500
General and Administrative	253,585	253,585	-
Reserve for Asset Replacement	108,588	108,588	-
Reserve for Capital Improvements and Special Studies	100,000	100,000	-
Total Operating Budget used for Rate Calculation	4,365,023	2,076,523	2,288,500
Fixed and Variable Rates			
	Fixed Per MGD Per Month	Variable Per MG	
Proposed 2011/2012 Rates			
Treatment	15,469	1,022	
Conveyance	1,283	58	
Administrative	2,842	-	
Reserve for Asset Replacement	1,131	-	
Reserve for Capital Improvements and Special Studies	1,042	-	
Total	21,567	1,080	
Existing Rates From Fiscal Year 2010/2011 Budget			
Treatment	8,318	1,331	
Conveyance	561	107	
Administrative	2,628	-	
Reserve for Asset Replacement	-	50	
Reserve for Capital Improvements and Special Studies	1,042	-	
Total	12,549	1,488	
Amount of Increase/(Decrease) From 2010/2011 Rates			
Treatment	7,151	(309)	
Conveyance	722	(49)	
Administrative	14	-	
Reserve for Asset Replacement	1,131	(50)	
Reserve for Capital Improvements and Special Studies	-	-	
Total	9,018	(408)	
Percent Increase/(Decrease)	71.9%	-27.4%	

**DEBT SERVICE
FUND
EXPENDITURES**

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Debt Service Fund Budget
Debt Service Expenditures

SRF LOANS		Due	Member	Payment	Interest	Principal	Balance 6/30/2011
Loan #1	Home Gardens Trunk Sewer		HGSD	-	-	-	-
Loan #2	Non-Reclaimable Sewer	2/13/2012	SAWPA	316,730	55,672	261,058	1,988,276
Loan #3	So. Regional Pumping Station (Conveyance)	6/1/2012	HGSD	21,108	3,709	17,397	132,477
			NORCO	70,645	12,416	58,230	448,072
			WMWD	22,272	3,914	18,358	139,794
			SAWPA	122,881	21,616	101,376	773,872
	Subtotal Section 1			237,014	41,655	195,360	1,494,214
Section 2	Corona Trunk Sewer		SAWPA	30,364	5,337	25,028	188,702
Section 3	Norco Pumping Station		NORCO	39,394	6,923	32,471	242,617
	TOTAL LOAN #3			308,773	53,915	252,858	1,925,534
Loan #4	So. Regional Pumping Station (Conveyance)	6/1/2012	HGSD	10,947	1,924	9,023	68,713
			NORCO	36,655	6,442	30,213	230,071
			WMWD	11,562	2,032	9,530	72,573
			SAWPA	63,838	11,219	52,619	400,695
	TOTAL LOAN #4			123,002	21,617	101,385	772,052
TOTAL SRF LOANS				\$ 746,505	\$ 131,204	\$ 615,301	\$ 4,685,862

TOTAL LONG TERM DEBT DEBT

\$ 4,685,862

MEMBER	AMOUNT
HGSD	32,053
NORCO	146,694
SAWPA	533,924
WMWD	33,834
JCSD	-
	\$ 746,505

CAPITAL FUND EXPENDITURES

WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
Fiscal Year 2011/2012 Capital Fund Budget

Capital Expenditures

Description	2010/2011 Budget Total	Expended in 2010/2011	To be Expended in 2011/2012					Corona
			Total	SAWPA	WMWD	JCSD	Norco	
Repair and Replacement								
RASWAS Pump Station								
WAS Pump Number 2 - Rehab/Replace	-	-	17,750	-	4,282	7,211	4,881	1,376
Grinder Number 1 - Rehab/Replace	-	-	10,000	-	2,412	4,063	2,750	775
Grinder Number 2 - Rehab/Replace	-	-	11,500	-	2,774	4,672	3,163	891
Tertiary Treatment								
Dynasand Filter Rehab	-	-	20,750	-	5,006	8,430	5,706	1,608
Alum Feed System - Repairs/Replace	-	-	16,500	-	3,980	6,703	4,538	1,279
Solids Handling								
Centrifuge Feed Pumps - Rehab/Replace	-	-	20,750	-	5,006	8,430	5,706	1,608
Thickened Sludge Pumps - Rehab/Replace	-	-	34,500	-	8,322	14,016	9,488	2,674
Centrifuge Bowl Rehab	-	-	180,000	-	43,425	73,125	49,500	13,950
Improvement								
Oxidation Ditch Air Improvements (Upgrade 8 MGD)								
Engineering and Design	500,000	50,000	450,000	-	108,562	182,813	123,750	34,875
Construction	-	-	6,800,000	-	1,640,500	2,762,500	1,870,000	527,000
River Road Bridge								
Consulting			95,000	-	58,244	-	28,274	8,482
Plant Expansion								
Facilities Expansion Plan	500,000	100,000	400,000	-	-	320,000	40,000	-
Start Final Design			500,000	-	-	400,000	50,000	50,000
Total Capital Expenditures	\$ 1,000,000	\$ 150,000	\$ 8,556,750	\$ -	\$ 1,882,513	\$ 3,791,963	\$ 2,197,756	\$ 594,518
								\$ 90,000

Complete Construction May 2012

Project Estimate:

Design	\$ 500,000
Construction	6,160,000
Inspection	440,000
Legal and Administration	<u>200,000</u>
Grand Total	\$7,300,000

River Road Bridge

Consulting Work Needed to Complete Project:

Clark DuPont, Forensic Engineer	\$ 25,000
T&K Engineering	35,000
David Wysocki	<u>35,000</u>
Total	\$ 95,000

Expansion Cost

Schedule:

Start Facilities Expansion Plan March 2011, Finish October 2011

Begin Final Design October 2011

Design Estimate:

Finish Facilities Expansion Plan	\$ 400,000
Begin Final Design	<u>500,000</u>
Total	\$ 900,000

RESOLUTION NO. 11-003

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY ESTABLISHING RATES TO BE CHARGED FOR THE CONVEYANCE, TREATMENT AND DISPOSAL OF WASTEWATER

WHEREAS, the WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY ("the Authority") owns and operates a wastewater conveyance, treatment and disposal system ("system"); and

WHEREAS, the agencies having the right to discharge to the AUTHORITY's system are the AUTHORITY's Member Agencies: The Home Gardens Sanitary District, the Jurupa Community Services District, the City of Norco, the Western Municipal Water District of Riverside County, and the Santa Ana Watershed Project Authority (SAWPA); and

WHEREAS, in order to defray the costs of operating and maintaining its system, the AUTHORITY must establish, from time-to-time, rates to be charged to its Member Agencies for the operation and maintenance of the system.

NOW, THEREFORE, the Board of Directors of the WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY hereby resolve as follows:

Section 1. Rate Components

The rate to be charged to use the system shall consist of the following components:

a. A fixed rate component, which shall defray system operation and maintenance costs and expenses which do not vary significantly in proportion to the wastewater flow delivered to the system. The fixed rate component consists of the following sub-components:

- (i) Treatment
- (ii) Conveyance

(iii) Administration

(iv) Reserve for Asset replacement

(v) Reserve for Capital Improvements and Special Studies

b. A variable rate component, which shall defray the system operation and maintenance costs and expenses which vary generally in proportion to the wastewater flow delivered to the system. The variable rate component shall consist of the following sub-components:

(i) Treatment

(ii) Conveyance

Section 2. Fixed Rate.

There is hereby established, and each Member Agency shall pay, whether or not any wastewater is delivered to the system, the total of the following fixed rate sub-components, per million gallons per day ("MGD") of capacities owned by the Member Agency:

a. Fixed Rate - Treatment:	\$15,469.00 per month/MGD
b. Fixed Rate - Conveyance:	\$1,283.00 per month/MGD
c. Fixed Rate - Administration:	\$2,642.00 per month/MGD
d. Fixed Rate - Reserve for Asset Replacement	\$1,131.00 per month/MGD
d. Fixed Rate - Reserve for Capital Improvements and Special Studies	\$1,042.00 per month/MGD
Total Fixed Rate:	\$21,567.00 per month/MGD

Section 3. Variable Rate

In addition to paying the total fixed rate provided for above, each Member Agency shall pay for each million gallons of wastewater actually delivered by the Member Agency to the system the following variable rate sub-components:

a. Variable Rate - Treatment:	\$1,022.00/MG
b. Variable Rate - Conveyance:	\$58.00/MG
Total Variable Rate:	\$1,080.00/MG

Section 4. Allocation of Capacity for Fixed Rate Calculation Purposes.

Fixed rates due hereunder shall be calculated on the basis of the following allocation of capacity in the system:

a. To calculate the fixed rate for the Treatment and Administration sub-components, the following capacities are hereby allocated to the Member Agencies:

HGSD:	0.62 MGD
JCSD:	3.25
NORCO:	2.20
WMWD:	<u>1.93</u>
Total:	8.00 MGD

b. To calculate the fixed rate Conveyance sub-component, the following capacities are hereby allocated to the Member Agencies:

HGSD:	0.75 MGD
JCSD:	0.00
NORCO:	2.50
WMWD:	<u>5.15</u>
Total:	8.40 MGD

Section 5. Payment Due Date.

The fixed charge for capacity owned shall be paid monthly, in advance. The fixed charge will be billed by approximately the 21st of the prior month shall considered delinquent if not paid by the 15th of the month for which the charge is being paid.

The variable charge shall be paid monthly, in arrears. The variable charge will be based on actual flows and will be billed on approximately the 21st of the month following the actual flows. Payment will be considered delinquent if not paid by the 15th of the following month.

Section 6. Effective Date.

The rates established by this Resolution shall be effective on July 1, 2011. Resolution 10-115 is hereby superseded.

ADOPTED this 30th day of June, 2011.

WESTERN RIVERSIDE COUNTY REGIONAL
WASTEWATER AUTHORITY

ROBERT SEYMOUR, Chair

I hereby certify that the foregoing is a full, true and correct copy of Resolution No. 11-003 adopted by the Board of Directors of WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY at a special meeting held June 30, 2011.

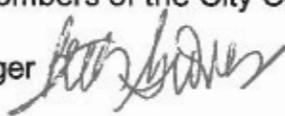
HARVEY SULLIVAN, Secretary-Treasurer

**Western Riverside County Regional Wastewater Authority
River Road Bridge Force Main Relocation
Budget Versus Actual at 6/30/11**

	Total 6/30/2011
Budget Approved May 3, 2010	<u>3,000,000</u>
<u>Expended to Date</u>	
Work Order 3341	138,509
Work Order 3417	17,191
Escrow Deposit	<u>1,264,040</u>
Total	<u>1,419,740</u>
Amount Remaining on Budget	<u><u>1,580,260</u></u>

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: July 20, 2011

SUBJECT: Execution of a Water, Sewer and Recycled Utilities Service Contract between the City of Norco and the Naval Weapons Station (NWS) Seal Beach Detachment Corona, California

RECOMMENDATION: That City Council Approve a Water, Sewer and Recycled Utilities Service Contract between the City of Norco and the Naval Weapons Station (NWS) Seal Beach Detachment Corona, California and authorize the City Manager to execute the agreement.

SUMMARY: The City of Norco has installed individual water and sewer meters that service the Naval Weapons Station ("Navy") Seal Beach property. The Naval Weapons Station Seal Beach Detachment, Corona requires the issuance of a New Utility Service Contract to establish separate service accounts for potable water, waste water collection and recycled water. The State of California, California Rehabilitation Center ("CRC") has historically provided water to the Navy facility. With the execution of the Utility Service Contract, the Navy will agree to purchase these services from the City of Norco.

BACKGROUND/ANALYSIS: On August 18, 2009, the City of Norco, the State of California, CRC and the Navy entered into a three-way Memorandum of Agreement ("MOA") that include a number of Points of Understanding. One of the primary points was to create individual water and sewer service connections from the City to each agency.

The City has completed the installation of the potable water and sewer meter connections required to provide individual service and billing. Navy protocol requires the establishment of a utility contract prior to disbursing funds to pay outstanding invoices for services rendered. The contract as proposed requires the Navy to adhere to City adopted commercial water, sewer and recycled water rate structures.

The purpose of the attached Utility Services Contract is to establish contract administration, delivery points and general provisions regarding services provided.

FISCAL IMPACT: N/A

Attachment: Utilities Service Contract

/wrt-78953

Agenda Item 3.G.

PART I**SECTION B – SUPPLIES OR SERVICES AND PRICE/COSTS****FIRM FIXED-PRICE CONTRACT**

Subject to the terms and conditions in this contract, the City of Norco (City), shall establish separate services/accounts to sell and deliver Potable Water, Sewer Service and Recycled/Reclaimed Water to both California Rehabilitation Center (“CRC”) and the Naval Weapons Station Seal Beach Detachment Corona (“Navy”) facilities from the point of the City’s meter connections.

CLIN (Contract Line Item Number)

- CLIN 0001 Potable water service shall be provided in accordance with the State of California, Department of Public Health Services approved rules and regulations and in accordance with the City of Norco Municipal Code, Title 14.
- CLIN 0002 Sewer collection and treatment service shall be provided in accordance with the State of California approved rules and regulations and the City of Norco Municipal Code, Title 14.
- CLIN 0003 Recycled/Reclaimed Non-Potable water service shall be provided in accordance with the State of California and the City of Norco (City), rules and regulations for the provision of recycled/reclaimed non-potable service.

End of Section B

PART I - SECTION C

DESCRIPTION/ SPECIFICATION/ WORK STATEMENT

C.1 GENERAL REQUIREMENTS

- CLIN 0001 Potable Water Service/Account
- CLIN 0002 Sewer Service/ Account
- CLIN 0003 Recycled/Reclaimed Non-Potable Water Service/ Account

C.2 PREMISES TO BE SERVED:

Naval Weapons Station (NWS) Seal Beach Detachment Corona, California

C.3 POINT OF DELIVERY

See Statement of Work

C.4 NATURE OF SERVICE OR CHANGE

Establishment of New Utility Service Contract to provide Potable Water, Sewer Service and Recycled/ Reclaimed Non-Potable Water Services/ Accounts for Naval Weapons Station Seal Beach Detachment Corona

C.5 ESTIMATED SERVICE

See Statement of Work

C.6 RATE SCHEDULE

See Statement of Work

C.7 DESCRIPTION OF WATER SERVICE

See Statement of Work

C.8 QUALITY OF WATER SERVICE

The City of Norco (City), shall supply clear, potable water safe for human consumption in accordance with standards adopted by the California Department of Public Health Service for drinking and culinary water supplied by common carriers in interstate commerce and such revisions thereof as may be made from time to time.

C.9 TERM OF CONTRACT

Requested service date for all Utilities Service Contracts for Potable Water, Sewer and Recycled/Reclaimed water fees separate services/accounts for the Navy is JULY 1, 2011. The Contract shall extend for an indefinite period of time. The Contract is subject to termination by the Government provided that a 30 day notice is given to the City of Norco (City), prior to termination.

C.10 METERING

See Statement of Work – Single, 8 inch potable water meter connection

End of Section C

Part I

SECTION D – PACKAGING AND MARKING

This section is not applicable.

SECTION E – INSPECTION AND ACCEPTANCE

This section is not applicable.

SECTION F – DELIVERIES OR PERFORMANCE

This section is not applicable.

PART I – SECTION G

CONTRACT ADMINISTRATION

G.1 PAYMENT

The City of Norco (City), shall be paid by the designated disbursing office for services furnished under this contract at the rate(s) specified herein and the applicable rules and regulations for the provision of water service per the City of Norco Municipal Code.

Payments hereunder shall be contingent upon the availability of appropriations and shall not be made in advance of the service rendered.

G.2 INVOICING INSTRUCTIONS

The City of Norco (City), shall submit invoices to:

P.O. BOX 30088, College Station, Texas, 77842-3088

G.3 CONTRACT ADMINISTRATION DATA

a. PROCUREMENT CONTRACTING OFFICER (PCO) name/address:

Naval Facilities Engineering Command, SouthWest
1220 Pacific Highway
San Diego, CA 92132

Rea D. Estrella
(619) 532-3822
Fax (619) 532-3979

b. The TECHNICAL ENGINEER for this contract is:

Nestor Valdemoro
(619) 532-3977
Fax (619) 532-4071

c. WATER DISTRICT name/address:

City of Norco
2870 Clark Avenue
Norco, CA 92860

William R. Thompson
(951) 270-5607

d. CUSTOMER name/address:

Naval Weapons Station (NWS) Seal Beach Detachment
Corona, California
2300 Fifth Street
Norco, CA 92860

Kevin Bourelle
(760) 497-8795

- e. The Pay Office for this contract is: (DO NOT SEND INVOICES TO THIS ADDRESS)
DFAS Cleveland, N68732

G.4 **ACCOUNTING AND APPROPRIATION DATA**

Funding for usage and recurring service charges

- CLIN 0001 Funding for service will be cited by the certifying activity when invoices are processed for payment.
- CLIN 0002 Funding for service will be cited by the certifying activity when invoices are processed for payment.
- CLIN 0003 Funding for service will be cited by the certifying activity when invoices are processed for payment.

PART I

SECTION H: SPECIAL CONTRACT REQUIREMENTS

This section is not applicable.

End of Section H

PART II

SECTION I – CONTRACT CLAUSES

Federal Acquisition Regulations (FAR) Clauses

This contract incorporates one or more Federal Acquisition Regulations (FAR) Clauses by reference, with the same force and full effect as if they were given in full text. Upon request, the Contracting Officer will make their text available.

52.217-8	OPTION TO EXTEND SERVICES (NOV 1999)
52.229-3	FEDERAL, STATE AND LOCAL TAXES (JULY 1995)
52.232-19	AVAILABILITY OF FUNDS FOR NEXT FISCAL YEAR (APR 1984)

Defense Federal Acquisition Regulation Supplement (DFARS) Clause

252.204-7004	REQUIRED CENTRAL CONTRACTOR REGISTRATION (MAR 2000)
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In the event of any inconsistency between the terms of this contract (including the specifications) and any rate schedule or exhibit incorporated in this contract by reference or otherwise, or any of the Contractor's rules and regulations, the terms of this contract shall control.

The following FAR clauses and provisions are incorporated in this contract and provided in Full Text:

52.241-4	CHANGE IN CLASS OF SERVICE (FEB 1985)
52.241-5	CONTRACTOR'S FACILITIES (FEB 1995)
52.241-7	CHANGE IN RATES OR TERMS AND CONDITIONS OF SERVICE FOR REGULATED SERVICES (FEB 1995)
52.241-11	MULTIPLE SERVICE LOCATIONS (FEB 1995)

FAR 52.241-4, CHANGE IN CLASS OF SERVICE (FEB 1995)

(a) In the event of a change in the class of service, such service shall be provided at the Contractor's lowest available rate schedule applicable to the class of service furnished.

(b) Where the Contractor does not have on file with the regulatory body approved rate schedules applicable to services provided, no clause in this contract shall preclude the parties from negotiating a rate schedule applicable to the class of service furnished.

52.241-5, CONTRACTORS FACILITIES (FEB 1995)

(a) The Contractor, at its expense, unless otherwise provided for in this contract, shall furnish, install, operate, and maintain all facilities required to furnish service hereunder, and measure such service at the point of delivery specified in the Service Specifications. Title to all such facilities

shall remain with the Contractor and the Contractor shall be responsible for loss or damage to such facilities, except that the Government shall be responsible to the extent that loss or damage has been caused by the Government's negligent acts or omissions.

(b) Notwithstanding any terms expressed in this clause, the Contractor shall obtain approval from the Contracting Officer prior to any equipment installation, construction, or removal. The Government hereby grants to the Contractor, free of any rental or similar charge, but subject to the limitations specified in this contract, a revocable permit or license to enter the service location for any proper purpose under this contract. This permit or license includes use of the site or sites agreed upon by the parties hereto for the installation, operation, maintenance, and repair of the facilities of the Contractor required to be located upon Government premises. All applicable taxes and other charges in connection therewith, together with all liability of the Contractor in construction, operation, maintenance and repair of such facilities, shall be the obligation of the Contractor.

(c) Authorized representatives of the Contractor will be allowed access to the facilities on Government premises at reasonable times to perform the obligations of the Contractor regarding such facilities. It is expressly understood that the Government may limit or restrict the right of access herein granted in any manner considered necessary (*e.g.*, national security, public safety).

(d) Unless otherwise specified in this contract, the Contractor shall, at its expense, remove such facilities and restore Government premises to their original condition as near as practicable within a reasonable time after the Government terminates this contract. In the event such termination of this contract is due to the fault of the Contractor, such facilities may be retained in place at the option of the Government for a reasonable time while the Government attempts to obtain service elsewhere comparable to that provided for hereunder.

52.241-7, CHANGE IN RATES OR TERMS AND CONDITIONS OF SERVICE FOR REGULATED SERVICES (FEB 1995)

(a) This clause applies to the extent services furnished under this contract are subject to regulation by a regulatory body. The Contractor agrees to give 30 days written notice of (1) the filing of an application for change in rates or terms and conditions of service concurrently with the filing of the application and (2) any changes pending with the regulatory body as of the date of contract award. Such notice shall fully describe the proposed change. If, during the term of this contract, the regulatory body having jurisdiction approves any changes, the Contractor shall forward to the Contracting Officer a copy of such changes within 15 days after the effective date thereof. The Contractor agrees to continue furnishing service under this contract in accordance with the amended tariff, and the Government agrees to pay for such service at the higher or lower rates as of the date when such rates are made effective.

(b) The Contractor agrees that throughout the life of this contract the applicable published and unpublished rate schedule(s) shall not be in excess of the lowest cost published and unpublished rate schedule(s) available to any other customers of the same class under similar conditions of use and service.

(c) In the event that the regulatory body promulgates any regulation concerning matters other than rates which affects this contract, the Contractor shall immediately provide a copy to the

Contracting Officer. The Government shall not be bound to accept any new regulation inconsistent with Federal laws or regulations.

(d) Any changes to rates or terms and conditions of service shall be made a part of this contract by the issuance of a contract modification unless otherwise specified in the contract. The effective date of the change shall be the effective date by the regulatory body. Any factors not governed by the regulatory body will have an effective date as agreed to by the parties.

52.241-11, MULTIPLE SERVICE LOCATIONS (FEB 1995)

(a) At any time by written order, the Contracting Officer may designate any location within the service area of the Contractor at which utility service shall commence or be discontinued. Any changes to the service specifications shall be made a part of the contract by the issuance of a contract modification to include the name and location of the service, specifying any different rate, the point of delivery, different service specifications, and any other terms and conditions.

(b) The applicable monthly charge specified in this contract shall be equitably prorated from the period in which commencement or discontinuance of service at any service location designated under the Service Specifications shall become effective.

DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT (DFARS) CLAUSES

252.204-7005 REQUIRED CENTRAL CONTRACTOR REGISTRATION CCR (MAR 2000)

End of Section I

PART II

SECTION J – LIST OF ATTACHMENTS

- J.1** Statement of Work
- J.2** Potable Water, Sewerage and Recycled/Reclaimed Water Specifications
- J.3** Memorandum of Agreement & Point of Understanding Between the Naval Weapons Station Seal Beach Detachment Corona and the City of Norco and the California Department of Corrections & Rehabilitation: Signed 18 August 2009.
- J.4** Exhibit “A” CRC/ NAVY Public Utilities
- J.5** Exhibit “B” City of Norco/ CRC/ NAVY Existing Site Utility Plan
- J.6** Exhibit “C” NAVY Proposed Utility Service Connections

Attachment J.1

**STATEMENT OF WORK
CITY OF NORCO
UTILITY SERVICE CONTRACT
FOR
POTABLE WATER, SEWER & RECYCLED/RECLAIMED WATER**

**Contract No. N62473-11-C-3809
CREF NO. 861442**

1. PURPOSE:

- a. Basic Contract is deemed necessary to issue a New Utility Service Contracts with the City of Norco ("City") for Potable Water, Sewer and Recycled/Reclaimed Water to establish separate services/accounts to both California Rehabilitation Center ("CRC") and Naval Weapons Station Seal Beach Detachment Corona ("Navy") facilities respectively from the point of the City's meter connections complete and ready for use.
- b. This contract is consistent with the signed MOA and Points of Understanding direct result between the Navy, CRC and City, Attachment "A", dated 18th August 2009 to ensure an orderly transition of the separate potable water, sewer and recycled/reclaimed water contracts services/accounts provided by the City.

2. GENERAL REQUIREMENTS:

**NAVAL WEAPONS STATION (NWS) SEAL BEACH DETACHMENT
CORONA (NAVY)**

CLIN = (Contract Line Item Number)

CLIN 000I POTABLE WATER SERVICE/ACCOUNT:

Potable water service shall be provided in accordance with the State of California approved rules and regulations and in accordance with the City of Norco Municipal Code, Title 14.

- a. The City shall provide funds, design, construct, operate, maintain, furnish and install new potable water meter service connection at the 12" existing water main to provide separate service/account for the Navy on Fifth Street at or near the old entrance to the Navy facility complete and ready for use.

- b. The City shall provide funds, design, construct, operate, maintain, furnish and install new 8" water main pipeline and potable water meter connection to provide service/account for the Navy on Fourth Street at or near the new entrance to the Navy facility complete and ready for use.
- c. The City shall provide water meter to measure the Navy water consumption delivered for billing purposes at the City standard water rates.
- d. The Navy shall fund, design, construct, operate and maintain all facilities in their respective properties from the point of the City's meter connection, located outside of Navy property.
- e. The City shall not require an assessment of development impact fees for the proposed Navy water service connection.
- f. The City reserves the right to assess all appropriate water service connection and a development fee associated with this property if the State of California or Navy transfers ownership or develops the property for use other than current use by the State of California or Navy.

CLIN 0002 SEWER SERVICE/ACCOUNT:

Sewer service shall be provided in accordance with the State of California approved rules and regulations and in accordance with the City of Norco Municipal Code, Title 14.

- a. The City shall provide funds, design, construct, operate, maintain, furnish and install new sewer meter service connection at the existing sewer main line and discharge facilities including a bar screen and/or grinders to accept daily wastewater flows from the Navy for separate service/accounts and connect to the CRC on Western Avenue, South of Fifth Street complete and ready for use.
- b. The City shall provide funds, design, construct, operate, maintain, furnish and install new sewer meter service connection for the Navy from the existing sewer lift station located on Navy property to the City's sewer main on Third Street, within the Riverside Community College (RCC) Norco Campus complete and ready for use.
- c. The City shall furnish and install a temporary sewer meter to measure the Navy sewage flow to the City of Norco sewer system to collect and establish sufficient sewage flow usage data for billing purposes and billed the Navy by using the City standard sewer rates. This temporary sewer meter shall be removed after gathering sufficient usage data and

shall be replaced with a permanent calibrated sewer meter.

- d. The Navy shall fund, design, construct, operate and maintain all facilities in their respective properties from the point of the City's sewer service meter connection.
- e. The City shall obtain additional sewer treatment capacity at the Western Riverside County Regional Wastewater Authority (WRCRWA) at its own expense to accept and treat the Navy sewer discharges.

CLIN 0003 RECYCLED/RECLAIMED NON-POTABLE WATER SERVICE/ACCOUNT:

Recycled/Reclaimed Non-Potable water service shall be provided in accordance with the State of California and the City of Norco (City), approved rules and regulations for the delivery of recycled/reclaimed non-potable service.

- a. The City shall provide funds, design, construct, operate, maintain, furnish and install new recycled/reclaimed non-potable water main pipeline and non-potable water meter service connection for the Navy to provide separate service/account located near the Fourth Street entrance gate to the Navy facility complete and ready for use.
- b. The City shall provide funds, design, construct, operate, maintain, furnish and install new recycled/reclaimed non-potable water main pipeline and non-potable water meter service connection for the Navy to provide a service/account located on the Fifth Street adjacent to the Potable Water connection.

3. REQUESTED SERVICE DATE:

- a. Requested service date for all Utilities Service Contracts for Potable Water, Sewer and Recycled/Reclaimed water fees separate services/accounts for the Navy is JULY 1, 2011.

4. PROJECT NAME AND LOCATION:

- a. Utilities Service Contracts for Potable Water, Sewer and Recycled/Reclaimed Non-Potable Water services/accounts: **Naval Weapons Station (NWS) Seal Beach Detachment Corona, California.**

Attachment J.2

Contract N62473-11-C-3809
CREF NO. 861442

WATER SERVICE SPECIFICATIONS

1. PREMISES TO BE SERVED:

NAVAL WEAPONS STATION SEAL BEACH DETACHMENT CORONA,
CALIFORNIA

2. **POINT OF DELIVERY:** The point of delivery of potable water shall be at the point of connection shown in attached Utilities Plan. This work shall be provided by the City of Norco (City) Water Department Service Area.

3. **NATURE OF SERVICE OR CHANGE:** The City of Norco (City) shall provide fund, design, construct, operate, maintain, furnish and install domestic potable water tap service connection for the Navy on Fourth Street at or near the new entrance to the Navy facility respectively from the point of the City's meter connections complete and ready for use, as shown in attached Utilities Plan.

4. **ESTIMATED SERVICE:** (For Domestic Potable Drinking Water System only)

Estimated daily maximum demand: **466 kgals**

Estimated annual consumption: **170,168 kgals**

Estimated New Water Connection Charge: **No Cost**

(The Government is in no way obligated to delivery nor is it restricted to the above estimate)

5. **RATE SCHEDULE:** Water rates shall be in accordance with the current City of Norco Water and Sewer Rates commercial, industrial facilities (Water Only).

6. **DESCRIPTION OF WATER SERVICE:**

a. The City shall have **350** gallons per minute of domestic potable water continuously available at the point of delivery at a pressure of not less than **65** pounds per square inch gauge or the standard pressure for this type of service.

7. **QUALITY OF WATER SERVICE:** The City shall supply clear, potable water safe for human consumption in accordance with standards adopted by the

United States Public Health Service for drinking and culinary water supplied by common carriers in interstate commerce and such revisions thereof as may be made from time to time.

8. **TERM OF SERVICE:** (check one)
 Definite, commencing _____ terminating _____
 Indefinite, commencing on or about JULY 1, 2011

9. **METERING:** Water shall be measured by water meters to be supplied by the City Water Department as mentioned below or be determined by City Water Department for the type of service required.

Fire Protection Water System	NONE
Potable Drinking Water System	TBD by City (water meter size)

10. **SIZE OF CONTRACTOR'S PIPELINE TO POINT OF DELIVERY:** Existing 8" and 12" inches diameter for domestic potable drinking water system.

SEWERAGE SERVICE SPECIFICATIONS

1. PREMISES TO BE SERVED:

NAVAL WEAPONS STATION SEAL BEACH DETACHMENT CORONA, CALIFORNIA

2. ESTIMATED SERVICE:

Estimated average daily flow: 750 kgals
 Estimated average annual flow: 273,750 kgals
 Estimated New Sewer Connection Charge: No Cost

(The Government is in no way obligated to delivery nor is it restricted to the above estimate.)

3. NATURE OF SERVICE OR CHANGE:

New Connection
 Change

4. **SERVICE TO BE RENDERED:** The City of Norco (City) shall provide funding, design, construct, operate, maintain and furnish a sanitary sewer connections at two locations: (the first location will connect to the CRC on Western Avenue, South of Fifth Street and the second location will be from the existing sewer lift station located on Navy property to the City's sewer main on Third Street, within the Norco College (Norco Campus) and sanitary sewage services as required by the Government and shall receive, carry, treat and dispose of all sanitary sewage originating from the Navy in such amounts as the Government desires to release into the City's sewer system and in a manner and by such means as will constitute

no hazard to the public health. The City shall operate their sewage disposal and treatment facilities in conformity with applicable laws, rules, and regulations promulgated by Federal, state and local authorities.

5. **TERM OF SERVICE:** Indefinite, Commencing on or about JULY 1, 2011

6. **POINT OF DELIVERY:** The sewage shall be delivered to the City by the Government at the point of connection shown in attached Utilities Plan. This work is to be provided by the City Service Area.

7. **SIZE OF SEWER TO POINT OF DELIVERY:** **Eight (8)** inches diameter. Shall be determined by City of Norco.

8. **RATE SCHEDULE:** Sewer rates shall be in accordance with the current City of Norco Water and Sewer Rates for Commercial, Industrial facilities (Sewer Only).

9. **ALTERATIONS AND ADDITIONS:** None

RECYCLED/RECLAIMED WATER SERVICE SPECIFICATIONS

2. PREMISES TO BE SERVED:

NAVAL WEAPONS STATION SEAL BEACH DETACHMENT CORONA,
CALIFORNIA

10. **POINT OF DELIVERY:** The point of delivery of recycled water shall be at the point of connection shown in attached Utilities Plan. This work shall be provided by the City of Norco (City) Water Department Service Area.

11. **NATURE OF SERVICE OR CHANGE:** The City of Norco (City) shall provide fund, design, construct, operate, maintain, furnish and install new two recycled water tap service connections for the Navy, one near Fourth Street and second near Fifth Street on the Navy facility respectively from the point of the City's meter connections complete and ready for use, as shown in attached Utilities Plan.

12. **ESTIMATED SERVICE:** (For Recycled Water System only)

Estimated average daily usage: **466 kgals**

Estimated average annual usage: **170,168 kgals**

Estimated New Recycled Water Connection Charge: **No Cost**

(The Government is in no way obligated to delivery nor is it restricted to the above estimate)

13. **RATE SCHEDULE:** Recycled/Reclaimed water rates shall be in accordance with the current City of Norco Water and Sewer Rates commercial, industrial facilities (Recycled/Reclaimed Non-Potable Water Only).

14. **DESCRIPTION OF WATER SERVICE:**

b. The City shall have **350** gallons per minute of recycled/reclaimed non-potable water continuously available at the point of delivery at a pressure of not less than **65** pounds per square inch gauge or the standard pressure for this type of service provided by the City of Norco.

15. **QUALITY OF WATER SERVICE:** The City shall supply clear, recycled/reclaimed non-potable water safe for irrigation, landscaping Lake Source supply in accordance with standards adopted by the United States Public Health Service for recycled/reclaimed non-potable water supplied by common carriers in interstate commerce and such revisions thereof as may be made from time to time.

16. **TERM OF SERVICE:** (check one)

Definite, commencing _____ terminating _____

Indefinite, commencing **on or about JULY 1, 2011**

17. **METERING:** Recycled/Reclaimed Non-Potable Water shall be measured by water meters to be supplied by the City Water Department as mentioned below or be determined by City Water Department for the type of service required.

Recycled/Reclaimed Non-Potable Water System: TBD by City (water meter size)

10. SIZE OF CONTRACTOR'S PIPELINE TO POINT OF DELIVERY: City of Norco shall provide funds, design, construct, operate, maintain, furnish and install Recycled/Reclaimed Non-Potable Water system connection to provide non-potable water to Navy facility as shown in the Utility Site Plan.

MEMORANDUM OF AGREEMENT

BETWEEN

THE NAVAL WEAPONS STATION SEAL BEACH DETACHMENT CORONA

AND

THE CITY OF NORCO

AND

THE CALIFORNIA DEPARTMENT OF CORRECTIONS & REHABILITATION,

This Memorandum of Agreement is entered into as of this 18th day of Aug, 2009, by and between the Naval Weapons Station Seal Beach Detachment Corona ("Navy") and the City of Norco ("City"), and the California Department of Corrections & Rehabilitation ("CDCR"). It is understood by all three parties that this Memorandum of Agreement is not a legally binding document and that utility service contracts and easements shall be established to complete this agreement.

RECITALS

WHEREAS, the California Rehabilitation Center ("CRC"), functioning under the direction of the CDCR, and the Naval Weapons Station Seal Beach (Navy) Detachment Corona, functioning under the direction of Commander, Navy Region Southwest, are located adjacent to one another within the City of Norco; and

WHEREAS, the City of Norco provides a full range of water treatment and distribution services as well as sewage collection and treatment services within the City's incorporated service area; and

WHEREAS, the City possesses multiple potable water sources that enable the supply of water to its distribution system that include local groundwater facilities, the Chino Desalter Authority ("CDA"), and the Arlington Desalter ("Arlington") as well as the Mills Filtration Plant ("Mills"); and

WHEREAS, the City currently provides approximately 800 gallons per minute (gpm) of potable water to the CRC and Navy at a single water connection located on Western Avenue; and

WHEREAS, the City has designed and is constructing a recycled water system to provide an alternative water irrigation source to users within its service area; and

WHEREAS, the City operates a sewage collection system with the ability to accept the CRC and the Navy daily sewage discharges for distribution to its treatment facility at the Western Riverside County Regional Wastewater Authority (WRCRWA); and

WHEREAS, the CRC contracts and owns 750,000 gallons per day (gpd) of Santa Ana Regional Interceptor (SARI) treatment and pipe line capacity, which accepts daily sewage discharges from the property; and

WHEREAS, the City is prepared to obtain additional treatment capacity from WRCRWA to provide sufficient treatment capabilities to accommodate additional wastewater flow from the CRC and Navy; and

POINTS OF UNDERSTANDING

NOW, THEREFORE, in consideration of the foregoing recitals, and the points of understanding hereinafter stated, the parties to this Memorandum of Agreement understand the following:

1. Potable Water Service.

a. The City will design, fund, construct, operate and maintain additional potable water connections to provide separate services to the CRC and Navy.

b. Specifically, the City will design, fund, install, and maintain 2 potable water connections for CRC, a new connection located on Fifth Street and the existing connection located on Western. The City will design, fund, install, and maintain an additional water connection for the Navy on Fourth Street at or near the new entrance to the facility.

c. The quantities of water delivered to the CRC and the Navy will be measured by individual meters and billed at the standard rates in effect for Industrial users within the City. Beginning October 1, 2009 each Agency will be billed separately for water metered and supplied by the City.

d. The CRC and the Navy will design, fund, construct, operate and maintain all facilities on their respective properties from the point of the City's meter connection. The Navy shall develop and issue easements for CRC water infrastructure located on Navy property. The CRC will retain maintenance responsibility for water infrastructure in support of their water system.

e. The City will not require an assessment of development impact fees for the proposed water service connection. The City reserves the right to assess all appropriate water and sewer connection and development fees associated with this property if the State of California transfers ownership or develops the property for use other than by the State of California.

2. Sewer Service.

a. The City will design, fund, construct, operate and maintain sewer line connections and discharge facilities including a bar screen and/or grinders to accept daily wastewater flows from the CRC and the Navy. The City will provide sewer connections at two locations. The first will connect to the CRC on Western Avenue, south of Fifth Street. The second sewer connection will be designed from the existing sewer lift station located on Navy property to the City's sewer main on Third Street, within the Riverside Community College (RCC) Norco campus.

b. The CRC will conduct a cost feasibility study to determine alternatives to use of the Navy sewer system for sewage disposal via the City of Norco.

c. The City shall install temporary meters to measure the amount of CRC sewage flowing into the Navy sewage system. A temporary meter shall also be installed to measure sewage flow to the City of Norco from the Navy system. These meters can be removed after sufficient data has been collected to determine sewage flow from the CRC and Navy.

d. The Navy shall develop and issue easements for CRC sewer infrastructure located on Navy property. The CRC will retain maintenance responsibility for sewer infrastructure in support of their sewer system.

e. The City will establish an institutional rate for sewer services provided to the CRC and the Navy. Beginning October 1, 2009 each Agency will pay separately for sewer service based on usage established by meters.

f. The City will obtain additional sewer treatment capacity at WRCRWA, at its own expense, to accept and treat the CRC and Navy sewer discharges. Each Agency will be responsible for maintaining their respective sewer laterals which connect into the main trunk line.

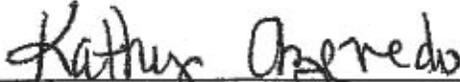
g. The CDCR will transfer ownership 250,000 gallons of SARI treatment and pipe line capacity to the City.

3. Recycled Water. The City will design, fund, construct, operate and maintain recycled water connections to the CRC and the Navy. A total of two recycled water connections for the Navy shall be provided, one near 4th St and a second near 5th street adjacent to the potable water connections.

4. Conveyance of Well-field Property. The CDCR acting by and through the Director of the Department of General Services State of California, will complete the re transfer of ownership of the 13.33-acre parcel located on Bluff Street between River Road and Vine Avenue in the City of Norco, identified as APN 121-110-00 (Parcel D). Conditions of re transfer are as required by the vesting deed, and approved by the Department of Health and Human Services, and facilitated through the US General Services Administration.
5. Design Review. The design of the metering, connection, flow control and pressure reducing facilities shall be subject to review and approval by all parties to this agreement.
6. Inspection of Facilities. The water and sewer connection points constructed by the CRC or the Navy referenced in this Memorandum of Agreement shall be subject to inspection and approval by the City during construction and again before activation.
7. Transfer of Obligation. Upon completion of the transfer of title of Parcel D to the City, the Navy shall also provide Lake Norconian to the City for use as a water storage facility. In return the City will assume the obligation for filling and maintaining the water levels at Lake Norconian, to include the reflecting ponds at the specified level marked with a metal plate at the boat dock. The City will ensure that the water quality delivered to the lake meets, or exceeds all regional water quality discharge permit standards, and obtain any required permits.
8. Changes. Changes/amendments may be made to this agreement by mutual written consent of all parties, and will be recorded and published as addenda to this agreement.
9. Effective Date. This MOA will become effective upon the completion of signatures.
10. Separate Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed shall be deemed to be an original. Such counterparts shall, together, constitute and be one and the same instrument.

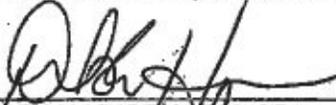
IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the date first above written.

CITY OF NORCO



KATHY AZEVEDO, MAYOR
City Hall
2870 Clark Avenue
Norco, CA 92860

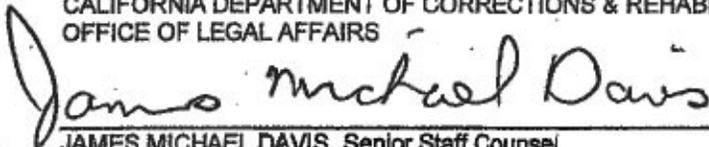
CALIFORNIA DEPARTMENT OF CORRECTIONS & REHABILITATION



DEBORAH HYSEN, Chief Deputy Secretary
Facility Planning, Construction, and Management
State of California
9838 Old Placerville Rd. Suite B
Sacramento, CA 95827

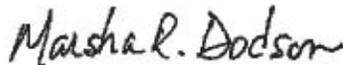
Approved as to form:

CALIFORNIA DEPARTMENT OF CORRECTIONS & REHABILITATION
OFFICE OF LEGAL AFFAIRS



JAMES MICHAEL DAVIS, Senior Staff Counsel
Attorney for CDCR

UNITED STATES NAVY



MARSHA R. DODSON, Contracting Officer
NAVFAC Southwest
1220 Pacific Highway
San Diego, CA 92132

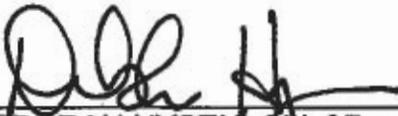
MOA Between the City, CDCR & Navy
Page 5

IN WITNESS WHEREOF, the parties have caused this agreement to be executed the date first above written.

CITY OF NORCO

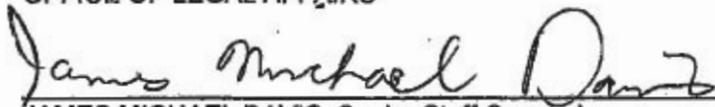
KATHY AZEVEDO, MAYOR
City Hall
2870 Clark Avenue
Norco, CA 92860

CALIFORNIA DEPARTMENT OF CORRECTIONS & REHABILITATION



DEBORAH HYSEN, Chief Deputy Secretary
Facility Planning, Construction, and Management
State of California
9838 Old Placerville Rd. Suite B
Sacramento, CA 95827

Approved as to form:
CALIFORNIA DEPARTMENT OF CORRECTIONS & REHABILITATION
OFFICE OF LEGAL AFFAIRS



JAMES MICHAEL DAVIS, Senior Staff Counsel
Attorney for CDCR

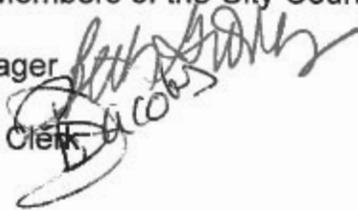
UNITED STATES NAVY

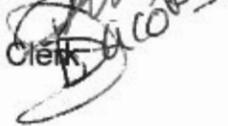
L. R. HERING, Rear Admiral, U.S. Navy
Commander, Navy Region Southwest
937 N. Harbor Drive
San Diego, CA 91932

AWARD/CONTRACT		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING	PAGE 1 OF 12 PAGES		
2. CONTRACT (Proc. Inst. Ident.) NO. N62473-11-C-3809		3. EFFECTIVE DATE UPON SIGNATURES		4. REQUISITION/PURCHASE REQUEST/PROJECT NO. 861442			
5. ISSUED BY NAVFAC SouthWest 1220 Pacific Highway (Building 110) San Diego, CA 92132-5187		CODE RAQ1FH		6. ADMINISTERED BY (If other than Item 5) CODE			
7. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) City of Norco 2870 Clark Avenue Norco, CA 92860 (951) 270-5607				8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input type="checkbox"/> OTHER (See below)			
CODE 4PXR2		FACILITY CODE		9. DISCOUNT FOR PROMPT PAYMENT			
11. SHIP TO/MARK FOR NWS SEAL BEACH DETACHMENT CORONA		CODE		10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN			
12. PAYMENT WILL BE MADE BY DFAS Cleveland		CODE		ITEM J.7			
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) () <input checked="" type="checkbox"/> 41 U.S.C. 253(c) ()		14. ACCOUNTING AND APPROPRIATION DATA FUNDS WILL BE CITED ON MONTHLY INVOICES					
15A. ITEM NO.		15B. SUPPLIES/SERVICES		15C. QUANTITY	15D. UNIT		
15E. UNIT PRICE		15F. AMOUNT		15G. TOTAL AMOUNT OF CONTRACT > \$			
0001	Potable Water Services for the Naval Weapons Station Seal Beach Detachment Corona						
0002	Sewer Services for the Naval Weapons Station Seal Beach Detachment Corona						
0003	Recycled Water Services for the Naval Weapons Station Seal Beach Detachment						
16. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
<input checked="" type="checkbox"/>	A	SOLICITATION/CONTRACT FORM		<input checked="" type="checkbox"/>	I	CONTRACT CLAUSES	
<input checked="" type="checkbox"/>	B	SUPPLIES OR SERVICES AND PRICES/COSTS		PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
<input checked="" type="checkbox"/>	C	DESCRIPTION/SPECS./WORK STATEMENT		<input checked="" type="checkbox"/>	J	LIST OF ATTACHMENTS	
	D	PACKAGING AND MARKING		PART IV - REPRESENTATIONS AND INSTRUCTIONS			
	E	INSPECTION AND ACCEPTANCE			K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
	F	DELIVERIES OR PERFORMANCE			L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
<input checked="" type="checkbox"/>	G	CONTRACT ADMINISTRATION DATA			M	EVALUATION FACTORS FOR AWARD	
	H	SPECIAL CONTRACT REQUIREMENTS					
CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE							
17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return <u>1</u> copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the terms listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.			
19A. NAME AND TITLE OF SIGNER (Type or Print) Beth Groves, City Manager				20A. NAME OF CONTRACTING OFFICER REA D. ESTRELLA			
19B. NAME OF CONTRACTOR		19C. DATE SIGNED		20B. UNITED STATES OF AMERICA		20C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)				BY _____ (Signature of Contracting Officer)			

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: July 20, 2011

SUBJECT: **Ordinance No. 934, Second Reading.** Approving the Development Agreement between the City of Norco and Balboa Management Group, LLC for the Silverlakes Equestrian & Sports Park

RECOMMENDATION: Adopt **Ordinance No. 934** for second reading.

SUMMARY: The first reading of Ordinance No. 934 was held on July 6, 2011 and was adopted by the City Council with a 5-0 vote. Staff is recommending that the City Council adopt Ordinance No. 934 for second reading. The Ordinance approves the Development Agreement ("DA") between the City of Norco and Balboa Management Group, LLC for the Silverlakes Equestrian & Sports Park.

The DA is the legal agreement by and between the City and Balboa. California Government Code Sections 37380 through 37396 and Sections 65864 through 65869.5 authorize the City to lease property for a period not exceeding 99 years (subject to periodic review) and enter into development agreements for the development of real property.

/bj-78927

Attachment: Ordinance No. 934

ORDINANCE NO. 934

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, APPROVING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF NORCO AND BALBOA MANAGEMENT GROUP, LLC FOR THE SILVERLAKES EQUESTRIAN & SPORTS PARK

RECITALS

WHEREAS, on March 4, 2009, the City Council of the City of Norco adopted Resolution No.2009-07 and Resolution No. 2009-08 which approved a Conditional Use Permit ("CUP") and certified an Environmental Impact Report ("EIR") for the development of the Silverlakes Equestrian & Sports Park ("project") located on the east side of Hamner Avenue, north of the Santa Ana River ("property"); and,

WHEREAS, in so approving the CUP and EIR, the City held duly-noticed public hearings before the Planning Commission and City Council and considered all testimony and information submitted; and

WHEREAS, the EIR contemplated a Development Agreement as future legislation in order to regulate the development of the project; and

WHEREAS, Balboa has applied for a Development Agreement regarding the project which application and fees submitted meet the requirements of the City of Norco Municipal Code, including Chapter 4.02; and

WHEREAS, the Development Agreement is attached hereto as Exhibit "A" and its recitals are hereby incorporated by reference herein as true and correct; and

WHEREAS, in accordance with Chapter 4.02 of the Norco Municipal Code, the City's Planning Commission held a duly-noticed public hearing to consider the Development Agreement on August 11, 2010. After considering all testimony and information submitted, the Planning Commission voted to recommend approval of the development agreement to the City Council by making the following findings required by Section 4.04.040 of the Norco Municipal Code:

- a. The Development Agreement is consistent with the objectives, policies, general land uses and programs specified in the General Plan.
- b. The Development Agreement is compatible with the uses authorized in the zoning district and General Plan planning area in which the real property is located.
- c. The Development Agreement is in conformity with the public necessity, public convenience, general welfare, and good land use practices.

- d. The Development Agreement will be beneficial to the health, safety, and general welfare consistent with the policy of the City with respect to development agreements as provided in Section 4.08.010, which states: It is the policy of the City of Norco to enter into development agreements under the provisions of this Chapter where the development agreement and proposed development project is, in the City's opinion, a significant public benefit not only to the prospective residents of the proposed development but to the entire community.
- e. The Development Agreement will not adversely affect the orderly development of property in the City.
- f. The Development Agreement will have a positive fiscal impact on the City.

WHEREAS, on July 6, 2011, the City Council conducted a duly-noticed public hearing to consider the Development Agreement and the Planning Commission's recommendation. On July 20, 2011, the City Council conducted a second reading of the ordinance in the manner prescribed by law.

WHEREAS, the City Council has determined that no further CEQA review or documentation is required relative to further project entitlements such as this Development Agreement due to the lack of substantial change to the project or the circumstances under which the project will be developed and the lack of new information of substantial importance as defined under CEQA Guidelines 15162.

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

1. The City Council has reviewed the Development Agreement and finds it consistent with the Norco General Plan, the Norco Municipal Code Section 4.04.050 and State laws governing development agreements including without limitation Government Code Sections 65864 et seq. and the California Environmental Quality Act.
2. The City Council hereby approves the Development Agreement and directs the Mayor to execute it on behalf of the City Council.
3. This Ordinance shall become effective at 12:01 a.m. on the thirty-first day after adoption.
4. The City Clerk shall certify the adoption of this Ordinance and cause it to be published in the manner prescribed by law. Pursuant to Government Code Section 65868.5, the City Clerk shall also cause the Development Agreement to be recorded with the County Recorder within ten (10) days of its execution.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held July 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 July 6, 2011 and thereafter at a regular meeting of said City Council duly held on July 20, 2011, it was duly passed and adopted by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

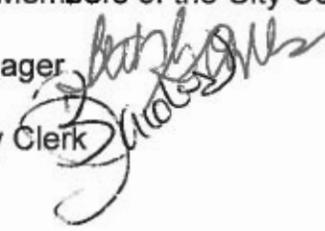
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on July 20, 2011.

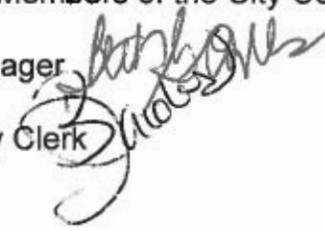
Brenda K. Jacobs, City Clerk
City of Norco, California

/bj-78926

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: July 20, 2011

SUBJECT: **Ordinance No. 935, Second Reading.** Amending Chapter 6.12.020 through 6.12.060 of the Norco Municipal Code with any related cross-references on other Chapters as needed. Code Amendment 2011-03.

RECOMMENDATION: Adopt **Ordinance No. 935** for second reading.

SUMMARY: The first reading of Ordinance No. 935 was held on July 6, 2011 and was adopted by the City Council with a 5-0 vote. Staff is recommending that the City Council adopt Ordinance No. 935 for second reading. The Ordinance amends Chapter 6.12.020 through 6.12.060 of the Norco Municipal Code with any related cross-references on other Chapters as needed, regarding the issuance of a dog license by the City.

/bj-78929

Attachment: Ordinance No. 935

ORDINANCE NO. 935

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA AMENDING CHAPTER 6.12.020 THROUGH 6.12.060 OF THE NORCO MUNICIPAL CODE WITH ANY RELATED CROSS-REFERENCES ON OTHER CHAPTERS AS NEEDED. CODE AMENDMENT 2011-03

WHEREAS, The City of Norco requires all dogs over the age of four months to wear a license issued by the City; and

WHEREAS, The City of Norco will offer a one, two and three year license.

NOW, THEREFORE, the City Council of the City of Norco does hereby find, determine, order, and resolve as follows:

SECTION 1: Norco Municipal Code Sections 6.12.020 through 6.12.60 are hereby amended to read as follows:

6.12.020 Tags required--Exception. It is unlawful for any person to own, harbor, or maintain any dog over the age of four months within the incorporated area of the city for a period longer than thirty days, unless there is attached to such dog a current license tag obtained from the city manager or his officially designated representative or from any agency designated by the city by contract.

6.12.030 Issuance of annual dog licenses and fees thereon.

A. Subject to the provisions of this section, licenses shall be issued upon payment of Council resolution adopted fees.

(1) License valid for one year from date of issuance, for each altered dog, accompanied by a certificate signed by a veterinarian that said dog is permanently unable to reproduce.

(2) License valid for one year from date of issuance, for each dog to which the provisions of subsections (1) and (7) of this section are not applicable (unaltered dog).

(3) License valid for two years from date of issuance, for each altered dog, accompanied by a certificate signed by a veterinarian that the dog is permanently unable to reproduce.

(4) License valid for two years from date of issuance, for each dog to which the provisions of subsections (3) and (8) of this section are not applicable (unaltered dog).

(5). License valid for three years from date of issuance, for each altered dog, accompanied by a certificate signed by a veterinarian that the dog is permanently unable to reproduce.

(6) License valid for three years from date of issuance, for each dog to which the provisions of subsections (5) and (9) of this section are not applicable (unaltered dog).

(7) License valid for one year from date of issuance, for each altered dog, which is owned by a person sixty-two (62) years of age or older, and is accompanied by a certificate signed by a veterinarian that the dog is permanently unable to reproduce.

(8) License valid for two years from the date of issuance, for each altered dog, which is owned by a person sixty-two (62) years of age or older, and is accompanied by a certificate signed by a veterinarian that the dog is permanently unable to reproduce (altered dog).

(9) License valid for three years from the date of issuance, for each altered dog, which is owned by a person sixty-two (62) years of age or older, and is accompanied by a certificate signed by a veterinarian that the dog is permanently unable to reproduce.

(10) Each license specified in this section shall be valid for the period specified in this section and shall be renewed within thirty (30) days after such period terminates, except that where the current vaccination for the dog which is the subject of the license shall expire prior to the expiration date of the license being applied for, the director may upon request of the owner or custodian of such dog, backdate such license so that its expiration date occurs concurrent with or prior to the expiration date of the vaccination; provided, however, that where such backdating is performed, there shall be no reduction or discount of the license fee applicable to the license applied for, and such license shall be renewed within thirty (30) days after the date of its expiration.

(11) If an application for a license is made more than thirty (30) days after the date a dog license is required under this chapter, the applicant shall pay, in addition to the applicable license fee, a late fee.

(12) Upon transfer of ownership of any dog with a valid license under this chapter, the new owner shall notify the Director of such transfer within 30 days on a form prescribed by the Director, accompanied by a transfer fee.

B. No fee shall be required for a license for any assistance dog such as a guide dog, signal dog or service dog as defined in California Food and Agriculture Code, Section 30850(a), if such dog is in the possession and under the control of, in the case of a guide dog, a blind person, or in the case of a signal dog, a deaf or hearing-impaired person, or in the case of a service dog, a physically

disabled person, or where such dog is in the possession and under the control of a bona fide organization having as its primary purpose the furnishing and training of guide dogs for the blind, signal dogs for the deaf or hearing-impaired, or service dogs for the physically disabled. However this provision does not remove the owner's responsibility to vaccinate the dogs against rabies and attach a current license tag to the dog's collar. Whenever a person applies for an assistance dog identification tag, the person shall sign an affidavit as defined in California Food and Agriculture Code, Section 30850(b).

Every dog within the city which has an age of four months or older shall be immediately subject to all the provisions of this section and Chapter 6.12.

6.12.040 License--Requirements for issue.

The city manager or his officially designated representative shall issue a dog license or a renewal thereof and tag only upon presentation of a valid certificate of vaccination, or other satisfactory evidence, indicating that the period of time elapsing from the date of expiration of the license period being issued or renewed does not exceed thirty months in the case of vaccination with rabies vaccine or eighteen months in the case of vaccination with nerve tissue rabies vaccine.

6.12.050 Vaccination compulsory.

It is unlawful for any person to keep or harbor a dog which has not been vaccinated for rabies and the city manager or his officially designated representative or other person designated in this chapter shall capture and impound any dog over four months of age found within the incorporated area of the city which is not wearing a current city license tag. Every person in the incorporated area of the city who owns or harbors any dog or dogs over four months of age for periods in excess of periods provided in this chapter shall have such dog or dogs vaccinated against rabies as provided herein by a duly licensed veterinarian of his choice, and such vaccination shall be renewed at intervals of twelve months or thirty-six months from the date of the last vaccination.

6.12.060 Duty of person performing vaccination.

Each duly licensed veterinarian after vaccinating any dog shall sign a certificate in quadruplicate in the form required by the city. He shall keep one copy in his possession. He shall file the other copies with the city manager or his officially designated representative. Every owner of a dog shall attach the tag given him by the city to the collar or harness of the vaccinated dog.

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 City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, subsections, sentences, clauses, or phrases 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 hereto and shall cause the same within 15 days of its passage to be posted at no less than five public places within the City of Norco.

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

Mayor of the City of Norco, California

ATTEST:

Brenda Jacobs, City Clerk
City of Norco, California

I, BRENDA 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 July 6, 2011, and thereafter at a regular meeting of said City Council duly held on July 20, 2011, it was duly passed and adopted by the following vote of the City Council.

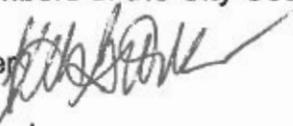
AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on July 20, 2011.

Brenda Jacobs, City Clerk
City of Norco, California

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Dominic C. Milano, City Engineer 

DATE: July 20, 2011

SUBJECT: **Public Hearing:** A Hearing Ordering the Continuation of Landscape Maintenance Districts and Confirming a Diagram and Assessment and Providing for an Annual Assessment Levy for Districts No. 1 - Beazer, Tract 28765; No. 2 – Western Pacific, Tract 25779; No. 3 – Centex, Tract 28626; No. 4 – Norco Ridge Ranch, Tracts 29588 and 29589; and No. 5 – Hawk’s Crest, Tract 30230

Resolution No. 2011-___, (Beazer); **Resolution No. 2011-___**, (Western Pacific); **Resolution No. 2011-___**, (Centex); **Resolution No. 2011-___**, (Norco Ridge Ranch); **Resolution No. 2011-___**, (Hawk’s Crest), Ordering the Continuation of a Landscaping Maintenance District and Confirming a Diagram and Assessment and Providing for Annual Assessment Levy.

RECOMMENDATION: That the City Council opens the Public Hearing and if no more than 50 percent of the property owners within the District protest, it would be appropriate to adopt **Resolution No. 2011-___**, (Beazer); **Resolution No. 2011-___**, (Western Pacific); **Resolution No. 2011-___**, (Centex); **Resolution No. 2011-___**, (Norco Ridge Ranch); **Resolution No. 2011-___**, (Hawk’s Crest), Ordering the Continuation of a Landscaping Maintenance District and Confirming a Diagram and Assessment and Providing for Annual Assessment Levy.

SUMMARY: The “Landscaping and Lighting Act of 1972” requires an Engineer’s Report for the existing Landscape Maintenance Districts (LMDs) be reviewed and approved annually by the City Council after a Public Hearing to continue assessments for the districts. The formation of the five districts allow for an annual increase not to exceed the Consumer Price Index (CPI). The annual CPI adjustment per parcel assessment in all districts was 1.3% according to the published 2010 CPI.

PUBLIC HEARING: Ordering the Continuation of Landscape Maintenance District No. 1 - Beazer, Tract 28765; No. 2 - Western Pacific, Tract 25779; No. 3 - Centex, Tract 28626; No. 4 - Norco Ridge Ranch, Tracts 29588 and 29589; and No. 5 - Hawk's Crest, Tract 30230

Page 2

July 20, 2011

BACKGROUND/ANALYSIS: The following information applies to each Landscape Maintenance District as designated:

LMD No. 1 - On February 3, 1999, City Council adopted Landscape Maintenance District No. 1 for Tract 28765 (Beazer Homes) comprised of 67 lots. The District was formed to maintain landscaping along the River Road frontage of the tract. The estimated cost to maintain the District is proposed to remain at the 2010/11 level of \$12,709. With the application of previous year's surpluses and a CPI increase (\$1.63 per parcel), the net assessment will be \$8,506.00. The per parcel assessment for Fiscal Year 2011/12 is proposed to increase from \$125.33 to \$126.96.

LMD No. 2 - On January 27, 2000, City Council adopted Landscape Maintenance District No. 2 for Tract No. 25779 (Western Pacific) comprised of 219 lots. The District was formed to maintain landscaping along the Norco Hills Road and Hidden Valley Parkway frontages of the tract as well as selected interior slopes, wetland, equestrian trail, and parkway maintenance. The estimate of cost to maintain the District is proposed to decrease from \$171,353.00 to \$127,570.00. The maintenance level is proposed to be significantly reduced to match the assessment amount to be collected. In previous years, a surplus in the fund was used to balance the budget with the assessment collected. This surplus has now been exhausted. The equestrian trail maintenance level is not being reduced so as not to reduce public safety. With the application of the CPI, the per parcel assessment is proposed to increase from \$575.03 to \$582.51.

LMD No. 3 - On June 6, 2001, City Council adopted Landscape Maintenance District No. 3 for Tract 28626 (Centex) comprised of 82 lots. The District was formed to maintain landscaping along Norco Hills Road and certain designated slopes within the District as well as all equestrian trails in the development. The proposed estimate of costs to maintain the District will increase from \$75,110 to \$80,128. With the application of previous year's surpluses and the CPI increase (\$11.29 per parcel), the net assessment is \$72,137.00. The per parcel assessment for Fiscal Year 2011/12 is proposed to increase from \$868.43 to be \$879.72.

LMD No. 4 - On October 2, 2002, City Council adopted Landscape Maintenance District No. 4 for Tracts 29588 and 29589 (Norco Ridge Ranch) comprised of 537 single-family lots and five other assessable lots. The District was formed to maintain landscaping within certain slopes, irrigated and non-irrigated, fuel modification areas, parkway landscaping, equestrian trails, natural open space and wetlands area. The proposed budget for Fiscal Year 2011-12 is \$483,837, the same as Fiscal Year 2010-11. A \$20,000 surplus from Fiscal Year 2010-11 is being applied to reduce the assessment levy to Fiscal Year 2010/11 level of \$463,837. The maximum assessment

PUBLIC HEARING: Ordering the Continuation of Landscape Maintenance District No. 1 - Beazer, Tract 28765; No. 2 – Western Pacific, Tract 25779; No. 3 – Centex, Tract 28626; No. 4 – Norco Ridge Ranch, Tracts 29588 and 29589; and No. 5 – Hawk's Crest, Tract 30230
Page 3
July 20, 2011

rate allowed per parcel with the application of the 2010 CPI is \$927.55 which could generate a total assessment of \$498,094.00. This amount exceeds the amount necessary to maintain the district. The per parcel levy for the upcoming Fiscal Year 2011-12 is proposed at the 2010/11 level of \$863.76, which is less than the maximum allowed. The City Council previously approved the surplus in the District, which at the end of Fiscal Year 2009/10 was approximately \$400,000.00, to be used for the installation of drainage devices across driveways in the equestrian trail to reduce trail erosion. The construction of the first priority phase of 102 properties is under construction. The first phase is budgeted at approximately \$200,000.00.

LMD No. 5 – On January 7, 2004 City Council adopted Landscape District No. 5 for Tract 30230 (Hawks Crest) comprised of 50 lots. The District was formed to maintain certain exterior slopes, parkway landscaping, equestrian trails and the two park lots. The estimate of cost to maintain the District will increase from \$44,205 to \$45,172. The assessment is proposed to increase by the 2010 CPI (\$12.50 per parcel) from the previous year's level of \$884.10 per parcel to \$896.60 per parcel and with previous years surplus balances the budget. The maximum allowed per parcel assessment is \$973.95.

It would be appropriate for City Council to open the public hearing, giving opportunity for those wishing to speak on the matter. If, at the conclusion of the public hearing, no more than 50 percent of the property owner's protest, it would then be appropriate for City Council to adopt the attached resolutions affirming the Engineer's Reports and ordering assessment levies on each property within the Districts for ensuing fiscal year.

FINANCIAL IMPACT: None.

Attachments: Engineer's Report (5)
Resolutions (5)

RESOLUTION NO. 2011-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA ORDERING THE CONTINUATION OF A LANDSCAPING MAINTENANCE DISTRICT AND CONFIRMING A DIAGRAM AND ASSESSMENT AND PROVIDING FOR ANNUAL ASSESSMENT LEVY

WHEREAS, the City Council of the City of Norco, California, has initiated proceedings for the continuation of a Landscape Maintenance District and the annual levy of said assessments for said District pursuant to the terms and provisions of the "Landscaping and Street Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, in a district known and designated as:

CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 1 (BEAZER, TRACT 28765)

(hereinafter referred to as the "District"); and

WHEREAS, the City Council has ordered the preparation of a report and the City Engineer has prepared and filed with this City Council a report pursuant to law for its consideration and subsequently thereto this City Council did adopt its Resolution of Intent to levy and collect assessments for the next ensuing fiscal year relating to the above-referenced District, and further did proceed to give notice of the time and place for a Public Hearing on all matters relating thereto; and,

WHEREAS, at this time this City Council has heard all testimony and evidence, has tabulated all protests received, and desires to proceed with the annual levy of assessments.

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1: That the above recitals are all true and correct.

SECTION 2: That upon conclusion of the Public Hearing, protests submitted in opposition to continuation of the District filed, and not withdrawn, did not represent property owners more than 50 percent of the area of assessable land within the District, and all protests are overruled and denied.

SECTION 3: That this City Council hereby confirms the diagram and assessment as submitted and orders the annual levy of the assessment for the fiscal year and in the amounts as set forth in the Engineer's Report and as referred to in the Resolution of Intent as previously adopted relating to said annual assessment levy.

SECTION 4: That the diagram and assessment as set forth and contained in said Report are hereby confirmed and adopted by this City Council.

SECTION 5: That the adoption of this Resolution constitutes the levy of the assessment for the fiscal year.

SECTION 6: That the estimates of costs, the assessment diagram, the assessments and all other matters, as set forth in the Engineer's Report, pursuant to said "Landscaping and Street Lighting Act of 1972", as submitted, are hereby approved, adopted by this City Council and hereby confirmed.

SECTION 7: That the maintenance works and/or improvements are contemplated by the Resolution of Intent shall be performed pursuant to law and the County Auditor shall enter on the County Assessment Roll the amount of the assessment and said assessment shall then be collected at the same time and in the same manner that County taxes are collected. After collection by said County, the net amount of the assessment shall be paid to the City Treasurer of said City.

SECTION 8: That the City Treasurer has previously established a special fund known as the CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 1, (BEAZER, TRACT NO. 28765) into which the City Treasurer shall place all monies collected by the Tax Collector pursuant to the provisions of this Resolution and law and including any surplus amounts in those funds established for the existing Districts and said transfer shall be made and accomplished soon as said monies have been made available to said City Treasurer.

SECTION 9: That the City Engineer is hereby ordered and directed to file a certified copy of the diagram and assessment roll with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 10: That a certified copy of the assessment and diagram shall be filed in the office of the City Engineer, with a duplicate copy on file in the Office of the City Clerk and open for public inspection.

Resolution No. 2011-____, Beazer
Page 3
July 20, 2011

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

Mayor of the City of Norco, California

ATTEST:

Brenda Jacobs, City Clerk
City of Norco, California

I, BRENDA JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on July 20, 2011, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on July 20, 2011.

Brenda Jacobs, City Clerk
City of Norco, California

RESOLUTION NO. 2011-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO ORDERING THE CONTINUATION OF A LANDSCAPING MAINTENANCE DISTRICT AND CONFIRMING A DIAGRAM AND ASSESSMENT AND PROVIDING FOR ANNUAL ASSESSMENT LEVY

WHEREAS, The City Council has initiated proceedings for the continuation of a Landscaping Maintenance District and the annual levy of assessments for said District pursuant to the terms and provision of the "Landscaping and Street Lighting Act of 1972," being Part 2 of Division 15 of the Streets and Highways Code of the State of California, in a district known and designated as:

CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC, TRACT 25779)

WHEREAS, the City Council has ordered the preparation of a report and the City Engineer has prepared and filed with this City Council a report pursuant to law for its consideration and subsequently thereto this City Council did adopt its Resolution of Intention to levy and collect assessments for the next ensuing fiscal year relating to the above-referenced District, and further did proceed to give notice of the time and place for a Public Hearing on all matters relating thereto; and,

WHEREAS, at this time, this City Council has heard all testimony and evidence, has tabulated all protests received, and desires to proceed with the annual levy of assessments.

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1. That the above-recitals are all true and correct.

SECTION 2. That upon the conclusion of the Public Hearing, protests submitted in opposition to continuation of the District filed, and not withdrawn, did not represent property owners owning more than fifty percent (50%) of the area of assessable land within the District, and all protests are overruled and denied.

SECTION 3. That this City Council hereby confirms the diagram and assessment as submitted and orders the annual levy of the assessment for the fiscal year and in the amounts as set forth in the Engineer's Report and as referred to in the Resolution of Intention as previously adopted relating to said annual assessment levy.

SECTION 4. That the diagram and assessment as set forth and contained in said Report are hereby confirmed and adopted by this City Council.

SECTION 5. That the adoption of this Resolution constitutes the levy of the assessment for the fiscal year.

SECTION 6. That the estimates of costs, the assessment diagram, the assessments and all other matters, as set forth in Engineer's "Report," pursuant to said "Landscaping and Street Lighting Act of 1972," as submitted, are hereby approved, adopted by this City Council and hereby confirmed.

SECTION 7. That the maintenance works and/or improvements contemplated by the Resolution of Intention shall be performed pursuant to law and the County Auditor shall enter on the County Assessment Roll the amount of the assessment and said assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by said County, the net amount of the assessment shall be paid to the City Treasurer of said City.

SECTION 8. That the City Treasurer has previously established a special fund known as the CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 2, (WESTERN PACIFIC, TRACT 25779) into which the City Treasurer shall place all monies collected by the Tax Collector pursuant to the provisions of this Resolution and law and including any surplus amounts in those funds established for the existing Districts and said transfer shall be made and accomplished as soon as said monies have been made available to said City Treasurer.

SECTION 9. That the City Engineer is hereby ordered and directed to file a certified copy of the diagram and assessment roll with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 10. That a certified copy of the assessment and diagram shall be filed in the office of the City Engineer, with a duplicate copy on file in the Office of the City Clerk and open for public inspection.

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

Mayor of the City of Norco, California

ATTEST:

Brenda Jacobs, City Clerk
City of Norco, California

I, Brenda Jacobs, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on July 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 July 20, 2011.

Brenda Jacobs, City Clerk
City of Norco, California

RESOLUTION NO. 2011-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA ORDERING THE CONTINUATION OF A LANDSCAPING MAINTENANCE DISTRICT AND CONFIRMING A DIAGRAM AND ASSESSMENT AND PROVIDING FOR ANNUAL ASSESSMENT LEVY

WHEREAS, the City Council of the City of Norco, California, has initiated proceedings for the continuation of a Landscape Maintenance District and the annual levy of said assessments for said District pursuant to the terms and provisions of the "Landscaping and Street Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, in a district known and designated as:

CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 3 (CENTEX, TRACT 28626)

(hereinafter referred to as the "District"); and

WHEREAS, the City Council has ordered the preparation of a report and the City Engineer has prepared and filed with this City Council a report pursuant to law for its consideration and subsequently thereto this City Council did adopt its Resolution of Intent to levy and collect assessments for the next ensuing fiscal year relating to the above-referenced District, and further did proceed to give notice of the time and place for a Public Hearing on all matters relating thereto; and,

WHEREAS, at this time this City Council has heard all testimony and evidence, has tabulated all protests received, and desires to proceed with the annual levy of assessments.

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1: That the above recitals are all true and correct.

SECTION 2: That upon conclusion of the Public Hearing, protests submitted in opposition to continuation of the District filed, and not withdrawn, did not represent property owners more than 50 percent of the area of assessable land within the District, and all protests are overruled and denied.

SECTION 3: That this City Council hereby confirms the diagram and assessment as submitted and orders the annual levy of the assessment for the fiscal year and in the amounts as set forth in the Engineer's Report and as referred to in the Resolution of Intent as previously adopted relating to said annual assessment levy.

SECTION 4: That the diagram and assessment as set forth and contained in said Report are hereby confirmed and adopted by this City Council.

SECTION 5: That the adoption of this Resolution constitutes the levy of the assessment for the fiscal year.

SECTION 6: That the estimates of costs, the assessment diagram, the assessments and all other matters, as set forth in the Engineer's Report, pursuant to said "Landscaping and Street Lighting Act of 1972", as submitted, are hereby approved, adopted by this City Council and hereby confirmed.

SECTION 7: That the maintenance works and/or improvements are contemplated by the Resolution of Intent shall be performed pursuant to law and the County Auditor shall enter on the County Assessment Roll the amount of the assessment and said assessment shall then be collected at the same time and in the same manner that County taxes are collected. After collection by said County, the net amount of the assessment shall be paid to the City Treasurer of said City.

SECTION 8: That the City Treasurer has previously established a special fund known as the CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 3, (CENTEX, TRACT NO. 28626) into which the City Treasurer shall place all monies collected by the Tax Collector pursuant to the provisions of this Resolution and law and including any surplus amounts in those funds established for the existing Districts and said transfer shall be made and accomplished soon as said monies have been made available to said City Treasurer.

SECTION 9: That the City Engineer is hereby ordered and directed to file a certified copy of the diagram and assessment roll with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 10: That a certified copy of the assessment and diagram shall be filed in the office of the City Engineer, with a duplicate copy on file in the Office of the City Clerk and open for public inspection.

Resolution No. 2011-____, Centex
Page 3
July 20, 2011

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

Mayor of the City of Norco, California

ATTEST:

Brenda Jacobs, City Clerk
City of Norco, California

I, BRENDA JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on July 20, 2011, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on July 20, 2011.

Brenda Jacobs, City Clerk
City of Norco, California

RESOLUTION NO. 2011-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO ORDERING THE CONTINUATION OF A LANDSCAPING MAINTENANCE DISTRICT AND CONFIRMING A DIAGRAM AND ASSESSMENT AND PROVIDING FOR ANNUAL ASSESSMENT LEVY

WHEREAS, The City Council has initiated proceedings for the continuation of a Landscaping Maintenance District and the annual levy of assessments for said District pursuant to the terms and provision of the "Landscaping and Street Lighting Act of 1972," being Part 2 of Division 15 of the Streets and Highways Code of the State of California, in a district known and designated as:

CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 4 (NORCO RIDGE RANCH, TRACT 29588 AND 29589)

WHEREAS, the City Council has ordered the preparation of a report and the City Engineer has prepared and filed with this City Council a report pursuant to law for its consideration and subsequently thereto this City Council did adopt its Resolution of Intention to levy and collect assessments for the next ensuing fiscal year relating to the above-referenced District, and further did proceed to give notice of the time and place for a Public Hearing on all matters relating thereto; and,

WHEREAS, at this time, this City Council has heard all testimony and evidence, has tabulated all protests received, and desires to proceed with the annual levy of assessments.

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1. That the above-recitals are all true and correct.

SECTION 2. That upon the conclusion of the Public Hearing, protests submitted in opposition to continuation of the District filed, and not withdrawn, did not represent property owners owning more than fifty percent (50%) of the area of assessable land within the District, and all protests are overruled and denied.

SECTION 3. That this City Council hereby confirms the diagram and assessment as submitted and orders the annual levy of the assessment for the fiscal year and in the amounts as set forth in the Engineer's Report and as referred to in the Resolution of Intention as previously adopted relating to said annual assessment levy.

SECTION 4. That the diagram and assessment as set forth and contained in said Report are hereby confirmed and adopted by this City Council.

SECTION 5. That the adoption of this Resolution constitutes the levy of the assessment for the fiscal year.

SECTION 6. That the estimates of costs, the assessment diagram, the assessments and all other matters, as set forth in Engineer's "Report," pursuant to said "Landscaping and Street Lighting Act of 1972," as submitted, are hereby approved, adopted by this City Council and hereby confirmed.

SECTION 7. That the maintenance works and/or improvements contemplated by the Resolution of Intention shall be performed pursuant to law and the County Auditor shall enter on the County Assessment Roll the amount of the assessment and said assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by said County, the net amount of the assessment shall be paid to the City Treasurer of said City.

SECTION 8. That the City Treasurer has previously established a special fund known as the CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 4, (NORCO RIDGE RANCH, TRACT 29588 AND 29589) into which the City Treasurer shall place all monies collected by the Tax Collector pursuant to the provisions of this Resolution and law and including any surplus amounts in those funds established for the existing Districts and said transfer shall be made and accomplished as soon as said monies have been made available to said City Treasurer.

SECTION 9. That the City Engineer is hereby ordered and directed to file a certified copy of the diagram and assessment roll with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 10. That a certified copy of the assessment and diagram shall be filed in the office of the City Engineer, with a duplicate copy on file in the Office of the City Clerk and open for public inspection.

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

Mayor of the City of Norco, California

ATTEST:

Brenda Jacobs, City Clerk
City of Norco, California

I, Brenda Jacobs, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on July 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 July 20, 2011.

Brenda Jacobs, City Clerk
City of Norco, California

RESOLUTION NO. 2011-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA ORDERING THE CONTINUATION OF A LANDSCAPING MAINTENANCE DISTRICT AND CONFIRMING A DIAGRAM AND ASSESSMENT AND PROVIDING FOR ANNUAL ASSESSMENT LEVY

WHEREAS, the City Council of the City of Norco, California, has initiated proceedings for the continuation of a Landscape Maintenance District and the annual levy of said assessments for said District pursuant to the terms and provisions of the "Landscaping and Street Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, in a district known and designated as:

CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 5 (HAWKS CREST – KB HOME)

(hereinafter referred to as the "District"); and

WHEREAS, the City Council has ordered the preparation of a report and the City Engineer has prepared and filed with this City Council a report pursuant to law for its consideration and subsequently thereto this City Council did adopt its Resolution of Intent to levy and collect assessments for the next ensuing fiscal year relating to the above-referenced District, and further did proceed to give notice of the time and place for a Public Hearing on all matters relating thereto; and,

WHEREAS, at this time this City Council has heard all testimony and evidence, has tabulated all protests received, and desires to proceed with the annual levy of assessments.

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1: That the above recitals are all true and correct.

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SECTION 4: That the diagram and assessment as set forth and contained in said Report are hereby confirmed and adopted by this City Council.

SECTION 5: That the adoption of this Resolution constitutes the levy of the assessment for the fiscal year.

SECTION 6: That the estimates of costs, the assessment diagram, the assessments and all other matters, as set forth in the Engineer's Report, pursuant to said "Landscaping and Street Lighting Act of 1972", as submitted, are hereby approved, adopted by this City Council and hereby confirmed.

SECTION 7: That the maintenance works and/or improvements are contemplated by the Resolution of Intent shall be performed pursuant to law and the County Auditor shall enter on the County Assessment Roll the amount of the assessment and said assessment shall then be collected at the same time and in the same manner that County taxes are collected. After collection by said County, the net amount of the assessment shall be paid to the City Treasurer of said City.

SECTION 8: That the City Treasurer has previously established a special fund known as the CITY OF NORCO LANDSCAPING MAINTENANCE DISTRICT NO. 5, (HAWKS CREST – KB HOME) into which the City Treasurer shall place all monies collected by the Tax Collector pursuant to the provisions of this Resolution and law and including any surplus amounts in those funds established for the existing Districts and said transfer shall be made and accomplished soon as said monies have been made available to said City Treasurer.

SECTION 9: That the City Engineer is hereby ordered and directed to file a certified copy of the diagram and assessment roll with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 10: That a certified copy of the assessment and diagram shall be filed in the office of the City Engineer, with a duplicate copy on file in the Office of the City Clerk and open for public inspection.

Resolution No. 2011-____, Hawks Crest – KB Home
Page 3
July 20, 2011

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

Mayor of the City of Norco, California

ATTEST:

Brenda Jacobs, City Clerk
City of Norco, California

I, BRENDA JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on July 20, 2011, by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand affixed the official seal of the City of Norco, California, held on July 20, 2011.

Brenda Jacobs, City Clerk
City of Norco, California

ENGINEER'S REPORT

FOR

LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)

FISCAL YEAR 2011-2012

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

DOMINIC C. MILANO, P.E.

CITY ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)
FISCAL YEAR 2011-2012**

The undersigned respectfully submits the enclosed report as directed by the City Council.

Date: _____, 2011

By: _____
Dominic C. Milano, P.E.
R.C.E. No. 27172
City Engineer

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By: _____

**FISCAL YEAR 2011-2012
CITY OF NORCO**

**ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF THE
LANDSCAPING AND LIGHTING ACT OF 1972 SECTION 22500 THROUGH
22679 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE**

Pursuant to Part 2 of Division 15 of the Streets and Highways Code of the State of California, and in accordance with the Resolution of Initiation, being Resolution No. 98-97, adopted by the Council of the City of Norco, State of California, in connection with the proceedings for:

**CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 1 (BEAZER)**

Hereinafter referred to as the "Assessment District," I, Dominic C. Milano, P.E. authorized representative of the City of Norco, the duty appointed ENGINEER OF WORK, submit herewith the "Report" consisting of four parts as follows:

PART A

Plans and specifications for the improvements are as set forth herein and are on file in the Office of the Clerk of the City.

PART B

An estimate of cost of the proposed improvements, including incidental costs and expenses in connection therewith, is as set forth herein.

PART C

The Diagram of the Assessment District Boundaries showing the exterior boundaries of the Assessment District, the boundaries of any zones within the Assessment District, and the lines and dimensions of each lot or parcel of land within the Assessment District has been submitted to the Clerk of the City. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report. The legal description of the Assessment District is attached hereto.

PART D

An assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the Assessment District.

PART A

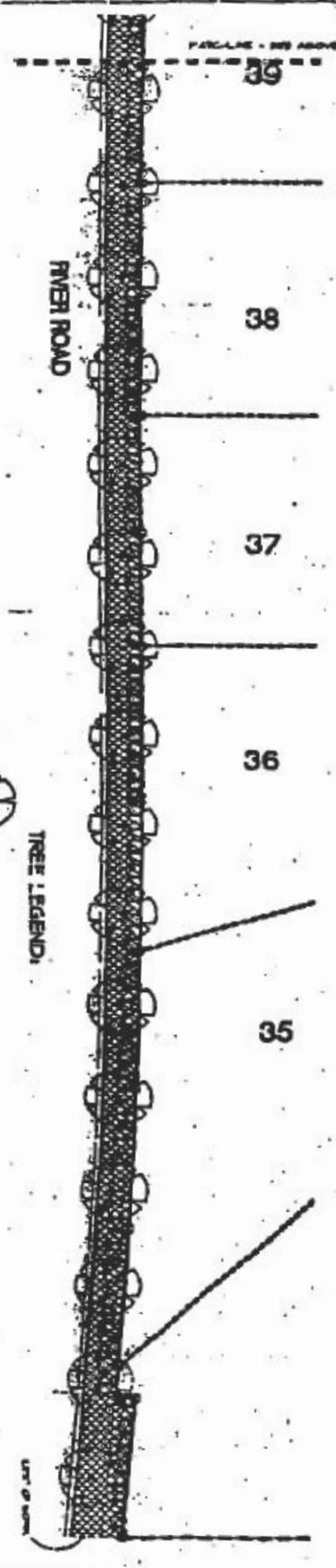
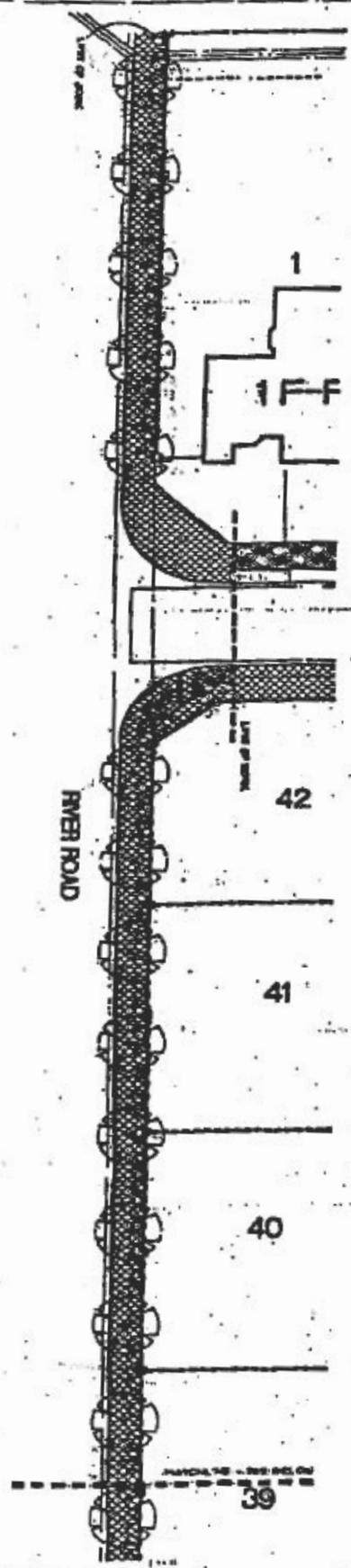
PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)
FISCAL YEAR 2011-2012**

The improvements are the operation, maintenance, and servicing of landscaping, wetlands, horse trails, hardscaping, and masonry, and appurtenant facilities including but not limited to personnel, electrical energy, utilities such as water, materials, contracting services, and other items necessary for the satisfactory operation of these services, described as follows:

LANDSCAPING

Landscaping, planting, shrubbery, trees, irrigation, hardscapes, masonry wall surfaces, fixtures, and appurtenant facilities in the River Road public right-of-way (parkway area), along the frontage and adjacent to the proposed boundary of said Assessment District. A reduced scale plan depicting the improvements is attached hereto.



GENERAL LANDSCAPE NOTES:
 All work shall be done in accordance with the standards of the American Society of Landscape Architects (ASLA) and the standards of the National Society of Professional Landscape Architects (NSPLA). All work shall be done in accordance with the standards of the American Society of Professional Landscape Architects (ASLA) and the standards of the National Society of Professional Landscape Architects (NSPLA). All work shall be done in accordance with the standards of the American Society of Professional Landscape Architects (ASLA) and the standards of the National Society of Professional Landscape Architects (NSPLA).

GROUNDCOVER LEGEND:
 [Hatched pattern] Grass
 [Stippled pattern] Shrubs
 [Dotted pattern] Trees

SHRUB LEGEND:
 ① [Symbol] [Name]
 ② [Symbol] [Name]
 ③ [Symbol] [Name]
 ④ [Symbol] [Name]
 ⑤ [Symbol] [Name]

TREE LEGEND:
 [Symbol] [Name]
 [Symbol] [Name]

DIG ALERT:
 [Symbol] [Name]
 [Symbol] [Name]



PART B

ESTIMATE OF COST

**LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)
NORCO, CALIFORNIA**

The cost of the operation, maintenance, and servicing of the improvements for Fiscal Year 2011-2012 as described in Part A, are summarized herein and described below:

ITEM	DESCRIPTION	QUANTITY	ANNUAL COST PER YEAR
1	LANDSCAPE MAINTENANCE: includes all pruning, weed and pest control, fertilization, turf care, trash and debris cleanup, irrigation to include maintenance and repair, water cost, electrical cost for controllers, tree trimming up to 15 feet, tree staking, backflow testing, rodent control and plant replacement.	16,900 S.F.	\$ 2,800.00
2	HARDSCAPE MASONRY: including graffiti removal, repair cracks, heaving and breakage.	6,970 S.F. (wall)	\$ 400.00
3	LIGHTING MAINTENANCE: cleaning and repair, fixture replacement, and observation.	N/A	\$ 0
4	WATER UTILITY COST: cost for annual water utility within district.		\$ 2,500.00
5	ENERGY MAINTENANCE: annual cost for power based on a fixed rate for an irrigation electrical pedestal.		\$ 500.00
6	SUPERVISOR OBSERVATION: cost for landscaping contractual observation to include punch list review and follow-up to completion.		\$ 2,674.00
	SUBTOTAL:		\$ 8,874.00
7	CONTINGENCY: 10 percent		\$ 887.00
8	REPLACEMENT RESERVE: 2.9 percent		\$ 257.00
9	INCIDENTALS: including Engineer's Report and proceedings, administration, printing, and advertising.		\$ 2,691.00
	TOTAL ANNUAL COSTS:		\$ 12,709.00

Costs from City of Norco average of landscape maintenance costs for the City. Source of information Bill Thompson and Brian Petree of the Departments of Public Works, Parks, Recreation and Community Services respectively.

Annual assessments shall be calculated based on updated numbers and upon annual adjustments to the assessment rate as provided in the Engineer's Report.

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index applicable to the City of Norco. The CPI for 2010 was 1.3%. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purposes as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year.

PART C

ASSESSMENT DIAGRAM

As Assessment Diagram for the Assessment District is on file in the office of the City Clerk. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside, for the year when this Report was prepared, and are incorporated by reference herein and made a part of this Report. A reduced scale map depicting the assessment diagram is attached hereto. Also attached as Exhibit "A" is the Legal Description of Assessment District.

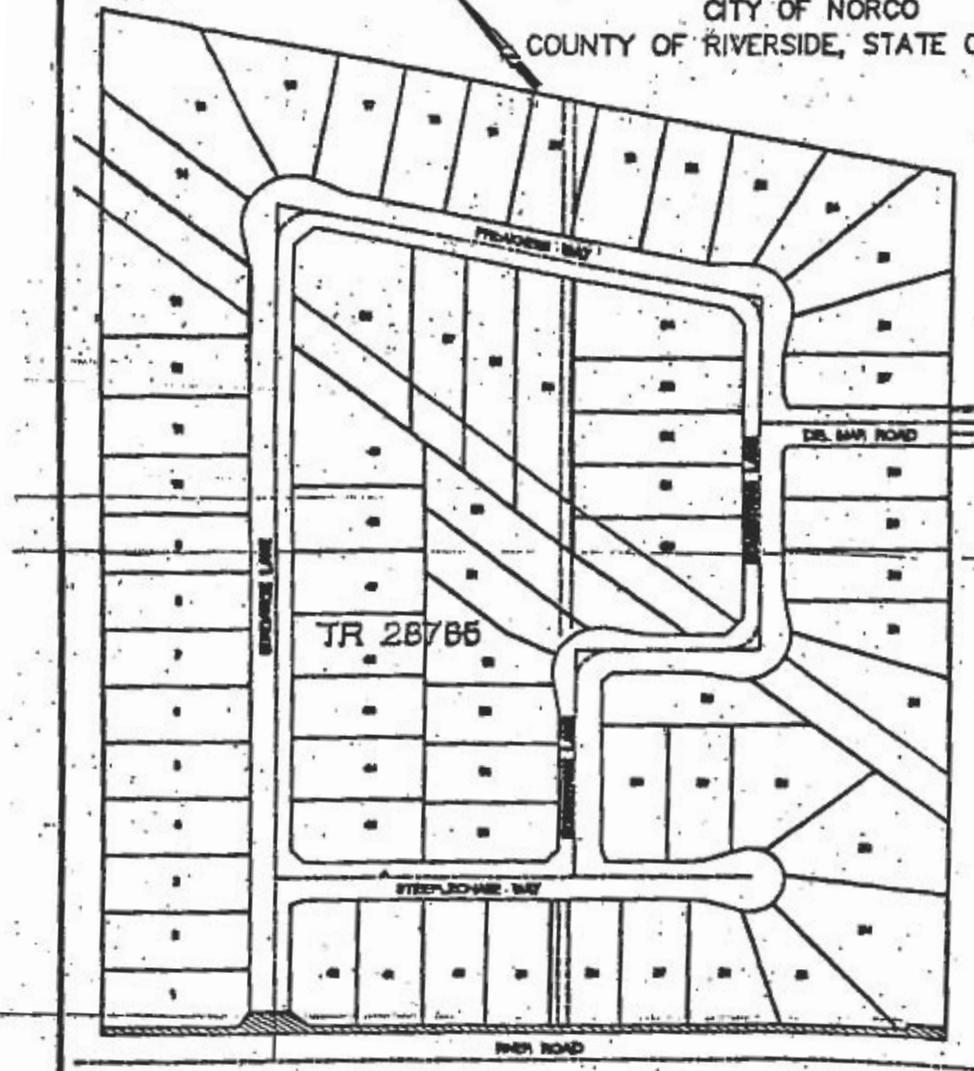
EXHIBIT A

***LEGAL DESCRIPTION
LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)***

That certain real property situated in the City of Norco, County of Riverside, State of California, more particularly described as follows:

Lots 1 through 12 inclusive, and Lots 14 through 68, inclusive, of Tract No. 28765 in the City of Norco, County of Riverside, State of California, as per map recorded in Book 274, Pages 95 through 98, inclusive, of Maps in the Office of the County Recorder of Said County.

ASSESSMENT DIAGRAM AND BOUNDARY MAP
 LANDSCAPE MAINTENANCE DISTRICT NO.1 (BEAZER)
 CITY OF NORCO
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



AN ASSESSMENT WAS LAYED BY THE CITY CLERK OF THE CITY OF NORCO, STATE OF CALIFORNIA, ON PARCELS OF LAND SHOWN ON THE ASSESSMENT MAP AND MAP, SAID ASSESSMENT WAS LAYED ON THE _____ DAY OF _____ 19____. SAID ASSESSMENT BARRIS ARE TO ASSESSMENT WILL NOT BE LAYED BY THE OFFICE OF THE SUPERVISOR OF STRETS THE CITY OF NORCO ON THE _____ DAY OF _____ 19____. NO OTHER NOTICE IS MADE TO THE ASSESSMENT WILL BE LAYED BY THE OFFICE OF THE SUPERVISOR OF STRETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LAYED AGAINST EACH PARCEL OF LAND SHOWN ON THE ASSESSMENT MAP.

SCALE: 1"=180'

LEGEND

-  ASSESSMENT DISTRICT BOUNDARY
-  LANDSCAPE MAINTENANCE AREA

CITY CLERK, CITY OF NORCO

RECORDED IN THE OFFICE OF THE SUPERVISOR OF STRETS OF THE CITY OF NORCO THIS _____ DAY OF _____ 19____.

SUPERVISOR OF STRETS
 CITY OF NORCO

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF NORCO, THIS _____ DAY OF _____ 19____.

CITY CLERK, CITY OF NORCO

NOTICED IS MADE TO THE ASSESSOR'S MAPS OF THE COUNTY OF RIVERSIDE FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF THE PARCELS WITH LANDSCAPE MAINTENANCE DISTRICT WILL BE LAYED

PART D

ASSESSMENT

WHEREAS, on February 3, 1999, the City Council of the City of Norco, California, pursuant to the provisions of the Landscape and Lighting Act of 1972, Part 2 (commencing with Section 22500) of Division 15 of the California Streets and Highways Code (the "Act") adopted its Resolution of the City Council of the City of Norco Initiating Proceedings for the Formation for a Maintenance Assessment District and thereafter formed Landscape Maintenance District No. 1 (Beazer) (the "District") as more particularly described in said proceedings; and

WHEREAS, said resolution directed the undersigned to prepare and file a report pursuant to Section 22565, et seq., of said Act;

WHEREAS, at this time, this City Council is desirous to provide for the annual levy of assessments for the territory within the District for the next ensuing fiscal year, to provide for the costs and expenses necessary for continual maintenance of improvements within said District; and

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the City Council of said City, hereby makes the following assessment to cover the portion of the estimated cost of the maintenance of said improvements and the costs and expenses incidental thereto to be paid by said District.

The amount to be paid for the maintenance of said improvement, and the expenses incidental thereto, are as follows:

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 10,018.00	\$ 10,018.00	\$ 10,018.00
Incidental Expenses	<u>\$ 2,691.00</u>	<u>\$ 2,691.00</u>	<u>\$ 2,691.00</u>
Total Cost	\$ 12,709.00	\$ 12,709.00	\$ 12,709.00
Surplus or (Deficit) from Previous Fiscal Year	<u>\$ 4,312.00</u>	<u>\$ 4,312.00</u>	<u>\$ 4,312.00</u>
NET TO BE ASSESSED FOR FISCAL YEAR 2011-2012	\$ 8,506.00	\$ 8,506.00	\$ 8,506.00

As required by said Act, a diagram is hereto attached showing the exterior boundaries of said District. The lines and dimensions of each lot or parcel of land within the said District as the same existed at the time of the passage of said resolution are as shown on the maps of the County Assessor of the County of Riverside. Reference is hereby made to said maps and said maps shall govern for all details concerning the lines and dimensions of such lots and parcels.

I do hereby assess the net amount to be assessed upon all assessable lots or parcels of land within said District by apportioning that amount among the several lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the maintenance of said improvements, and more particularly set forth in the list hereto attached and by reference made a part hereof.

Said assessment is made upon the several lots or parcels of land within the District in proportion to the estimated benefits to be received by said lots or parcels, respectively, from the maintenance of said improvements. The diagram and the assessor's map are the documents to which reference is hereby made for a more particular description of said property.

Each lot or parcel of land assessed is described in the assessment list by reference to its parcel number as shown on the Assessor's Maps of the County of Riverside for the Fiscal Year 2010-2011 and includes all of such parcel. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

City of Norco

Dated: _____, 2011

Dominic C. Milano, P.E.
City Engineer

EXHIBIT B

METHOD AND FORMULA OF ASSESSMENT SPREAD

The law requires and the statutes provide that assessments, as levied pursuant to the provisions of the "Landscaping and Lighting Act of 1972," must be based on the benefit that the properties receive from the works of improvement. The statute does not specify the method or formula that should be used in any special assessment district proceedings. The Assessment Engineer is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. For these proceedings, the City has based its determination on standard assessment practices utilized by consulting civil engineers with a background of experience in the design of such works of improvement and experience in the completion of assessment district formation projects.

IDENTIFYING THE BENEFIT

First of all, it is necessary to identify the benefit that the public improvement will render to the properties within the Assessment District. The landscaping, irrigation, and equestrian trails have been designed and will be constructed for the benefit of enhanced aesthetics and neighborhood identity for all properties within the Assessment District.

APPORTIONMENT OF COSTS

In further making the analysis, it is necessary that the property owners receive a special and direct benefit distinguished from that of the general public. In this case, several factors are being used in the final method and spread and assessment.

The individual parcels of land within the Assessment District are currently developed or have the potential for development to single family residential units. The proposed improvements are designed to enhance the appearance and appeal of the District and all of the parcels within. The improvements will provide a sense of neighborhood identity for the District. As such, each parcel will benefit equally from the proposed improvements.

In conclusion, it is my opinion that the assessments for the referenced Assessment District have been spread in direct accordance with the benefits that each parcel receives from the works of improvements.

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 1 (BEAZER)
FISCAL YEAR 2011-2012**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
1	\$126.96		45	\$126.96	
2	\$126.96		46	\$126.96	
3	\$126.96		47	\$126.96	
4	\$126.96		48	\$126.96	
5	\$126.96		49	\$126.96	
6	\$126.96		50	\$126.96	
7	\$126.96		51	\$126.96	
8	\$126.96		52	\$126.96	
9	\$126.96		53	\$126.96	
10	\$126.96		54	\$126.96	
11	\$126.96		55	\$126.96	
12	\$126.96		56	\$126.96	
13	\$0 (City)		57	\$126.96	
14	\$126.96		58	\$126.96	
15	\$126.96		59	\$126.96	
16	\$126.96		60	\$126.96	
17	\$126.96		61	\$126.96	
18	\$126.96		62	\$126.96	
19	\$126.96		63	\$126.96	
20	\$126.96		64	\$126.96	
21	\$126.96		65	\$126.96	
22	\$126.96		66	\$126.96	
23	\$126.96		67	\$126.96	
24	\$126.96		68	\$126.96	
25	\$126.96				
26	\$126.96				
27	\$126.96				
28	\$126.96				
29	\$126.96				
30	\$126.96				
31	\$126.96				
32	\$126.96				
33	\$126.96				
34	\$126.96				
35	\$126.96				
36	\$126.96				
37	\$126.96				
38	\$126.96				
39	\$126.96				
40	\$126.96				
41	\$126.96				
42	\$126.96				
43	\$126.96				
44	\$126.96				

ENGINEER'S REPORT

FOR

**LANDSCAPE MAINTENANCE DISTRICT NO. 2
(WESTERN PACIFIC – TRACT 25779)**

FISCAL YEAR 2011-2012

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

DOMINIC C. MILANO, P.E.

CITY ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 2
(WESTERN PACIFIC – TRACT 25779)
FISCAL YEAR 2011-2012**

The undersigned respectfully submits the enclosed report as directed by the City Council.

Date: _____, 2011

By:

Dominic C. Milano, P.E.
R.C.E. No. 27172
City Engineer

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By:

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By:

**FISCAL YEAR 2011-2012
CITY OF NORCO**

**ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF THE
LANDSCAPING AND LIGHTING ACT OF 1972 SECTION 22500 THROUGH
22679 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE**

Pursuant to Part 2 of Division 15 of the Streets and Highways Code of the State of California, and in accordance with the Resolution of Initiation, being Resolution No. 98-97, adopted by the Council of the City of Norco, State of California, in connection with the proceedings for:

**CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 2
(WESTERN PACIFIC – TRACT 25779)**

Hereinafter referred to as the "Assessment District," I, Dominic C. Milano, P.E. authorized representative of the City of Norco, the duty appointed ENGINEER OF WORK, submit herewith the "Report" consisting of four parts as follows:

PART A

Plans and specifications for the improvements are as set forth herein and are on file in the Office of the Clerk of the City.

PART B

An estimate of cost of the proposed improvements, including incidental costs and expenses in connection therewith, is as set forth herein.

PART C

The Diagram of the Assessment District Boundaries showing the exterior boundaries of the Assessment District, the boundaries of any zones within the Assessment District, and the lines and dimensions of each lot or parcel of land within the Assessment District has been submitted to the Clerk of the City. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report. The legal description of the Assessment District is attached hereto.

PART D

An assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the Assessment District.

PART A

PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 2
(WESTERN PACIFIC – TRACT 25779)
FISCAL YEAR 2011-2012**

The improvements are the operation, maintenance, and servicing of landscaping, wetlands, horse trails, hardscaping, and masonry, and appurtenant facilities including but not limited to personnel, electrical energy, utilities such as water, materials, contracting services, and other items necessary for the satisfactory operation of these services, described as follows:

LANDSCAPING

Landscaping, planting, shrubbery, trees, irrigation, hardscapes, masonry wall surfaces, fixtures, and appurtenant facilities located within public right-of-way (parkways), easements (slope and trail) and publicly owned parcels within the boundary of the Assessment District except as specifically excluded.

PART B

ESTIMATE OF COST

**LANDSCAPE MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)
NORCO, CALIFORNIA**

The cost of the operation, maintenance, and servicing of the improvements for Fiscal Year 2011-2012 as described in Part A, are summarized herein and described below:

ITEM	DESCRIPTION	QUANTITY	ANNUAL COST PER YEAR
1	LANDSCAPE MAINTENANCE: includes all pruning, weed and pest control, fertilization, turf care, trash and debris cleanup, irrigation to include maintenance and repair, backflow testing, rodent control and plant replacement for Hidden Valley Parkway.	57,480 S.F. (1.32 A)	Included in parkway maintenance
2	EQUESTRIAN TRAIL: includes minor grading, replacement of wooden posts and rails, and addition of decomposed granite for trail surface.	352,500 S.F. (8.09 A)	\$ 21,150.00
3	SLOPE MAINTENANCE: includes same activities as Item 1 for exterior slopes along Hidden Valley Parkway and Norco Hills Road as well as private slopes adjacent to wetlands area at Lots 77, 78, 89, 90, and 91.	175,344 S.F. (4.03 A)	Included in parkway maintenance
4	MAINTENANCE OF WETLAND (LOT 71): trash and debris cleanup, plant replacement, pest and rodent control.	159,510 S.F. (3.66 A)	\$ 3,400.00
5	PARK MAINTENANCE (LOT 2): trash and debris cleanup, mowing, fertilization, turf care, pest and rodent control, and observation.	53,485 S.F. (1.23 A)	\$ 4,000.00
6	PARKWAY MAINTENANCE: includes all pruning, weed and pest control, fertilization, ground cover, trash and debris cleanup, irrigation to include maintenance and repair, backflow testing, rodent control and plant replacement.	128,604 S.F. (2.95 A)	\$ 39,100.00
7	UTILITIES: includes cost of water and electrical for controller for all areas.	L.S.	\$ 54,320.00
	SUBTOTAL:		\$ 121,970.00
8	OBSERVATION: staff time to manage District.	L.S.	\$ 3,000.00
9	INCIDENTALS: including Engineer's Report and proceedings, administration, printing, and advertising.		\$ 2,600.00
10	CONTINGENCY: 1.5 percent (max)		\$ 0.00
	TOTAL ANNUAL COSTS:		\$ 127,570.00

Costs from City of Norco average of landscape maintenance costs for the City. Source of information Bill Thompson and Brian Petree of the Departments of Public Works and Parks, Recreation and Community Services respectively.

Annual assessments shall be calculated based on updated numbers and upon annual adjustments to the assessment rate as provided in the Engineer's Report.

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index (CPI) applicable to the City of Norco. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District. The CPI for 2010 was 1.3%.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purposes as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year.

PART C

ASSESSMENT DIAGRAM

As Assessment Diagram for the Assessment District is on file in the office of the City Clerk. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside, for the year when this Report was prepared, and are incorporated by reference herein and made a part of this Report. A reduced scale map depicting the assessment diagram is attached hereto. Also attached as Exhibit "A" is the Legal Description of Assessment District.

EXHIBIT A

**LEGAL DESCRIPTION
LANDSCAPE MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)**

That certain real property situated in the City of Norco, County of Riverside, State of California, more particularly described as follows:

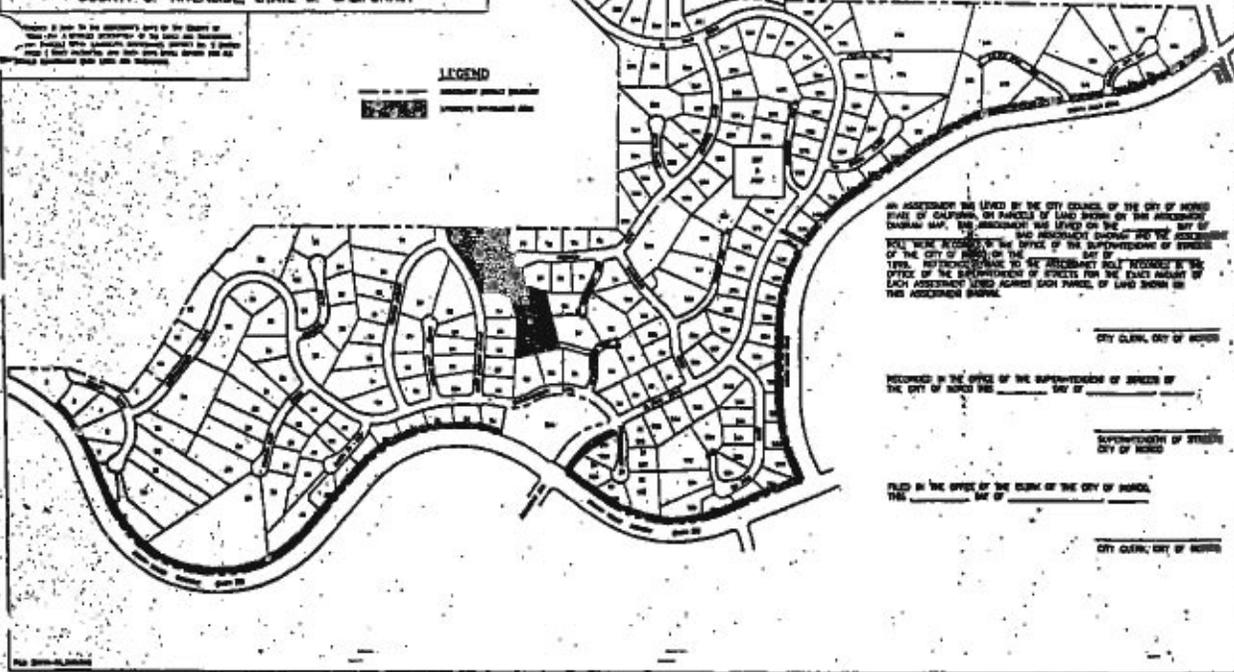
Lots 3 through 70 inclusive, and Lots 72 through 221, exclusive of Lot 219, of Tract No. 25779 in the City of Norco, County of Riverside, State of California, as per map recorded in Book 284, Pages 20 through 30, inclusive, of Maps in the Office of the County Recorder of Said County.

ASSESSMENT DIAGRAM AND BOUNDARY MAP
 LANDSCAPE MAINTENANCE DISTRICT NO.2 (NORCO ESTATES)
 CITY OF NORCO
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Notice is given to the owners of the parcels of land shown on this map, that the assessment of the City of Norco for the assessment year 1981-82, shall be based on the assessment diagram shown on this map. If there are any errors or omissions on this map, the same shall be corrected by the City of Norco.

LEGEND

--- Assessment District Boundary
 --- City Boundary



AN ASSESSMENT WAS LAYED BY THE CITY COUNCIL OF THE CITY OF NORCO, STATE OF CALIFORNIA, ON PARCELS OF LAND SHOWN ON THE ASSESSMENT DIAGRAM MAP. THE ASSESSMENT WAS LAYED ON THE _____ DAY OF _____ 1981. THE ASSESSMENT SHOWS THE ASSESSMENT ROLL WHICH IS TO BE USED BY THE CITY OF NORCO FOR THE ASSESSMENT YEAR 1981-82. THE ASSESSMENT ROLL IS TO BE FILED IN THE OFFICE OF THE SUPERVISOR OF RIVERSIDE COUNTY, CALIFORNIA, TO BE AVAILABLE TO THE PUBLIC. THE ASSESSMENT ROLL IS TO BE FILED IN THE OFFICE OF THE SUPERVISOR OF RIVERSIDE COUNTY, CALIFORNIA, FOR THE ASSESSMENT YEAR 1981-82. THE ASSESSMENT ROLL IS TO BE FILED IN THE OFFICE OF THE SUPERVISOR OF RIVERSIDE COUNTY, CALIFORNIA, FOR THE ASSESSMENT YEAR 1981-82.

CITY CLERK, CITY OF NORCO

RECORDED IN THE OFFICE OF THE SUPERVISOR OF RIVERSIDE COUNTY, CALIFORNIA, ON THE _____ DAY OF _____ 1981.

SUPERVISOR OF RIVERSIDE COUNTY, CALIFORNIA

FILED IN THE OFFICE OF THE CLERK OF THE CITY OF NORCO, CALIFORNIA, ON THE _____ DAY OF _____ 1981.

CITY CLERK, CITY OF NORCO

PART D

ASSESSMENT

WHEREAS, on October 20, 1999, the City Council of the City of Norco, California, pursuant to the provisions of the Landscape and Lighting Act of 1972, Part 2 (commencing with Section 22500) of Division 15 of the California Streets and Highways Code (the "Act") adopted its Resolution of the City Council of the City of Norco Initiating Proceedings for the Formation for a Maintenance Assessment District and thereafter formed Landscape Maintenance District No. 2 (Western Pacific) (the "District") as more particularly described in said proceedings; and

WHEREAS, said resolution directed the undersigned to prepare and file a report pursuant to Section 22565, et seq., of said Act;

WHEREAS, at this time, this City Council is desirous to provide for the annual levy of assessments for the territory within the District for the next ensuing fiscal year, to provide for the costs and expenses necessary for continual maintenance of improvements within said District; and

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the City Council of said City, hereby makes the following assessment to cover the portion of the estimated cost of the maintenance of said improvements and the costs and expenses incidental thereto to be paid by said District.

The amount to be paid for the maintenance of said improvement, and the expenses incidental thereto, are as follows:

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 124,970.00	\$ 124,970.00	\$ 124,970.00
Incidental Expenses	\$ 2,600.00	\$ 2,600.00	\$ 2,600.00
Total Cost	\$ 127,570.00	\$	\$
Surplus or (Deficit) from Previous Fiscal Year	\$ 0.00	\$ 0.00	\$ 0.00
NET TO BE ASSESSED FOR FISCAL YEAR 2011-2012	\$ 127,570.00	\$ 127,570.00	\$ 127,570.00

As required by said Act, a diagram is hereto attached showing the exterior boundaries of said District. The lines and dimensions of each lot or parcel of land within the said District as the same existed at the time of the passage of said resolution are as shown on the maps of the County Assessor of the County of Riverside. Reference is hereby made to said maps and said maps shall govern for all details concerning the lines and dimensions of such lots and parcels.

I do hereby assess the net amount to be assessed upon all assessable lots or parcels of land within said District by apportioning that amount among the several lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the maintenance of said improvements, and more particularly set forth in the list hereto attached and by reference made a part hereof.

Said assessment is made upon the several lots or parcels of land within the District in proportion to the estimated benefits to be received by said lots or parcels, respectively, from the maintenance of said improvements. The diagram and the assessor's map are the documents to which reference is hereby made for a more particular description of said property.

Each lot or parcel of land assessed is described in the assessment list by reference to its parcel number as shown on the Assessor's Maps of the County of Riverside for the Fiscal Year 2011-2012 and includes all of such parcel. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

City of Norco

Dated: _____, 2011

Dominic C. Milano, P.E.
City Engineer

EXHIBIT B

METHOD AND FORMULA OF ASSESSMENT SPREAD

The law requires and the statutes provide that assessments, as levied pursuant to the provisions of the "Landscaping and Lighting Act of 1972," must be based on the benefit that the properties receive from the works of improvement. The statute does not specify the method or formula that should be used in any special assessment district proceedings. The Assessment Engineer is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. For these proceedings, the City has based its determination on standard assessment practices utilized by consulting civil engineers with a background of experience in the design of such works of improvement and experience in the completion of assessment district formation projects.

IDENTIFYING THE BENEFIT

First of all, it is necessary to identify the benefit that the public improvement will render to the properties within the Assessment District. The landscaping, irrigation, and equestrian trails have been designed and will be constructed for the benefit of enhanced aesthetics and neighborhood identity for all properties within the Assessment District.

APPORTIONMENT OF COSTS

In further making the analysis, it is necessary that the property owners receive a special and direct benefit distinguished from that of the general public. In this case, several factors are being used in the final method and spread and assessment.

The individual parcels of land within the Assessment District are currently developed or have the potential for development to single family residential units. The proposed improvements are designed to enhance the appearance and appeal of the District and all of the parcels within. The improvements will provide a sense of neighborhood identity for the District. As such, each parcel will benefit equally from the proposed improvements.

In conclusion, it is my opinion that the assessments for the referenced Assessment District have been spread in direct accordance with the benefits that each parcel receives from the works of improvements.

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)
FISCAL YEAR 2011-2012**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
3	\$582.51		46	\$582.51	
4	\$582.51		47	\$582.51	
5	\$582.51		48	\$582.51	
6	\$582.51		49	\$582.51	
7	\$582.51		50	\$582.51	
8	\$582.51		51	\$582.51	
9	\$582.51		52	\$582.51	
10	\$582.51		53	\$582.51	
11	\$582.51		54	\$582.51	
12	\$582.51		55	\$582.51	
13	\$582.51		56	\$582.51	
14	\$582.51		57	\$582.51	
15	\$582.51		58	\$582.51	
16	\$582.51		59	\$582.51	
17	\$582.51		60	\$582.51	
18	\$582.51		61	\$582.51	
19	\$582.51		62	\$582.51	
20	\$582.51		63	\$582.51	
21	\$582.51		64	\$582.51	
22	\$582.51		65	\$582.51	
23	\$582.51		66	\$582.51	
24	\$582.51		67	\$582.51	
25	\$582.51		68	\$582.51	
26	\$582.51		69	\$582.51	
27	\$582.51		70	\$582.51	
28	\$582.51		71	\$582.51	
29	\$582.51		72	\$582.51	
30	\$582.51		73	\$582.51	
31	\$582.51		74	\$582.51	
32	\$582.51		75	\$582.51	
33	\$582.51		76	\$582.51	
34	\$582.51		77	\$582.51	
35	\$582.51		78	\$582.51	
36	\$582.51		79	\$582.51	
37	\$582.51		80	\$582.51	
38	\$582.51		81	\$582.51	
39	\$582.51		82	\$582.51	
40	\$582.51		83	\$582.51	
41	\$582.51		84	\$582.51	
42	\$582.51		85	\$582.51	
43	\$582.51		86	\$582.51	
44	\$582.51		87	\$582.51	
45	\$582.51				

**LANDSCAPE MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)
FISCAL YEAR 2011-2012**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
88	\$582.51		132	\$582.51	
89	\$582.51		133	\$582.51	
90	\$582.51		134	\$582.51	
91	\$582.51		135	\$582.51	
92	\$582.51		136	\$582.51	
93	\$582.51		137	\$582.51	
94	\$582.51		138	\$582.51	
95	\$582.51		139	\$582.51	
96	\$582.51		140	\$582.51	
97	\$582.51		141	\$582.51	
98	\$582.51		142	\$582.51	
99	\$582.51		143	\$582.51	
100	\$582.51		144	\$582.51	
101	\$582.51		145	\$582.51	
102	\$582.51		146	\$582.51	
103	\$582.51		147	\$582.51	
104	\$582.51		148	\$582.51	
105	\$582.51		149	\$582.51	
106	\$582.51		150	\$582.51	
107	\$582.51		151	\$582.51	
108	\$582.51		152	\$582.51	
109	\$582.51		153	\$582.51	
110	\$582.51		154	\$582.51	
111	\$582.51		155	\$582.51	
112	\$582.51		156	\$582.51	
113	\$582.51		157	\$582.51	
114	\$582.51		158	\$582.51	
115	\$582.51		159	\$582.51	
116	\$582.51		160	\$582.51	
117	\$582.51		161	\$582.51	
119	\$582.51		163	\$582.51	
120	\$582.51		164	\$582.51	
121	\$582.51		165	\$582.51	
122	\$582.51		166	\$582.51	
123	\$582.51		167	\$582.51	
124	\$582.51		168	\$582.51	
125	\$582.51		169	\$582.51	
126	\$582.51		170	\$582.51	
127	\$582.51		171	\$582.51	
128	\$582.51				
129	\$582.51				
130	\$582.51				
131	\$582.51				

**LANDSCAPE MAINTENANCE DISTRICT NO. 2 (WESTERN PACIFIC)
FISCAL YEAR 2011-2012**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
172	\$582.51		216	\$582.51	
173	\$582.51		217	\$582.51	
174	\$582.51		218	\$582.51	
175	\$582.51		219	\$582.51	
176	\$582.51		220	\$582.51	
177	\$582.51		221	\$582.51	
178	\$582.51				
179	\$582.51				
180	\$582.51				
181	\$582.51				
182	\$582.51				
183	\$582.51				
184	\$582.51				
185	\$582.51				
186	\$582.51				
187	\$582.51				
188	\$582.51				
189	\$582.51				
190	\$582.51				
191	\$582.51				
192	\$582.51				
193	\$582.51				
194	\$582.51				
195	\$582.51				
196	\$582.51				
197	\$582.51				
198	\$582.51				
199	\$582.51				
200	\$582.51				
201	\$582.51				
202	\$582.51				
203	\$582.51				
204	\$582.51				
206	\$582.51				
207	\$582.51				
208	\$582.51				
209	\$582.51				
210	\$582.51				
211	\$582.51				
212	\$582.51				
213	\$582.51				
214	\$582.51				
215	\$582.51				

TOTAL TO BE ASSESSED IS \$127,569.69

ENGINEER'S REPORT

FOR

**LANDSCAPE MAINTENANCE DISTRICT NO. 3
(CENTEX- TRACT 28626)**

FISCAL YEAR 2011-2012

PREPARED FOR THE

**CITY OF NORCO
RIVERSIDE COUNTY, CALIFORNIA**

PREPARED BY:

**DOMINIC C. MILANO, P.E.
CITY ENGINEER**

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 3
(CENTEX – TRACT 28626)
FISCAL YEAR 2011-2012**

The undersigned respectfully submits the enclosed report as directed by the City Council.

Date: _____, 2011

By: _____
Dominic C. Milano, P.E.
R.C.E. No. 27172
City Engineer

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By: _____

**FISCAL YEAR 2011-2012
CITY OF NORCO**

**ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF THE
LANDSCAPING AND LIGHTING ACT OF 1972 SECTION 22500 THROUGH
22679 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE**

Pursuant to Part 2 of Division 15 of the Streets and Highways Code of the State of California, and in accordance with the Resolution of Initiation, being Resolution No. 98-97, adopted by the Council of the City of Norco, State of California, in connection with the proceedings for:

**CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 3
(CENTEX – TRACT 28626)**

Hereinafter referred to as the "Assessment District," I, Dominic C. Milano, P.E. authorized representative of the City of Norco, the duly appointed ENGINEER OF WORK, submit herewith the "Report" consisting of four parts as follows:

PART A

Plans and specifications for the improvements are as set forth herein and are on file in the Office of the Clerk of the City.

PART B

An estimate of cost of the proposed improvements, including incidental costs and expenses in connection therewith, is as set forth herein.

PART C

The Diagram of the Assessment District Boundaries showing the exterior boundaries of the Assessment District, the boundaries of any zones within the Assessment District, and the lines and dimensions of each lot or parcel of land within the Assessment District has been submitted to the Clerk of the City. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report. The legal description of the Assessment District is attached hereto.

PART D

An assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the Assessment District.

PART A

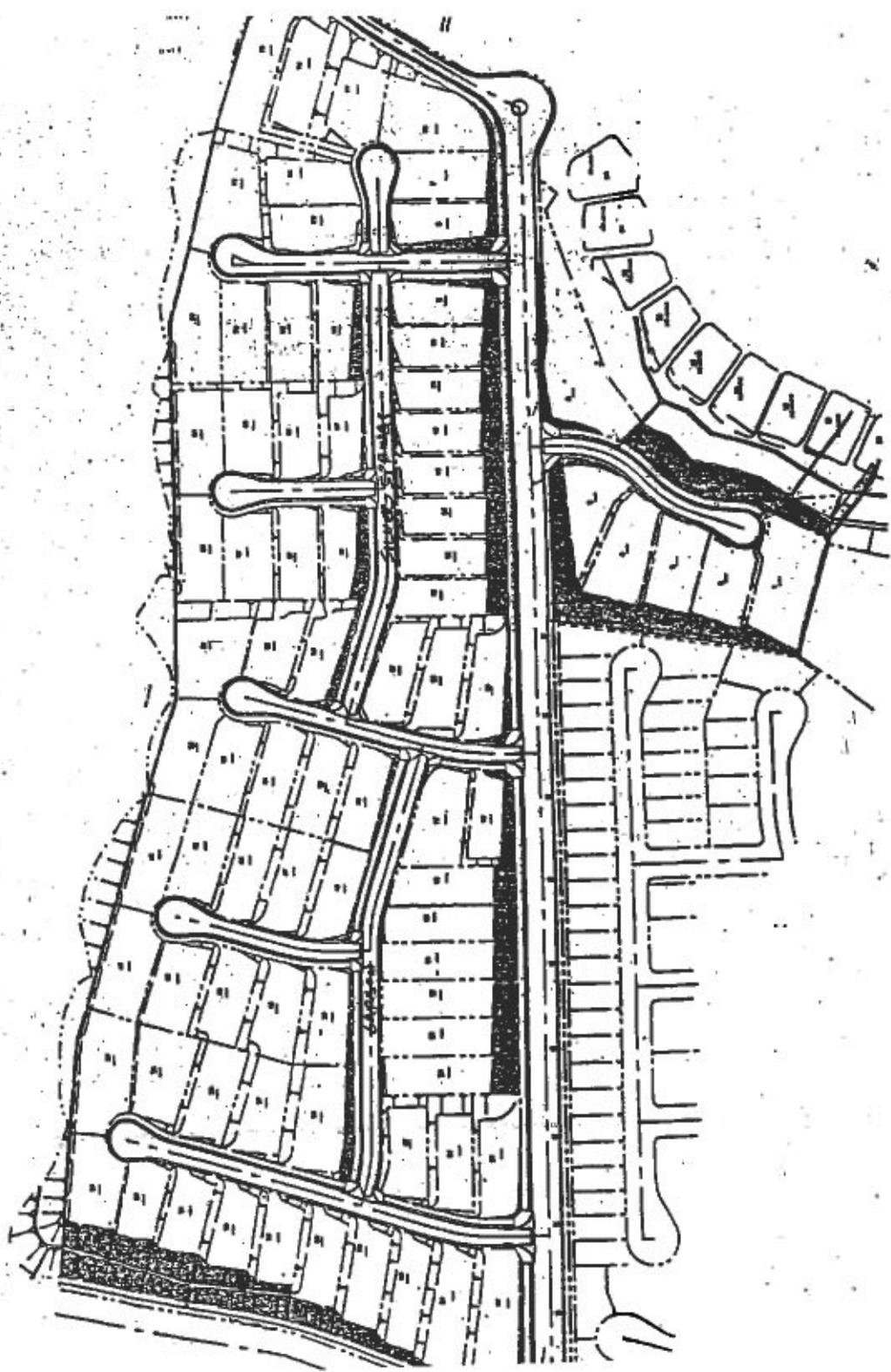
PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 3
(CENTEX – TRACT 28626)
FISCAL YEAR 2011-2012**

The improvements are the operation, maintenance, and servicing of landscaping, horse trails, hardscaping, and masonry, and appurtenant facilities including but not limited to personnel, electrical energy, utilities such as water, materials, contracting services, and other items necessary for the satisfactory operation of these services, described as follows:

LANDSCAPING

Landscaping, planting, shrubbery, trees, irrigation, hardscapes, masonry wall surfaces, fencing, fixtures, and appurtenant facilities located within public rights-of-way (parkways), easements (slope and trail) and publicly owned parcels within the boundary of the Assessment District except as specifically excluded.



PART B

ESTIMATE OF COST

**LANDSCAPE MAINTENANCE DISTRICT NO. 3 (CENTEX – TRACT 28626)
NORCO, CALIFORNIA**

The cost of the operation, maintenance, and servicing of the improvements for Fiscal Year 2011-2012 as described in Part A, are summarized herein and described below:

ITEM	DESCRIPTION	QUANTITY	ANNUAL COST PER YEAR
1	LANDSCAPE MAINTENANCE (INTERIOR): includes all pruning, weed and pest control, fertilization, turf care, trash and debris cleanup, irrigation to include maintenance and repair, backflow testing, rodent control, plant replacement, and observation.	48,843 S.F. (1.12 A)	\$ 27,630.00
2	EQUESTRIAN TRAIL: includes minor grading, replacement of wooden posts and rails, and addition of decomposed granite for trail surface.	92,100 S.F. (2.11 A)	\$ 5,692.00
3	SLOPE MAINTENANCE: includes same activities as Item 1 for exterior slopes along Parkview Drive and Norco Hills Road as well as private slopes at Lots 1, 2, 3, and 4.	186,541 S.F. (4.28 A)	\$ Included in landscape maintenance
4	UTILITIES: includes cost of water and electrical for controller for all landscape areas.	L.S.	\$ 35,000.00
	SUBTOTAL:		\$ 68,322.00
5	OBSERVATION: includes cost for landscape contractor management.	L.S.	\$ 8,081.00
6	INCIDENTALS: including Engineer's Report and proceedings, administration, printing, and advertising.		\$ 2,154.00
7	CONTINGENCY: 2.0 percent		\$ 1,571.00
	TOTAL ANNUAL COSTS:		\$ 80,128.00

Costs from City of Norco average of landscape maintenance costs for the City. Source of information Bill Thompson and Brian Petree of the Departments of Public Works and Parks, Recreation and Community Services respectively.

Annual assessments shall be calculated based on updated numbers and upon annual adjustments to the assessment rate as provided in the Engineer's Report.

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index applicable to the City of Norco. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District for 2010 the CPI was 1.3%.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purposes as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year.

PART C

ASSESSMENT DIAGRAM

As Assessment Diagram for the Assessment District is on file in the office of the City Clerk. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside, for the year when this Report was prepared, and are incorporated by reference herein and made a part of this Report. A reduced scale map depicting the assessment diagram is attached hereto. Also attached as Exhibit "A" is the Legal Description of Assessment District.

EXHIBIT A

**LEGAL DESCRIPTION
LANDSCAPE MAINTENANCE DISTRICT NO. 3 (CENTEX – TRACT 28626)**

That certain real property situated in the City of Norco, County of Riverside, State of California, more particularly described as follows:

Lots 1 through 82 inclusive, of Tract No. 28626 in the City of Norco, County of Riverside, State of California, as per map recorded in Book 295, Pages 46 through 53, inclusive, of Maps in the Office of the County Recorder of Said County.

PART D

ASSESSMENT

WHEREAS, on April 18, 2001, the City Council of the City of Norco, California, pursuant to the provisions of the Landscape and Lighting Act of 1972, Part 2 (commencing with Section 22500) of Division 15 of the California Streets and Highways Code (the "Act") adopted its Resolution of the City Council of the City of Norco Initiating Proceedings for the Formation for a Maintenance Assessment District and thereafter formed Landscape Maintenance District No. 3 (Centex – Tract 28626) (the "District") as more particularly described in said proceedings; and

WHEREAS, said resolution directed the undersigned to prepare and file a report pursuant to Section 22565, et seq., of said Act;

WHEREAS, at this time, this City Council is desirous to provide for the annual levy of assessments for the territory within the District for the next ensuing fiscal year, to provide for the costs and expenses necessary for continual maintenance of improvements within said District; and

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the City Council of said City, hereby makes the following assessment to cover the portion of the estimated cost of the maintenance of said improvements and the costs and expenses incidental thereto to be paid by said District.

The amount to be paid for the maintenance of said improvement, and the expenses incidental thereto, are as follows:

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 77,974.00	\$ 77,974.00	\$ 77,974.00
Incidental Expenses	\$ 2,154.00	\$ 2,154.00	\$ 2,154.00
Total Cost	\$ 80,128.00	\$ 80,128.00	\$ 80,128.00
Surplus or (Deficit) from Previous Fiscal Year	\$ 7,991.00	\$ 7,991.00	\$ 7,991.00
NET TO BE ASSESSED FOR FISCAL YEAR 2011-2012	\$ 72,137.00	\$ 72,137.00	\$ 72,137.00

As required by said Act, a diagram is hereto attached showing the exterior boundaries of said District. The lines and dimensions of each lot or parcel of land within the said District as the same existed at the time of the passage of said resolution are as shown on the maps of the County Assessor of the County of Riverside. Reference is hereby made to said maps and said maps shall govern for all details concerning the lines and dimensions of such lots and parcels.

I do hereby assess the net amount to be assessed upon all assessable lots or parcels of land within said District by apportioning that amount among the several lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the maintenance of said improvements, and more particularly set forth in the list hereto attached and by reference made a part hereof.

Said assessment is made upon the several lots or parcels of land within the District in proportion to the estimated benefits to be received by said lots or parcels, respectively, from the maintenance of said improvements. The diagram and the assessor's map are the documents to which reference is hereby made for a more particular description of said property.

Each lot or parcel of land assessed is described in the assessment list by reference to its parcel number as shown on the Assessor's Maps of the County of Riverside for the Fiscal Year 2010-2011 and includes all of such parcel. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

City of Norco

Dated: _____, 2011

Dominic C. Milano, P.E.
City Engineer

EXHIBIT B

METHOD AND FORMULA OF ASSESSMENT SPREAD

The law requires and the statutes provide that assessments, as levied pursuant to the provisions of the "Landscaping and Lighting Act of 1972," must be based on the benefit that the properties receive from the works of improvement. The statute does not specify the method or formula that should be used in any special assessment district proceedings. The Assessment Engineer is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. For these proceedings, the City has based its determination on standard assessment practices utilized by consulting civil engineers with a background of experience in the design of such works of improvement and experience in the completion of assessment district formation projects.

IDENTIFYING THE BENEFIT

First of all, it is necessary to identify the benefit that the public improvement will render to the properties within the Assessment District. The landscaping, irrigation, and equestrian trails have been designed and will be constructed for the benefit of enhanced aesthetics and neighborhood identity for all properties within the Assessment District.

APPORTIONMENT OF COSTS

In further making the analysis, it is necessary that the property owners receive a special and direct benefit distinguished from that of the general public. In this case, several factors are being used in the final method and spread and assessment.

The individual parcels of land within the Assessment District are currently developed or have the potential for development to single family residential units. The proposed improvements are designed to enhance the appearance and appeal of the District and all of the parcels within. The improvements will provide a sense of neighborhood identity for the District. As such, each parcel will benefit equally from the proposed improvements.

In conclusion, it is my opinion that the assessments for the referenced Assessment District have been spread in direct accordance with the benefits that each parcel receives from the works of improvements.

**LIST OF ASSESSMENTS
 LANDSCAPE MAINTENANCE DISTRICT NO. 3 (CENTEX – TRACT 28626)
 FISCAL YEAR 2011-2012**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
1	\$879.72		45	\$879.72	
2	\$879.72		46	\$879.72	
3	\$879.72		47	\$879.72	
4	\$879.72		48	\$879.72	
5	\$879.72		49	\$879.72	
6	\$879.72		50	\$879.72	
7	\$879.72		51	\$879.72	
8	\$879.72		52	\$879.72	
9	\$879.72		53	\$879.72	
10	\$879.72		54	\$879.72	
11	\$879.72		55	\$879.72	
12	\$879.72		56	\$879.72	
13	\$879.72		57	\$879.72	
14	\$879.72		58	\$879.72	
15	\$879.72		59	\$879.72	
16	\$879.72		60	\$879.72	
17	\$879.72		61	\$879.72	
18	\$879.72		62	\$879.72	
19	\$879.72		63	\$879.72	
20	\$879.72		64	\$879.72	
21	\$879.72		65	\$879.72	
22	\$879.72		66	\$879.72	
23	\$879.72		67	\$879.72	
24	\$879.72		68	\$879.72	
25	\$879.72		69	\$879.72	
26	\$879.72		70	\$879.72	
27	\$879.72		71	\$879.72	
28	\$879.72		72	\$879.72	
29	\$879.72		73	\$879.72	
30	\$879.72		74	\$879.72	
31	\$879.72		75	\$879.72	
32	\$879.72		76	\$879.72	
33	\$879.72		77	\$879.72	
34	\$879.72		78	\$879.72	
35	\$879.72		79	\$879.72	
36	\$879.72		80	\$879.72	
37	\$879.72		81	\$879.72	
38	\$879.72		82	\$879.72	
39	\$879.72				
40	\$879.72				
41	\$879.72				
42	\$879.72				
43	\$879.72				
44	\$879.72				

ENGINEER'S REPORT

FOR

**LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH – TRACTS 29588 AND 29589)**

FISCAL YEAR 2011-2012

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

DOMINIC C. MILANO, P.E.

CITY ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH – TRACTS 29588 AND 29589)
FISCAL YEAR 2011-2012**

The undersigned respectfully submits the enclosed report as directed by the City Council.

Date: _____, 2011

By: _____
Dominic C. Milano, P.E.
R.C.E. No. 27172
City Engineer

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By: _____

**FISCAL YEAR 2011-2012
CITY OF NORCO**

**ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF THE
LANDSCAPING AND LIGHTING ACT OF 1972 SECTION 22500 THROUGH
22679 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE**

Pursuant to Part 2 of Division 15 of the Streets and Highways Code of the State of California, and in accordance with the Resolution of Initiation, being Resolution No. No. 98-97 adopted by the Council of the City of Norco, State of California, in connection with the proceedings for:

**CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH – TRACTS 29588 AND 29589)**

Hereinafter referred to as the "Assessment District," I, Dominic C. Milano, P.E. authorized representative of the City of Norco, the duty appointed ENGINEER OF WORK, submit herewith the "Report" consisting of five parts as follows:

PART A – PLANS AND SPECIFICATIONS

Contains a description of the improvements that are to be maintained or serviced by the District.

PART B – ESTIMATE OF COST

Identifies the estimated cost of the services or maintenance to be provided by the District, including incidental costs and expenses in connection herewith.

PART C – METHOD OF APPORTIONMENT

Describes the basis on which the costs have been apportioned to each parcel of land within the Assessment District, in proportion to the estimated benefits to be received by such lots and parcels.

PART D – ASSESSMENT ROLL

Identifies the maximum assessment to be levied on each benefited lot or parcel of land within the Assessment District.

PART E – ASSESSMENT DIAGRAM

The Diagram of the Assessment District Boundaries showing the exterior boundaries of the Assessment District, the boundaries of any zones within the Assessment District, and the lines and dimensions of each lot or parcel of land within the Assessment District has been submitted to the Clerk of the City. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report. The legal description of the Assessment District is attached hereto.

PART A

PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH TRACTS 29588 AND 29589)
FISCAL YEAR 2011-2012**

The improvements to be maintained and serviced include landscaping as described herein.

Landscaping and Appurtenant Improvements:

Improvements include but are not limited to: landscaping, planting, shrubbery, trees, irrigation systems, hardscapes, fixtures, and appurtenant facilities, in public rights-of-way, parkways, slopes, trails, open space and dedicated easements within the boundaries of said Assessment District. The following are the facilities to be maintained within the District:

Slopes, Parkway and Trails

1. Slope landscaping-non-irrigated (3.78 acres)
2. Slope landscaping-irrigated (13.17 acres)
3. Fuel modification areas (17.66 acres)
4. Parkway landscaping (1.11 acres)
5. Equestrian trails (26.54 acres)

Open Space and Wetlands Areas

1. Natural open space – non-irrigated (384.34 acres)
2. Wetlands area – non-irrigated (13.04 acres)

The District will fund costs in connection with the District maintenance and servicing including, but not limited to, labor, electrical energy, water, materials, contracting services, administration, and other expenses necessary for the satisfactory maintenance and operation of these improvements.

Maintenance means the furnishing of services and materials for the ordinary and usual operation, maintenance and servicing of the landscaping and appurtenant improvements, including repair, removal or replacement of all or part of any of the landscaping or appurtenant improvements; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; the removal of trimmings, rubbish, debris and other solid waste, and the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

Operating and servicing means the furnishing of water for the irrigation of the landscaping, the maintenance of irrigation controllers and appurtenant facilities and the furnishing of telephone services and electric energy, and administration of all aspects of the operation, maintenance and servicing of the improvements.

The plans and specifications for the improvements, showing the general nature, location and the extent of the improvements, are on file in the office of the City Engineer and are by reference herein made a part of this report.

PART B

ESTIMATE OF COST

LANDSCAPE MAINTENANCE DISTRICT NO. 4 (NORCO RIDGE RANCH-TRACTS 29588 & 29589) NORCO, CALIFORNIA

The estimated costs for the operation, maintenance and servicing of the facilities, shown below, are the estimated costs of maintenance if the facilities were fully maintained for Fiscal Year 2011-2012. The 1972 Act provides that the total cost of the maintenance and services, together with incidental expenses, may be financed from the assessment proceeds. The incidental expenses may include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with district proceedings.

Direct Costs	
Natural Open Space	\$ 5,000.00
Wetlands Area	\$ 5,000.00
Contractual Maintenance	\$108,144.00
Non-Irrigated Slope Landscaping	
Irrigated Slope Landscaping	
Fuel Modification	
Zone B "Irrigated Zone"	
Zone C "Thinning Zone"	
Zone D "Thinning Zone"	
Parkway Landscaping	
Tree Replacement	\$ 10,000.00
Equestrian Trails	\$ 71,440.00
Utilities	\$154,700.00
Operating Contingency (5% max)	\$ 17,714.00
Subtotal-Direct Costs	\$371,998.00
Administrative Costs (5% max)	
Observation	\$ 18,000.00
Incidentals	\$ 2,730.00
Operating Reserve for Trail Maintenance	\$ 91,109.00
TOTAL ANNUAL BUDGET	\$483,837.00

The 1972 Act requires that a special fund to set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. The City may advance funds to the District, if needed, to ensure adequate cash flow, and will be reimbursed for any such advances upon receipt of assessments. Any surplus or deficit remaining on July 1 must be carried over to the next fiscal year.

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index applicable to the City of Norco. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District.

PART C

METHOD OF APPORTIONMENT

The law requires and the statutes provide that assessments, as levied pursuant to the provisions of the "Landscaping and Lighting Act of 1972," must be based on the benefit that the properties receive from the works of improvement. The statute does not specify the method or formula that should be used in any special assessment district proceedings. The Assessment Engineer is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. For these proceedings, the City has based its determination on standard assessment practices utilized by consulting civil engineers with a background of experience in the design of such works of improvement and experience in the completion of assessment district formation projects.

REASON FOR THE ASSESSMENT

The assessment is proposed to be levied to defray the costs of the operation, servicing and maintenance of landscaping and appurtenant improvements within the public rights-of-way, as previously defined herein in Part A of this Report.

APPORTIONMENT OF COSTS

In further making the analysis, it is necessary that the property owners receive a special and direct benefit distinguished from that of the general public. In this case, several factors are being used in the final method and spread and assessment.

The individual parcels of land within the Assessment District are currently developed or have the potential for development to single family residential units. The proposed improvements are designed to enhance the appearance and appeal of the District and all of the parcels within. The improvements will provide a sense of neighborhood identity for the District. As such, each parcel will benefit equally from the proposed improvements.

In conclusion, it is my opinion that the assessments for the referenced Assessment District have been spread in direct accordance with the benefits that each parcel receives from the works of improvements.

The amount to be paid for the maintenance of said improvements, and the expenses incidental thereto, are as follows:

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 481,107.00	\$ 481,107.00	\$ 481,107.00
Incidental Expenses	\$ 2,730.00	\$ 2,730.00	\$ 2,730.00
Total Cost	\$ 483,837.00	\$ 483,837.00	\$ 483,837.00
Surplus or from Previous Fiscal Year	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
NET TO BE ASSESSED FOR FISCAL YEAR 2011-2012	\$ 463,837.00	\$ 463,837.00	\$ 463,837.00

The table below provides the assessment apportionment for the various development areas within the Norco Ridge Ranch Specific Plan and shows the maximum annual assessment rate per planned SFR lot. The golf course lots are undeveloped.

<u>Tract Nos.</u>	<u>Planned SFR Lots</u>	<u>Total Assessment Estimate</u>	<u>Maximum* Asmt. Rate per Planned SFR Lot</u>
Tr 29588,-2,-3,-4,-5	293	\$271,772.15	\$927.55/lot
Tr 29589-1,-2,-3	239	\$221,684.45	\$927.55/lot
Tr 29588-1*	25	\$ 0	\$ 0/lot
Other Assessable Lots	<u>5</u>	<u>\$ 4,637.75</u>	\$927.55/lot
	562	\$498,094.35	

*Lots in Tr 29588-1 included in District but receive no benefit. Subdivision not contiguous with Norco Ridge Ranch.

The table below provides the final approved assessment apportionment without the previous year's surplus has been applied.

<u>Tract Nos.</u>	<u>Planned SFR Lots</u>	<u>Total Assessment Estimate</u>	<u>Assessment</u>
Tr 29588-1,-2,-3,-4,-5	293	\$253,081.68	\$863.76/ lot
Tr 29589-1,-2,-3	239	\$206,438.64	\$863.76/ lot
Tr 29588-1	0	\$ 0	\$ 0/lot
Other Assessable Lots	<u>5</u>	<u>\$ 4,318.86</u>	\$863.76/ lot
	537	\$463,839.12	

*The maximum annual maintenance assessment rates may be increased each year by the annual change in the Consumer Price Index (CPI), during the preceding year ending in March, for All Urban Consumers, for the Los Angeles, Riverside and Orange County areas. The CPI for 2010 was 1.3%, for a maximum assessment of \$927.55/lot.

The actual assessments levied in any fiscal year will be as approved by the City Council and may not exceed the maximum assessment rate without receiving property owner approval for the increase.

PART D

ASSESSMENT ROLL

The Assessment Roll is a listing of the proposed assessment for Fiscal Year 2011-2012 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of Riverside. The Assessment Roll is provided below and is incorporated herein.

The description of each lot or parcel is part of the records of the Assessor of the County of Riverside and these records are, by reference, made part of this Report.

The following list of parcels will be assessed for landscape maintenance:

**LIST OF ASSESSMENTS
 LANDSCAPE MAINTENANCE DISTRICT NO. 4
 (NORCO RIDGE RANCH – TRACTS 29588 & 29589)
 FISCAL YEAR 2011-2012**

Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded	Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded
1682900091	\$863.76		1683000321	\$863.76	
1682900101	\$863.76		1683000332	\$863.76	
1682900112	\$863.76		1683000343	\$863.76	
1682910016	\$863.76		1683000354	\$863.76	
1682910027	\$863.76		1683000365	\$863.76	
1682910038	\$863.76		1683000376	\$863.76	
1682910049	\$863.76		1683000387	\$863.76	
1682910050	\$863.76		1683000398	\$863.76	
1682910061	\$863.76		1683100014	\$863.76	
1682920019	\$863.76		1683110017	\$863.76	
1682920020	\$863.76		1683110028	\$863.76	
1682920031	\$863.76		1683110039	\$863.76	
1682920042	\$863.76		1683110040	\$863.76	
1682920053	\$863.76		1683110051	\$863.76	
1682920064	\$863.76		1683110062	\$863.76	
1682920075	\$863.76		1683110073	\$863.76	
1683000013	\$863.76		1683110084	\$863.76	
1683000024	\$863.76		1683110095	\$863.76	
1683000035	\$863.76		1683110105	\$863.76	
1683000046	\$863.76		1683110116	\$863.76	
1683000057	\$863.76		1683110127	\$863.76	
1683000068	\$863.76		1683110138	\$863.76	
1683000079	\$863.76		1683110149	\$863.76	
1683000080	\$863.76		1683110150	\$863.76	
1683000091	\$863.76		1683110161	\$863.76	
1683000101	\$863.76		1683110172	\$863.76	
1683000112	\$863.76		1683110183	\$863.76	
1683000123	\$863.76		1683120010	\$863.76	
1683000134	\$863.76		1683120021	\$863.76	
1683000145	\$863.76		1683120032	\$863.76	
1683000156	\$863.76		1683120043	\$863.76	
1683000167	\$863.76		1683120054	\$863.76	
1683000178	\$863.76		1683120065	\$863.76	
1683000189	\$863.76		1683120076	\$863.76	
1683000190	\$863.76		1683120087	\$863.76	
1683000200	\$863.76		1683120098	\$0.00	
1683000211	\$863.76		1683200015	\$863.76	
1683000222	\$863.76		1683200026	\$863.76	
1683000233	\$863.76		1683200037	\$863.76	
1683000244	\$863.76		1683200048	\$863.76	
1683000255	\$863.76		1683200059	\$863.76	
1683000266	\$863.76		1683200060	\$863.76	
1683000277	\$863.76		1683200071	\$863.76	
1683000288	\$863.76		1683200082	\$863.76	
1683000299	\$863.76		1683200093	\$863.76	
1683000309	\$863.76		1683200103	\$863.76	
1683000310	\$863.76		1683200114	\$863.76	

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH – TRACTS 29588 & 29589)
FISCAL YEAR 2011-2012**

Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded	Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded
1682500053	\$0.00	undeveloped	1682700011	\$863.76	
1682500064	\$0.00	undeveloped	1682700022	\$863.76	
1682500075	\$0.00	undeveloped	1682700033	\$863.76	
1682500086	\$0.00	undeveloped	1682700044	\$863.76	
1682500097	\$0.00	undeveloped	1682700055	\$863.76	
1682500107	\$0.00	undeveloped	1682700066	\$863.76	
1682500118	\$0.00	undeveloped	1682700077	\$863.76	
1682500129	\$0.00	undeveloped	1682700088	\$863.76	
1682500130	\$0.00	Golf Course Lot	1682700099	\$863.76	
1682500141	\$0.00	undeveloped	1682700109	\$863.76	
1682500152	\$0.00	undeveloped	1682700110	\$863.76	
1682500163	\$0.00	undeveloped	1682700121	\$863.76	
1682500174	\$0.00	undeveloped	1682700132	\$863.76	
1682500185	\$0.00	Vacant-directly bill	1682700143	\$863.76	
1682500196	\$0.00	undeveloped	1682700154	\$863.76	
1682500206	\$0.00	undeveloped	1682700165	\$863.76	
1682500217	\$0.00	Golf Course Lot	1682710014	\$863.76	
1682500228	\$0.00	undeveloped	1682710025	\$863.76	
1682500239	\$0.00	undeveloped	1682710036	\$863.76	
1682500240	\$0.00	undeveloped	1682710047	\$863.76	
1682500251	\$0.00	Vacant-directly bill	1682710058	\$863.76	
1682500262	\$0.00	undeveloped	1682800012	\$863.76	
1682500273	\$0.00		1682800023	\$863.76	
1682500284	\$0.00		1682800034	\$863.76	
1682500295	\$0.00	undeveloped	1682800045	\$863.76	
1682600010	\$863.76		1682800056	\$863.76	
1682600021	\$863.76		1682800067	\$863.76	
1682600032	\$863.76		1682810015	\$863.76	
1682600043	\$863.76		1682810026	\$863.76	
1682600054	\$863.76		1682810037	\$863.76	
1682600065	\$863.76		1682810048	\$863.76	
1682600076	\$863.76		1682810059	\$863.76	
1682600087	\$863.76		1682810060	\$863.76	
1682600098	\$863.76		1682810071	\$863.76	
1682600108	\$863.76		1682810082	\$863.76	
1682600119	\$863.76		1682820018	\$863.76	
1682600120	\$863.76		1682820029	\$863.76	
1682600131	\$863.76		1682820030	\$863.76	
1682600142	\$863.76		1682820041	\$863.76	
1682600153	\$863.76		1682900013	\$863.76	
1682600164	\$863.76		1682900024	\$863.76	
1682600175	\$863.76		1682900035	\$863.76	
1682600186	\$863.76		1682900046	\$863.76	
1682600197	\$863.76		1682900057	\$863.76	
1682600207	\$863.76		1682900068	\$863.76	
1682600218	\$863.76		1682900079	\$863.76	
1682600229	\$863.76		1682900080	\$863.76	

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH – TRACTS 29588 & 29589)
FISCAL YEAR 2011-2012**

Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded	Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded
1236300182	\$863.76		1236600086	\$863.76	
1236300193	\$863.76		1236600097	\$863.76	
1236300203	\$863.76		1236600107	\$863.76	
1236300214	\$863.76		1236600118	\$863.76	
1236300225	\$863.76		1236600129	\$863.76	
1236300236	\$863.76		1236600130	\$863.76	
1236400017	\$863.76		1236600141	\$863.76	
1236400028	\$863.76		1236610012	\$863.76	
1236400039	\$863.76		1236610023	\$863.76	
1236400040	\$863.76		1236610034	\$863.76	
1236400051	\$863.76		1236610045	\$863.76	
1236400105	\$863.76		1236610056	\$863.76	
1236400116	\$863.76		1236610067	\$863.76	
1236400127	\$863.76		1236610078	\$863.76	
1236400138	\$863.76		1236610089	\$863.76	
1236400149	\$863.76		1236610090	\$863.76	
1236400150	\$863.76		1236610100	\$863.76	
1236400161	\$863.76		1236610111	\$863.76	
1236400172	\$863.76		1236700010	\$863.76	
1236400183	\$863.76		1236700021	\$863.76	
1236400194	\$863.76		1236700032	\$863.76	
1236400204	\$863.76		1236700043	\$863.76	
1236400215	\$863.76		1236700054	\$863.76	
1236500018	\$863.76		1236700065	\$863.76	
1236500029	\$863.76		1236700076	\$863.76	
1236500030	\$863.76		1236700087	\$863.76	
1236500041	\$863.76		1236700098	\$863.76	
1236500052	\$863.76		1236710013	\$863.76	
1236500063	\$863.76		1236710024	\$863.76	
1236500074	\$863.76		1236710035	\$863.76	
1236500085	\$863.76		1236710046	\$863.76	
1236500096	\$863.76		1236710057	\$863.76	
1236500106	\$863.76		1236710068	\$863.76	
1236500117	\$863.76		1236710079	\$863.76	
1236500128	\$863.76		1236710080	\$863.76	
1236500139	\$863.76		1236710091	\$863.76	
1236500140	\$863.76		1236710101	\$863.76	
1236510011	\$863.76		1236710112	\$863.76	
1236510022	\$863.76		1236710123	\$863.76	
1236510033	\$863.76		1236710134	\$863.76	
1236600019	\$863.76		1236710145	\$863.76	
1236600020	\$863.76		1236710156	\$863.76	
1236600031	\$863.76		1236710167	\$863.76	
1236600042	\$863.76		1235800209	\$0.00	Vacant-directly bill
1236600053	\$863.76		1235800210	\$0.00	Vacant-directly bill
1236600064	\$863.76		1682500031	\$0.00	undeveloped
1236600075	\$863.76		1682500042	\$0.00	undeveloped

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH – TRACTS 29588 & 29589)
FISCAL YEAR 2011-2012**

Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded	Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded
1236000046	\$863.76		1236130035	\$863.76	
1236000057	\$863.76		1236130046	\$863.76	
1236000068	\$863.76		1236130057	\$863.76	
1236000079	\$863.76		1236130068	\$863.76	
1236000080	\$863.76		1236130079	\$863.76	
1236000091	\$863.76		1236130080	\$863.76	
1236000101	\$863.76		1236200015	\$863.76	
1236000112	\$863.76		1236200026	\$863.76	
1236000123	\$863.76		1236200037	\$863.76	
1236000134	\$863.76		1236200048	\$863.76	
1236000178	\$863.76		1236200059	\$863.76	
1236000189	\$863.76		1236200060	\$863.76	
1236000190	\$863.76		1236200071	\$863.76	
1236000200	\$863.76		1236210018	\$863.76	
1236000211	\$863.76		1236210029	\$863.76	
1236000222	\$863.76		1236210030	\$863.76	
1236000233	\$863.76		1236210041	\$863.76	
1236020019	\$863.76		1236210052	\$863.76	
1236020020	\$863.76		1236210063	\$863.76	
1236020031	\$863.76		1236210074	\$863.76	
1236020042	\$863.76		1236210085	\$863.76	
1236020053	\$863.76		1236210096	\$863.76	
1236020064	\$863.76		1236210106	\$863.76	
1236020075	\$863.76		1236210117	\$863.76	
1236020086	\$863.76		1236210128	\$863.76	
1236020097	\$863.76		1236210139	\$863.76	
1236020107	\$863.76		1236210140	\$863.76	
1236020118	\$863.76		1236210151	\$863.76	
1236100014	\$863.76		1236210162	\$863.76	
1236100025	\$863.76		1236210173	\$863.76	
1236110017	\$863.76		1236300016	\$863.76	
1236110028	\$863.76		1236300027	\$863.76	
1236110039	\$863.76		1236300038	\$863.76	
1236120010	\$863.76		1236300049	\$863.76	
1236120021	\$863.76		1236300050	\$863.76	
1236120032	\$863.76		1236300061	\$863.76	
1236120043	\$863.76		1236300072	\$863.76	
1236120054	\$863.76		1236300083	\$863.76	
1236120065	\$863.76		1236300094	\$863.76	
1236120076	\$863.76		1236300104	\$863.76	
1236120087	\$863.76		1236300115	\$863.76	
1236120098	\$863.76		1236300126	\$863.76	
1236120108	\$863.76		1236300137	\$863.76	
1236120119	\$863.76		1236300148	\$863.76	
1236120120	\$863.76		1236300159	\$863.76	
1236130013	\$863.76		1236300160	\$863.76	
1236130024	\$863.76		1236300171	\$863.76	

**LIST OF ASSESSMENTS
 LANDSCAPE MAINTENANCE DISTRICT NO. 4
 (NORCO RIDGE RANCH – TRACTS 29588 & 29589)
 FISCAL YEAR 2011-2012**

Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded	Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded
1235400162	\$863.76		1235700055	\$863.76	
1235400173	\$863.76		1235700066	\$863.76	
1235400184	\$863.76		1235700077	\$863.76	
1235400195	\$863.76		1235700088	\$863.76	
1235400205	\$863.76		1235700099	\$863.76	
1235400216	\$863.76		1235700109	\$863.76	
1235400227	\$863.76		1235700110	\$863.76	
1235500019	\$863.76		1235700121	\$863.76	
1235500020	\$863.76		1235700132	\$863.76	
1235500031	\$863.76		1235700143	\$863.76	
1235500064	\$863.76		1235700154	\$863.76	
1235500075	\$863.76		1235700165	\$863.76	
1235500086	\$863.76		1235700176	\$863.76	
1235500097	\$863.76		1235800012	\$863.76	
1235500107	\$863.76		1235800023	\$863.76	
1235500118	\$863.76		1235800034	\$863.76	
1235500129	\$863.76		1235800090	\$863.76	
1235500196	\$863.76		1235800188	\$863.76	
1235500206	\$863.76		1235900013	\$863.76	
1235510012	\$863.76		1235900024	\$863.76	
1235510023	\$863.76		1235900035	\$863.76	
1235510034	\$863.76		1235900046	\$863.76	
1235510045	\$863.76		1235900057	\$863.76	
1235510056	\$863.76		1235900068	\$863.76	
1235600010	\$863.76		1235900079	\$863.76	
1235600021	\$863.76		1235900080	\$863.76	
1235600032	\$863.76		1235900091	\$863.76	
1235600043	\$863.76		1235900101	\$863.76	
1235600054	\$863.76		1235900112	\$863.76	
1235600065	\$863.76		1235900123	\$863.76	
1235600076	\$863.76		1235900134	\$863.76	
1235600087	\$863.76		1235900145	\$863.76	
1235600098	\$863.76		1235900156	\$863.76	
1235600108	\$863.76		1235910016	\$863.76	
1235600119	\$863.76		1235910027	\$863.76	
1235600120	\$863.76		1235910038	\$863.76	
1235610013	\$863.76		1235910049	\$863.76	
1235610024	\$863.76		1235910050	\$863.76	
1235610035	\$863.76		1235910061	\$863.76	
1235610046	\$863.76		1235910072	\$863.76	
1235610057	\$863.76		1235910083	\$863.76	
1235610068	\$863.76		1235920019	\$863.76	
1235610079	\$863.76		1235920020	\$863.76	
1235700011	\$863.76		1235920031	\$863.76	
1235700022	\$863.76		1236000013	\$863.76	
1235700033	\$863.76		1236000024	\$863.76	
1235700044	\$863.76		1236000035	\$863.76	

**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 4
(NORCO RIDGE RANCH – TRACTS 29588 & 29589)
FISCAL YEAR 2011-2012**

Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded	Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded
1230800150	\$0 00		1235100048	\$863 76	
1230800194	\$0 00		1235100059	\$863 76	
1230800226	\$0 00	undeveloped	1235100060	\$863 76	
1230800248	\$0 00	undeveloped	1235100071	\$863 76	
1230800282	\$0 00		1235100082	\$863 76	
1230800303	\$0 00	undeveloped	1235100093	\$863 76	
1230800325	\$0 00	directly bill	1235100103	\$863 76	
1230800347	\$0 00	Vacant-directly bill	1235100114	\$0.00	
1230800358	\$0 00	Vacant-directly bill	1235110018	\$863 76	
1230800369	\$0 00	undeveloped	1235110029	\$863 76	
1230800370	\$0 00	Golf Course Lot	1235110030	\$863 76	
1230800381	\$0 00	undeveloped	1235110041	\$863 76	
1230800523	\$0 00	Golf Course Lot	1235110052	\$863 76	
1230800534	\$0 00	Golf Course Lot	1235110063	\$863 76	
1230800545	\$0 00	Vacant-directly bill	1235110074	\$863 76	
1230800633	\$0 00		1235110085	\$863 76	
1230800644	\$0 00	Golf Course Lot	1235110096	\$863 76	
1230800655	\$0 00	Golf Course Lot	1235110106	\$0.00	
1230800666	\$0 00	Golf Course Lot	1235200016	\$863 76	
1230800709	\$0 00	undeveloped	1235200027	\$863 76	
1230800710	\$0 00	undeveloped	1235200038	\$863 76	
1234500153	\$863 76		1235200049	\$863 76	
1234500164	\$863 76		1235200050	\$863 76	
1234500175	\$863 76		1235200061	\$863 76	
1234500186	\$863 76		1235200072	\$863 76	
1234500197	\$863 76		1235200083	\$863 76	
1234500207	\$863 76		1235200094	\$863 76	
1234500218	\$863 76		1235200104	\$863 76	
1234500229	\$863 76		1235200115	\$863 76	
1234500230	\$863 76		1235200126	\$863 76	
1234500263	\$863 76		1235200137	\$863 76	
1234500274	\$863 76		1235200146	\$863 76	
1234500285	\$863 76		1235210019	\$863 76	
1235000069	\$863 76		1235400018	\$863 76	
1235000070	\$863 76		1235400029	\$863 76	
1235000081	\$863 76		1235400030	\$863 76	
1235000092	\$863 76		1235400041	\$863 76	
1235000102	\$863 76		1235400052	\$863 76	
1235000113	\$863 76		1235400063	\$863 76	
1235000124	\$863 76		1235400074	\$863 76	
1235000146	\$863 76		1235400085	\$863 76	
1235000157	\$863 76		1235400096	\$863 76	
1235000168	\$863 76		1235400106	\$863 76	
1235000179	\$863 76		1235400117	\$863 76	
1235000180	\$863 76		1235400128	\$863 76	
1235100015	\$863 76		1235400139	\$863 76	
1235100026	\$863 76		1235400140	\$863 76	
1235100037	\$863 76		1235400151	\$863 76	

**LIST OF ASSESSMENTS
 LANDSCAPE MAINTENANCE DISTRICT NO. 4
 (NORCO RIDGE RANCH – TRACTS 29588 & 29589)
 FISCAL YEAR 2011-2012**

Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded	Parcel No.	As Preliminarily Approved	As Finally Confirmed and Recorded
1683200125	\$863.76				
1683200136	\$863.76				
1683200147	\$863.76				
1683200158	\$863.76				
1683200169	\$863.76				
1683200170	\$863.76				
1683210018	\$863.76				
1683210029	\$863.76				
1683210030	\$863.76				
1683210041	\$863.76				
1683210052	\$863.76				
1683210063	\$863.76				
1683210074	\$863.76				
1683210085	\$863.76				
1683210096	\$863.76				
1683210106	\$863.76				
1683210117	\$863.76				
1683210128	\$863.76				
1683210139	\$863.76				
1683500011	\$863.76				
1683500021	\$863.76				
1683500031	\$863.76				
1683500041	\$863.76				
1683500051	\$863.76				
1683500061	\$863.76				
1683500071	\$863.76				
1683500081	\$863.76				
1683500091	\$863.76				
1683500101	\$863.76				
1683500111	\$863.76				
1683500121	\$863.76				
1683500131	\$863.76				
1683500141	\$863.76				
1683500151	\$863.76				
1683500161	\$863.76				
1683500171	\$863.76				
1683500181	\$863.76				
1683500191	\$863.76				
1683500201	\$863.76				
1683500211	\$863.76				
1683500221	\$863.76				
1683500231	\$863.76				
1683500241	\$863.76				
1683500511	\$863.76				

PART E

ASSESSMENT DIAGRAM

An Assessment Diagram for the Assessment District is on file in the office of the City Engineer. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside, for the year when this Report was prepared, and are incorporated by reference herein and made part of this Report. A reduced scale map depicting the assessment diagram is attached hereto.

ENGINEER'S REPORT

FOR

LANDSCAPE MAINTENANCE DISTRICT NO. 5 (HAWK'S CREST)

FISCAL YEAR 2011-2012

PREPARED FOR THE

CITY OF NORCO

RIVERSIDE COUNTY, CALIFORNIA

PREPARED BY:

DOMINIC C. MILANO, P.E.

CITY ENGINEER

**ENGINEER'S REPORT
CITY OF NORCO**

**LANDSCAPE MAINTENANCE DISTRICT NO. 5
(HAWK'S CREST – TRACT 30230)
FISCAL YEAR 2011-2012**

The undersigned respectfully submits the enclosed report as directed by the City Council.

Date: _____, 2011

By: _____
Dominic C. Milano, P.E.
R.C.E. No. 27172
City Engineer

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was filed with me on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Norco, California, on _____, 2011.

City Clerk, City of Norco
Riverside County, California

By: _____

**FISCAL YEAR 2011-2012
CITY OF NORCO**

**ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF THE
LANDSCAPING AND LIGHTING ACT OF 1972 SECTION 22500 THROUGH
22679 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE**

Pursuant to Part 2 of Division 15 of the Streets and Highways Code of the State of California, and in accordance with the Resolution of Initiation, being Resolution No. 99-76, adopted by the Council of the City of Norco, State of California, in connection with the proceedings for:

**CITY OF NORCO
LANDSCAPING MAINTENANCE DISTRICT NO. 5
(HAWK'S CREST- TRACT 30230)**

Hereinafter referred to as the "Assessment District," I, Dominic C. Milano, P.E. authorized representative of the City of Norco, the duty appointed ENGINEER OF WORK, submit herewith the "Report" consisting of four parts as follows:

PART A

Plans and specifications for the improvements are as set forth herein and are on file in the Office of the Clerk of the City.

PART B

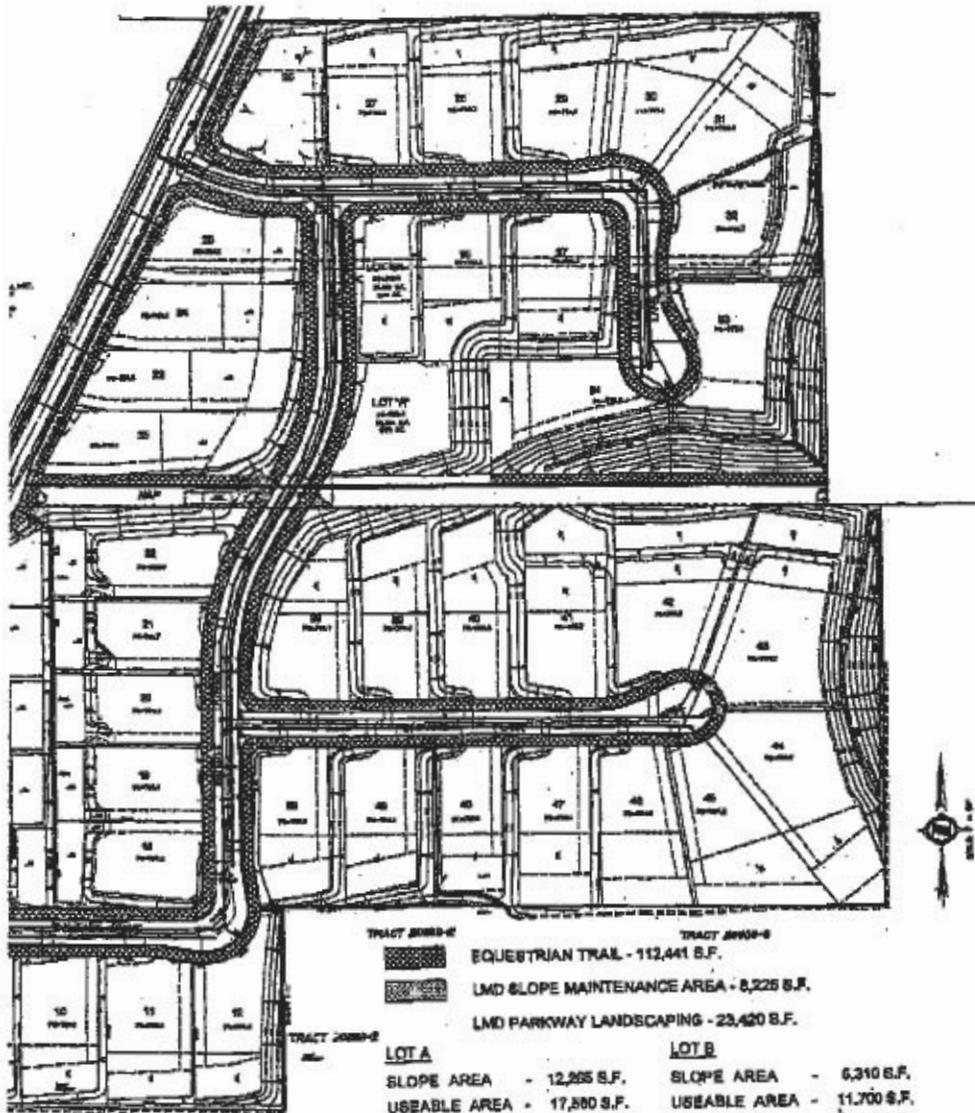
An estimate of cost of the proposed improvements, including incidental costs and expenses in connection therewith, is as set forth herein.

PART C

The Diagram of the Assessment District Boundaries showing the exterior boundaries of the Assessment District, the boundaries of any zones within the Assessment District, and the lines and dimensions of each lot or parcel of land within the Assessment District has been submitted to the Clerk of the City. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference herein and made part of this Report. The legal description of the Assessment District is attached hereto.

PART D

An assessment of the estimated cost of the improvements on each benefited lot or parcel of land within the Assessment District.



T 20000-2

LA 20000-2/3/4/5/6/7/8/9/10/11/12/13/14/15/16/17/18/19/20/21/22/23/24/25/26/27/28/29/30/31/32/33/34/35/36/37/38/39/40/41/42/43/44/45/46/47/48/49/50/51/52/53/54/55/56/57/58/59/60/61/62/63/64/65/66/67/68/69/70/71/72/73/74/75/76/77/78/79/80/81/82/83/84/85/86/87/88/89/90/91/92/93/94/95/96/97/98/99/100

PART A

PLANS AND SPECIFICATIONS

**DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF NORCO
LANDSCAPE MAINTENANCE DISTRICT NO. 5
(HAWK'S CREST – TRACT 30230)
FISCAL YEAR 2011-2012**

The improvements are the operation, maintenance, and servicing of landscaping, horse trails, hardscaping, and masonry, and appurtenant facilities including but not limited to personnel, electrical energy, utilities such as water, materials, contracting services, and other items necessary for the satisfactory operation of these services, described as follows:

LANDSCAPING

Landscaping, planting, shrubbery, trees, irrigation, hardscapes, masonry wall surfaces, fencing, fixtures, and appurtenant facilities located within public rights-of-way (parkways), easements (slope and trail) and publicly owned parcels within the boundary of the Assessment District except as specifically excluded.

**PART B
ESTIMATE OF COST**

**LANDSCAPE MAINTENANCE DISTRICT NO. 5 (KB HOME TRACT 30230)
NORCO, CALIFORNIA**

The cost of the operation, maintenance, and servicing of the improvements for Fiscal Year 2011-2012 as described in Part A, are summarized herein and described below:

ITEM	DESCRIPTION	QUANTITY	ANNUAL COST PER YEAR
1	LANDSCAPE MAINTENANCE (PARK-FLAT): includes all pruning, weed and pest control, fertilization, turf care, trash and debris cleanup, irrigation to include maintenance and repair, backflow testing, rodent control, plant replacement, and observation.	11,700 S.F. (0.269 A)	\$ 9,023.00
2	ARENA MAINTENANCE: includes grading & replenishment of DG and maintenance of rail.	17,560 S.F. (0.403 A)	Included in No. 1
3	EQUESTRIAN TRAIL: includes minor grading, replacement of wooden posts and rails, and addition of decomposed granite for trail surface.	115,671 S.F.	\$ 9,533.00
4	LANDSCAPE MAINTENANCE (SLOPE – PARK & ARENA): includes plant maintenance, weed and pest control, and debris cleanup.	18,575 S.F. (0.426 A)	\$ 5,895.00
5	SLOPE MAINTENANCE : includes same activities as Item 1 but for exterior slopes along Fifth Street and California Avenue.	8,225 S.F. (0.19 A)	\$ Included in No. 4
6	LANDSCAPE MAINTENANCE (PARKWAYS): includes weeding, feeding of ground cover and maintenance & trimming of street trees.	23,420 S.F. (0.538 A)	\$ Included in No. 4
7	UTILITIES: includes cost of water and electricity for controller for all areas.	L.S.	\$ 8,700.00
	SUBTOTAL:		\$ 33,151.00
8	OBSERVATION: including staff time to oversee Contractor maintaining District.	L.S.	\$ 6,100.00
9	INCIDENTALS: including Engineer's Report and proceedings, administration, printing, and advertising.		\$ 2,691.00
10	CONTINGENCY: 7.7 percent		\$ 3,230.00
	TOTAL ANNUAL COSTS:		\$ 45,172.00

Costs from City of Norco average of landscape maintenance costs for the City. Source of information Bill Thompson and Brian Petree of the Departments of Public Works and Parks, Recreation and Community Services respectively.

Annual assessments shall be calculated based on updated numbers and upon annual adjustments to the assessment rate as provided in the Engineer's Report.

The total annual levy of assessments hereunder may be increased annually by an amount not to exceed the increase in the consumer price index applicable to the City of Norco. In no case may the increase exceed the actual cost of providing the services rendered within and pursuant to the District. The CPI increase for 2010 was 1.3%.

The 1972 Act requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purposes as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. Any balance remaining on July 1 must be carried over to the next fiscal year.

PART C

ASSESSMENT DIAGRAM

As Assessment Diagram for the Assessment District is on file in the office of the City Clerk. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of Riverside, for the year when this Report was prepared, and are incorporated by reference herein and made a part of this Report. A reduced scale map depicting the assessment diagram is attached hereto. Also attached as Exhibit "A" is the Legal Description of Assessment District.

EXHIBIT A

**LEGAL DESCRIPTION
LANDSCAPE MAINTENANCE DISTRICT NO. 5 (HAWK'S CREST)**

That certain real property situated in the City of Norco, County of Riverside, State of California, more particularly described as follows:

Lots 1 through 50 inclusive, of Tract No. 30230 in the City of Norco, County of Riverside, State of California, as per map recorded in Book 344, Pages 40 through 45, inclusive, of Maps in the Office of the County Recorder of Said County.

PART D

ASSESSMENT

WHEREAS, on November 5, 2003, the City Council of the City of Norco, California, pursuant to the provisions of the Landscape and Lighting Act of 1972, Part 2 (commencing with Section 22500) of Division 15 of the California Streets and Highways Code (the "Act") adopted its Resolution of the City Council of the City of Norco Initiating Proceedings for the Formation for a Maintenance Assessment District and thereafter formed Landscape Maintenance District No. 5 (Hawk's Crest) (the "District") as more particularly described in said proceedings; and

WHEREAS, said resolution directed the undersigned to prepare and file a report pursuant to Section 22565, et seq., of said Act;

WHEREAS, at this time, this City Council is desirous to provide for the annual levy of assessments for the territory within the District for the next ensuing fiscal year, to provide for the costs and expenses necessary for continual maintenance of improvements within said District; and

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Act and the order of the City Council of said City, hereby makes the following assessment to cover the portion of the estimated cost of the maintenance of said improvements and the costs and expenses incidental thereto to be paid by said District.

The amount to be paid for the maintenance of said improvement, and the expenses incidental thereto, are as follows:

	(1) As Filed	(2) As Preliminarily Approved	(3) As Finally Approved
Cost of Maintenance	\$ 42,481.00	\$ 42,481.00	\$ 42,481.00
Incidental Expenses	<u>\$ 2,691.00</u>	<u>\$ 2,691.00</u>	<u>\$ 2,691.00</u>
Total Cost	\$ 45,172.00	\$ 45,172.00	\$ 45,172.00
Surplus or (Deficit) from Previous Fiscal Year	<u>\$ 342.00</u>	<u>\$ 342.00</u>	<u>\$ 342.00</u>
NET TO BE ASSESSED FOR FISCAL YEAR 2010-2011	\$ 44,830.00	\$ 44,830.00	\$ 44,830.00

As required by said Act, a diagram is attached showing the exterior boundaries of said District. The lines and dimensions of each lot or parcel of land within the said District as the same existed at the time of the passage of said resolution are as shown on the maps of the County Assessor of the County of Riverside. Reference is hereby made to said maps and said maps shall govern for all details concerning the lines and dimensions of such lots and parcels.

I do hereby assess the net amount to be assessed upon all assessable lots or parcels of land within said District by apportioning that amount among the several lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the maintenance of said improvements, and more particularly set forth in the list hereto attached and by reference made a part hereof.

Said assessment is made upon the several lots or parcels of land within the District in proportion to the estimated benefits to be received by said lots or parcels, respectively, from the maintenance of said improvements. The diagram and the assessor's map are the documents to which reference is hereby made for a more particular description of said property.

Each lot or parcel of land assessed is described in the assessment list by reference to its parcel number as shown on the Assessor's Maps of the County of Riverside for the Fiscal Year 2011-2012 and includes all of such parcel. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

City of Norco

Dated: _____, 2011

Dominic C. Milano, P.E.
City Engineer

EXHIBIT B

METHOD AND FORMULA OF ASSESSMENT SPREAD

The law requires and the statutes provide that assessments, as levied pursuant to the provisions of the "Landscaping and Lighting Act of 1972," must be based on the benefit that the properties receive from the works of improvement. The statute does not specify the method or formula that should be used in any special assessment district proceedings. The Assessment Engineer is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. For these proceedings, the City has based its determination on standard assessment practices utilized by consulting civil engineers with a background of experience in the design of such works of improvement and experience in the completion of assessment district formation projects.

IDENTIFYING THE BENEFIT

First of all, it is necessary to identify the benefit that the public improvement will render to the properties within the Assessment District. The landscaping, irrigation, and equestrian trails have been designed and will be constructed for the benefit of enhanced aesthetics and neighborhood identity for all properties within the Assessment District.

APPORTIONMENT OF COSTS

In further making the analysis, it is necessary that the property owners receive a special and direct benefit distinguished from that of the general public. In this case, several factors are being used in the final method and spread and assessment.

The individual parcels of land within the Assessment District are currently developed or have the potential for development to single family residential units. The proposed improvements are designed to enhance the appearance and appeal of the District and all of the parcels within. The improvements will provide a sense of neighborhood identity for the District. As such, each parcel will benefit equally from the proposed improvements.

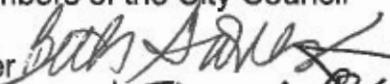
In conclusion, it is my opinion that the assessments for the referenced Assessment District have been spread in direct accordance with the benefits that each parcel receives from the works of improvements.

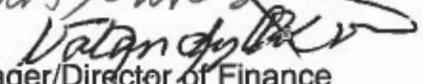
**LIST OF ASSESSMENTS
LANDSCAPE MAINTENANCE DISTRICT NO. 5 (HAWK'S CREST – TRACT 30230)
FISCAL YEAR 2011-2012**

<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>	<u>Lot No.</u>	<u>As Preliminarily Approved</u>	<u>As Finally Confirmed and Recorded</u>
1	\$896.60		45	\$896.60	
2	\$896.60		46	\$896.60	
3	\$896.60		47	\$896.60	
4	\$896.60		48	\$896.60	
5	\$896.60		49	\$896.60	
6	\$896.60		50	\$896.60	
7	\$896.60				
8	\$896.60				
9	\$896.60				
10	\$896.60				
11	\$896.60				
12	\$896.60				
13	\$896.60				
14	\$896.60				
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31	\$896.60				
32	\$896.60				
33	\$896.60				
34	\$896.60				
35	\$896.60				
36	\$896.60				
37	\$896.60				
38	\$896.60				
39	\$896.60				
40	\$896.60				
41	\$896.60				
42	\$896.60				
43	\$896.60				
44	\$896.60				

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 

DATE: July 20, 2011

SUBJECT: Rate Adjustments Proposed by Waste Management of the Inland Empire

RECOMMENDATION: Adopt **Resolution No. 2011-___**, amending the Agreement between the City of Norco and USA Waste of California, Inc., DBA Waste Management of the Inland Empire, for the collection, transportation, recycling, and disposal of solid waste and approving rates therefore.

SUMMARY: The existing fifteen-year Franchise Agreement provides that Waste Management is entitled to receive rate adjustments for inflation (based on the Consumer Price Index) and "pass through" disposal cost increases. The Agreement further provides that such rate adjustments shall not be unreasonably withheld. The rate adjustments include a Consumer Price Index (CPI) increase of 3.0 percent from March 2010 to March 2011.

BACKGROUND/ ANALYSIS: The existing Agreement between the City and Waste Management of the Inland Empire was executed on April 15, 1998. The fifteen-year term of the Agreement will expire in the year 2013. The Agreement provides that the franchisee is entitled to adjust rates on an annual basis to cover increased costs due to inflation based on increases in the CPI and to "pass-through" costs incurred by the franchisee for disposal of the solid waste. The Agreement further provides that such CPI adjustments and "pass-through" increases will not be unreasonably withheld. Any disputes, including the withholding of rate adjustments, are to be resolved before a third party neutral hearing officer.

Waste Management submitted its proposed rate adjustments in a letter dated May 19, 2011, attached and marked as Exhibit "A". The proposed rates reflect a CPI adjustment of 3.0 percent from March 2010 to March 2011 and will be applied to all service components and ancillary fees in the rate exhibit. The solid waste disposal cost will not be adjusted and will remain at \$38.19 per ton. The tipping fee for the green waste disposal component of the residential rate will be reduced from \$32.78 per ton to \$26.67 per ton due to a change in location used for processing. The tipping fees for the manure disposal component of residential and commercial rates will go from \$18.42 per ton to \$19.17 per ton.

It is the City Attorney's opinion that this CPI rate adjustment does not trigger Proposition 218 provisions as the existing agreement provides that the franchisee is entitled to adjust rates on an annual basis to cover increased costs due to inflation based on increases in the CPI. Therefore, following the public hearing process, staff is recommending approval of the proposed rates. The new rates will become effective on August 1, 2011.

/jk-78957

Attachments: Exhibit "A" – Letter from Waste Management
Exhibit "B" – Resolution No. 2011-____



May 19, 2011

Andy Okoro
Deputy City Manager
City of Norco
2870 Clark Avenue
Norco, CA 92860

RE: 2011/2012 Rate Adjustment

Dear Andy:

Pursuant to Section 18 of our current franchise agreement, Waste Management of Inland Empire respectfully requests your favorable consideration of the enclosed annual rate adjustment. Our adjustment is comprised of the changes in the Consumer Price Index (CPI) and disposal costs for green waste and municipal solid waste.

Based on the current methodology outlined in the agreement, we would like to propose the following adjustments:

Summary of Proposed Adjustments

- **CPI** – The change in the CPI for the effective twelve-month period, March to March, was 3.0%. This percentage increase will be applied to all service components and ancillary fees in the rate exhibit.
- **Solid Waste Disposal Cost** – The Riverside County tipping fee will not be adjusted for the 2011/2012 year. The disposal component of the rates will remain at \$38.19 per ton.
- **Green Waste Disposal Cost** – The tipping fee for green waste will be adjusted for the 2011/2012 year. Effective July 1, 2011, your green waste will now be processed at Viramontes in Chino. The result of this transition will reduce your green waste disposal cost per ton. The green waste disposal component of your residential rate will go from \$32.78 per ton to \$26.67 per ton.

- **Manure Disposal Cost** – The tipping fee for manure will be adjusted for the 2011/2012 year. The manure disposal component of your residential and commercial rates will go from \$18.42 per ton to \$19.17 per ton.

New Program Offering – At Your Door Special Collection Program:

Although we cannot incorporate this new program into the rate schedule this year, Waste Management would like to offer the City the value added service of At Your Door Collection, formerly Curbside Inc., for residential customers in the City of Norco. This program makes it easy for residents to dispose of and recycle home-generated waste – including household hazardous waste – safely, easily, and responsibly. Our At Your Door Special Collection provides front-porch service to remove the difficult, sometimes hazardous and hard-to-recycle items almost every household accumulates. We will carry away the pesticides, household chemicals, sharps, electronic waste, batteries, fluorescent lamps, automotive waste products (including oil), paints, thinners, and dozens of other items that don't belong with other recyclables or regular curbside pickup items that, if not handled properly, may be hazardous to people, pets and the environment.

As part of this offering, we can work with the City to customize an At Your Door Special Collection program that best suits your residents' needs while taking current used oil and permanent collection facilities into account. Based on preliminary research, we anticipate the ability to provide the additional service while bringing revenue to the City, all with a minimal increase to the current residential rate. We look forward to discussing this further with you when we begin contract discussions later this year.

Waste Management respectfully requests your approval of our proposed rate adjustment. Detailed calculations of the rate adjustment are included in the attached document. Thank you in advance for your review and consideration. If you have any additional questions, please contact me at (951) 232-7123.

Sincerely,



Julie Reyes
Manager of Community Relations

Cc: Doug Corcoran
Sherry Kouba
City File

RESOLUTION NO. 2011-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, AMENDING THE AGREEMENT BETWEEN THE CITY OF NORCO AND USA WASTE OF CALIFORNIA, INC. DBA WASTE MANAGEMENT OF THE INLAND EMPIRE FOR THE COLLECTION, TRANSPORTATION, RECYCLING, AND DISPOSAL OF SOLID WASTE AND APPROVING RATES THEREFORE

WHEREAS, the City's franchise agreement with USA Waste of California, Inc., DBA Waste Management of the Inland Empire, ("Waste Management") provides for an annual adjustment of rates based on changes in the Consumer Price Index (CPI) and disposal "pass-through" costs; and

WHEREAS, Waste Management has completed a review of the cost components of the contracted rates; and

WHEREAS, the CPI increased 3.00 percent from March 2010 to March 2011; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Norco does hereby resolve as follows provided that a majority of property owners in the City do not protest against these rates:

SECTION 1. Effective August 1, 2011, the single family Residential Services Basic rate shall be \$19.99 per month per unit. One 96-gallon wheeled cart for Greenwaste, one 96-gallon cart for Trash and one 96-gallon cart for Recycle will be provided and picked up once per week.

Income qualified senior citizens, age 62 or older and disabled persons, may apply to the City for a reduced residential service Income Qualified Senior Rate at \$13.81 per month. To be eligible for the reduced rate, the annual gross household income for the preceding year must fall within the "Very Low" income category as established by the State of California Department of Housing and Community Development.

SECTION 2. Effective August 1, 2011, the Residential Services Manure Collection rate shall be \$23.68. One 96-gallon wheeled cart will be provided and picked up once per week.

SECTION 3. Effective August 1, 2011, the Residential Services Commingle (manure and mixed trash) Bin Service rates shall be as follows:

<u>2 Cubic Yard Bin</u> <i>One Pick-Up P/Week</i>	\$ 110.68/mo
<u>3 Cubic Yard Bin</u> <i>One Pick-Up P/Week</i>	\$ 155.68/mo
Extra Pick Up/2 Cubic Yard Commingle	\$ 46.07/p/pick-up
Extra Pick Up/3 Cubic Yard Commingle	\$ 63.95/p/pick-up

SECTION 4. Effective August 1, 2011, the Other Residential Services rates shall be as follows:

CRT Curbside Pickup	\$ 22.98/mo
Extra 96-gal Trash Cart	\$ 7.18/mo
Extra 96-gal Greenwaste Cart	\$ 4.66/mo
Extra 96-gal Recycling Cart	\$ 2.25/mo
Bulky Pick Up (over 3 free per year)	\$ 22.31/p/pick-up

SECTION 5. Effective August 1, 2011, the Residential Services Manure Bin Service rates shall be as follows:

<u>2 Cubic Yard Bin</u> <i>Every Other Week</i>	\$ 51.71/mo
<i>1 Pick-Up P/Week</i>	\$ 81.91/mo
<i>2 Pick-Ups P/Week</i>	\$ 147.70/mo
<i>3 Pick-Ups P/Week</i>	\$ 213.48/mo
<i>4 Pick-Ups P/Week</i>	\$ 279.25/mo
<i>5 Pick-Ups P/Week</i>	\$ 345.04/mo
Extra Pick Up	\$ 33.34/p/pick-up

SECTION 6. Effective August 1, 2011, the Commercial Can Service rates shall be as follows:

<u>2-35 Gallon Carts</u> <i>1 Pick-Up P/Week</i>	\$ 27.17/mo
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SECTION 7. Effective August 1, 2011, the Commercial Services Trash Service rates shall be as follows:

<u>2 Cubic Yard Bin</u>	
<i>One Pick-Up P/Week</i>	\$ 93.71/mo
<u>3 Cubic Yard Bin</u>	
<i>1 Pick-Up P/Week</i>	\$ 129.05/mo
<i>2 Pick-Ups P/Week</i>	\$ 258.10/mo
<i>3 Pick-Up P/Week</i>	\$ 387.15/mo
<i>4 Pick-Ups P/Week</i>	\$ 516.19/mo
<i>5 Pick-Ups P/Week</i>	\$ 645.23/mo
<i>6 Pick-Ups P/Week</i>	\$ 774.27/mo
<u>6 Cubic Yard Bin</u>	
<i>1 Pick-Up P/Week</i>	\$ 234.90/mo
<i>2 Pick-Ups P/Week</i>	\$ 469.83/mo
<i>3 Pick-Ups P/Week</i>	\$ 704.74/mo
<i>4 Pick-Ups P/Week</i>	\$ 939.65/mo
<i>5 Pick-Ups P/Week</i>	\$1,174.56/mo
<i>6 Pick-Ups P/Week</i>	\$1,409.48/mo

SECTION 8. Effective August 1, 2011, the Commercial Services Compactors rates shall be as follows:

<u>2 Cubic Yard Bin</u>	
<i>1 Pick-Up P/Week</i>	\$ 186.77/mo
<i>2 Pick-Ups P/Week</i>	\$ 369.42/mo
<i>3 Pick-Ups P/Week</i>	\$ 565.38/mo
<u>3 Cubic Yard Bin</u>	
<i>1 Pick-Up P/Week</i>	\$ 262.99/mo
<i>2 Pick-Ups P/Week</i>	\$ 517.64/mo
<i>3 Pick-Ups P/Week</i>	\$ 776.46/mo
<i>4 Pick-Ups P/Week</i>	\$1,035.28/mo
<i>5 Pick-Ups P/Week</i>	\$1,301.40/mo
<i>6 Pick-Ups P/Week</i>	\$1,552.92/mo
<u>6 Cubic Yard Bin</u>	
<i>1 Pick-Up P/Week</i>	\$ 380.23/mo
<i>2 Pick-Ups P/Week</i>	\$ 755.28/mo
<i>3 Pick-Ups P/Week</i>	\$1,132.95/mo
<i>4 Pick-Ups P/Week</i>	\$1,510.59/mo
<i>5 Pick-Ups P/Week</i>	\$1,888.23/mo
<i>6 Pick-Ups P/Week</i>	\$2,265.89/mo

SECTION 9. Effective August 1, 2011, the Commercial Services Recycle Service rates shall be as follows:

96 Gallon Cart, 1 P/Week	\$ 4.48/mo
<u>2 Cubic Yard Bin</u>	
1 Pick-Up P/Week	\$ 60.37/mo
<u>3 Cubic Yard Bin</u>	
1 Pick-Up P/Week	\$ 80.43/mo
2 Pick-Ups P/Week	\$ 160.79/mo
3 Pick-Ups P/Week	\$ 241.24/mo
4 Pick-Ups P/Week	\$ 321.75/mo
5 Pick-Ups P/Week	\$ 402.11/mo
<u>6 Cubic Yard Bin</u>	
1 Pick-Up P/Week	\$ 139.59/mo
2 Pick-Ups P/Week	\$ 279.35/mo
3 Pick-Ups P/Week	\$ 418.94/mo
4 Pick-Ups P/Week	\$ 558.63/mo
5 Pick-Ups P/Week	\$ 698.28/mo
6 Pick-Ups P/Week	\$ 841.62/mo
Extra Pick-Up-Recycle	\$ 47.87 p/pick-up

SECTION 10. Effective August 1, 2011, the Other Commercial Services rates shall be as follows:

Extra Pick-Up – 2 Yard Trash	\$ 41.12 p/pick-up
Extra Pick-Up – 3 Yard Trash	\$ 57.97 p/pick-up
Extra Pick-Up – 6 Yard Trash	\$ 108.51 p/pick-up
Bin Scout Service	\$ 34.11 p/mo./bin/serv.
Locked Lid	\$ 13.66
Bin Overage Fee	\$ 39.79
<u>Temporary 3 Cubic Yard Bin</u>	
1 Month	\$ 201.31
3 Day	\$ 99.03

SECTION 11. Effective August 1, 2011, the Roll-Off Service rates shall be as follows:

Open Top with 5.9 Tons/Per Load	\$ 439.75
Compactor with 8 Tons/Per Load	\$ 627.17
Open Top with 5.9 Tons/Per Load (Hard to Handle)	\$ 503.92
Compactor with 8 Tons/Per Load (Hard to Handle)	\$ 714.46
Roll-Off Recycle/Per Load	\$ 255.38
10 Yard Manure Low Boy (Disposal Not Included)	\$ 214.44

Other Roll-Off Fees

Delivery/Relocate/Trip Charge \$ 67.52/Per Occurrence

SECTION 12. This resolution hereby rescinds Resolution No. 2010-49.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on July 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 adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on July 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 July 20, 2011.

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