



## MINUTES

### CITY OF NORCO

CITY COUNCIL

REGULAR MEETING

CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE

JUNE 6, 2012

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CALL TO ORDER: Mayor Bash called the meeting to order at 6:04 p.m.

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

THE CITY COUNCIL RECESSED TO CLOSED SESSION (SECTION 54954) TO CONSIDER THE FOLLOWING MATTER:

#### **Conference with Legal Counsel – Anticipated Litigation**

Significant Exposure to Litigation Pursuant to Section 54956.9(c) 1 Potential Case

RECONVENE PUBLIC SESSION: 7:00 p.m.

REPORT OF ACTION(S) TAKEN IN CLOSED SESSION (§54957.1) **City Attorney Harper stated that there were no reportable actions resulting from the item discussed in Closed Session.**

PLEDGE OF ALLEGIANCE: Mr. Shane Spicer

INVOCATION: Grace Fellowship Church  
*Pastor Vernie Fletcher*

Mayor Bash welcomed two special guests in attendance, Jo Wong and Jeff Wan, who are international exchange students and will be graduating from Ontario Christian High School. They are both in attendance because of a school requirement. Mayor Bash invited them to sit on the end of the dais throughout the meeting.

PROCLAMATION: Dr. Lawrence C. Nelson

Mayor Bash presented Dr. Nelson with a proclamation honoring his dedication to the community.

RECOGNITIONS: California State High School Rodeo Finalists  
*David Stark*  
*Jessica Bates*  
*Wade Brown*  
*Aaron Williams*

Mayor Bash and Mayor Pro Tem Azevedo presented certificates of appreciation to the four California State High School Rodeo Finalists. Certificates of recognition were also presented to them from a representative of Assembly Member Jeff Miller.

PRESENTATION: Riverside County Transportation Commission  
*91 Freeway Expansion Project*

**REGULAR CITY COUNCIL AGENDA AS FOLLOWS:**

Item No. 1.M. was pulled for discussion by an individual in attendance.

1. CITY COUNCIL CONSENT CALENDAR ITEMS:

**M/S Sullivan/Higgins to adopt 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, HIGGINS, SULLIVAN**  
**NOES: NONE**  
**ABSENT: NONE**  
**ABSTAIN: NONE**

- A. City Council Minutes:  
Regular Meeting of May 16, 2012  
Special Meeting of May 16, 2012  
Recommended Action: **Approve the City Council Minutes** (City Clerk)
- B. Procedural Step to Approve Ordinance after Reading of Title Only.  
**Recommended Action: Approval** (City Clerk)
- C. Approval of Salary and Benefits Resolutions for Management; and Middle Management, professional and Confidential Employees for Fiscal year 2012-2013. **Recommended Action: 1.) Adopt Resolution No. 2012-39, approving the annual salary and benefits for Management personnel; and 2.) Adopt Resolution No. 2012-40, approving the annual salary and benefits for Middle Management, Professional and Confidential service personnel.** (Deputy City Manager/Director of Finance)
- D. Request to Extend the Annual On-Call Street Maintenance Service Agreement. **Recommended Action: Approve the requested extension of the annual On-Call Street Maintenance Service Agreement with Caliber Paving, Inc. for one (1) year through June 30, 2013.** (Director of Public Works)

- E. Request to Extend the Annual Street Striping AND Pavement Marking Service Agreement. **Recommended Action: Approve the requested extension of the Annual Street Striping and Pavement Marking Service Agreement with the Chrisp Company, for one (1) year through June 30, 2013.** (Director of Public Works)
- F. Request to Extend the Annual Street Sweeping Service Agreement. **Recommended Action: Approve the requested extension of the annual Street Sweeping Service Agreement with CleanStreet, for one (1) year through June 30, 2013.** (Director of Public Works)
- G. Request to Extend the Annual Sanitary Sewer Maintenance Services Agreement. **Recommended Action: Approve the requested extension of the annual Sanitary Sewer Maintenance Services Agreement with Empire Pipe Cleaning & Equipment, Inc. for one (1) year through June 30, 2013.** (Director of Public Works)
- H. Request to Extend the Annual Traffic Signal Maintenance Services Agreement. **Recommended Action: Approve the requested extension of the annual Traffic Signal Maintenance Services Agreement with Republic ITS for one (1) year through June 30, 2013.** (Director of Public Works)
- I. Rehabilitation of Well No. 12 **Recommended Action: Authorize staff to proceed with the rehabilitation of Well No. 12 in an amount not-to-exceed \$60,000, waiving the competitive bidding requirement for emergency repairs.** (Director of Public Works)
- J. Approval of Amendment No. 5 to the Western Riverside County Regional Wastewater Authority Joint Exercise of Powers Agreement. **Recommended Action: Approve Amendment No. 5 to the Western Riverside County Regional Wastewater Authority (WRCRWA) Joint Exercise of Powers ("JPA") Agreement with the Western Riverside County Regional Wastewater Authority, subject to non-substantive changes and approval by all WRCRWA Member Agencies; and authorize the Mayor to execute the Amendment.** (Director of Public Works)
- K. Approval of Amendment No. 6 to the Western Riverside County Regional Wastewater Authority Joint Exercise of Powers Agreement. **Recommended Action: Approve Amendment No. 6 to the Western Riverside County Regional Wastewater Authority (WRCRWA) Joint Exercise of Powers ("JPA") Agreement with the Western Riverside County Regional Wastewater Authority, subject to non-substantive changes and approval by all WRCRWA Member Agencies; and authorize the Mayor to execute the Amendment.** (Director of Public Works)

- L. Approval of the Norco General Employee Association Memorandum of Understanding for Fiscal Year 2012-2013. **Recommended Action: 1.) Approve the Memorandum of Understanding for Fiscal Year 2012-2013; 2.) Adopt Resolution No. 2012-41, approving Employer Paid Member Contributions; and 3.) Adopt Resolution No. 2012-42, approving Fixing the Employer's Contribution Under the Public Employees' Medical and Hospital Care Act.** (Deputy City Manager/Director of Finance)
- M. Approval of the Public Works and Parks Maintenance Workers Association Memorandum of Understanding for Fiscal Year 2012-2013. **Recommended Action: Approve the Memorandum of Understanding for Fiscal Year 2012-2013.** (Deputy City Manager/Director of Finance)  
**PULLED FOR DISCUSSION**
- N. Amendment No. 1 to the Funding, Construction and Acquisition Agreement by and between the City of Norco and Balboa Management Group, LLC. **Recommended Action: Authorize the execution of Amendment No. 1 to the Funding, Construction and Acquisition Agreement, requiring Balboa Management Group, LLC to provide a Letter of Credit in the amount of \$350,000.00 pursuant to Section 5.6 of the Funding, Construction and Acquisition Agreement.** (City Manager)

2. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:

- 1.M. Approval of the Public Works and Parks Maintenance Workers Association Memorandum of Understanding for Fiscal Year 2012-2013. **Recommended Action: Approve the Memorandum of Understanding for Fiscal Year 2012-2013.** (Deputy City Manager/Director of Finance)

**Dave Henderson.** Mr. Henderson noted his concerns regarding numerous benefits included in the proposed Memorandum of Understanding. He added that he hopes that in future, changes to these benefits be considered.

**M/S Higgins/Hanna to approve the Memorandum of Understanding for Fiscal Year 2012-2013.**The motion was carried by the following roll call vote:

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

3. CITY COUNCIL DISCUSSION/ACTION ITEM:

- A. Naming of the Norco Senior Center. **Recommended Action: Authorize the renaming of the Norco Senior Center and select an official name to be adopted.** (Director of Parks, Recreation & Community Services)

**Parks, Recreation & Community Services Director Petree** presented the item for discussion.

**Rose Eldridge.** Ms. Eldridge commented on what an honor it is to have the Senior Center named after her, noting her desire and passion to serve the seniors in Norco.

**M/S Bash/Sullivan to rename the Norco Senior Center. The motion was carried by the following roll call vote:**

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

**M/S Azevedo/Higgins to name the Norco Senior Center the “Rose Eldridge Senior Center”. The motion was carried by the following roll call vote:**

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

4. CITY COUNCIL PUBLIC HEARINGS:

- A. Amendments to the City’s Comprehensive Fee Resolution to Update and Adjust Fees for General City Services

*The proposed resolution recommends the following changes to the City’s Comprehensive Fee Schedules for Fiscal Year 2012-2013:*

*Adjustment of 2.0% to some fees based on changes to the Consumer Price Index (CPI) from March 2011 to March 2012*

*City staff and the Parks and Recreation Fee Committee reviewed the recommended fee structure for the George Ingalls Equestrian Event Center. The Fee Committee also met with the City’s Special Consideration Groups to review the proposed fees. The groups provided feedback and recommendations that would complement the fees proposed.*

**Recommended Action: Adopt Resolution No. 2012-43, updating and adjusting fees for General City Services.** (Deputy City Manager/Director of Finance)

**Deputy City Manager/Director of Finance Okoro** presented the public hearing item for City Council discussion. He noted the new fees that have been added and outlined in the fee schedule for the Council's review.

**Council Member Sullivan** commented on the Fee Committee that he served on to review the fees for the George Ingalls Equestrian Event Center. He noted that one reason why there was the ability to lower the costs is because of the great volunteer groups that assist with the maintenance of the facilities.

**Council Member Hanna** also commented on the Fee Committee he served on, noting that the City needs to be competitive with surrounding cities in order to make the facility more affordable.

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

**Jerry Lunde.** Mr. Lunde spoke in favor of the new fees at the George Ingalls Equestrian Event Center.

**Pat Gesler.** Ms. Gesler spoke in favor of the new fees at the George Ingalls Equestrian Event Center.

**Mayor Bash CLOSED the public hearing.**

**M/S Hanna/Sullivan to adopt Resolution No. 2012-43, updating and adjusting fees for General City Services. The motion was carried by the following roll call vote:**

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

B. Approval of the Annual Operating Budgets for the City of Norco for Fiscal Year 2012-2013

*The FY 2012-2013 Proposed Budget for the General Fund includes total estimated revenues of \$13,880,319 and total estimated expenditures of \$13,878,669. This provides a balanced budget for the General Fund with \$1,650 expected to be added to the fund balance. Water Fund total revenues are estimated to be \$9,555,916 while total expenditures are estimated to be \$8,749,587. Sewer Fund total revenues are estimated to be \$5,339,590 and total expenditures are estimated to be \$4,660,845. For the rest of the City Operating Funds, including Gas Tax, NPDES, AQMD*

*and Miscellaneous Grant Funds, total estimated revenues along with available fund balance are sufficient to cover FY 2012-2013 total requested expenditure appropriations. For the Successor Agency of the former Norco Redevelopment Agency, total estimated revenues are \$8,558,600 while total estimated expenditures are \$8,558,600.*

**Recommended Action: Receive public comments on the proposed Annual Operating Budgets for the City of Norco and adopt Resolution No. 2012-44, approving and adopting the City Operating Budget and related personnel adjustments for Fiscal Year 2012-2013 and authorizing appropriations therefrom. (City Manager/Executive Director and Deputy City Manager/Director of Finance)**

**City Manager Groves** introduced the annual Operating Budgets for the City of Norco for Fiscal Year 2012-2013 for City Council discussion. She added that the City Council is recommended to adopt the budget as proposed, noting that the budget is fragile using one-time solutions to make it balance. She stated that his proposed budget maintains all full-time staffing levels, with no increases in employee compensations and all employees will now be making contributions to pension costs.

**Deputy City Manager/Director of Finance Okoro** highlighted information regarding the proposed FY 2012-2013 Budgets.

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

**Council Member Higgins** commented on the deferred expenses that will be moved forward to next fiscal year, noting that eventually, this will impact the City in the future. He further noted that the budget is fragile to a point, and next year will be in the hole again if nothing changes. He commented on his concerns regarding the continued receipt of Vehicle License Fees, noting the fragile State budget. He further commented on necessary cuts that may need to be made, adding that he will not vote for a tax until he sees we have reached the limit and there is nothing we can do. He added that right now, the City has not reached that point.

**Council Member Sullivan** commended staff on the budget, adding that the City will need an added revenue stream or will need to cut public safety.

**M/S Sullivan/Azevedo to adopt Resolution No. 2012-44, approving and adopting the City Operating Budget and related personnel adjustments for Fiscal Year 2012-2013 and authorizing appropriations therefrom.**

**Mayor Bash, under discussion**, commented on the low property tax revenues. He noted that the real issue is the structural imbalance in the budget from not enough property tax revenue received. He stated that the bottom line is that even if the City cuts all staff, this would not fill the gap. He further noted that it will be up to the people and the key to this is \$24/month to make the City solvent.

**The motion was carried by the following roll call vote:**

**AYES: AZEVEDO, BASH, HANNA, HIGGINS, SULLIVAN**

**NOES: NONE**

**ABSENT: NONE**

**ABSTAIN: NONE**

**RECESS:** Mayor Bash recessed the meeting at 8:47 p.m.

**RECONVENE:** Mayor Bash reconvened the meeting at 9:00 p.m.

- C. Approval of the Capital Improvement Program Budgets for the City of Norco for Fiscal Years 2013-2017

*A budget workshop was held to review the proposed FY 2013-2017 Capital Improvement Program (CIP) Budgets for the City of Norco. Staff is recommending that the City Council conduct a Public Hearing to receive input from the public and at the conclusion of the hearing, staff is further recommending that the City Council approve the CIP Budget for Fiscal Years 2013-2017.*

**Recommended Actions: Receive public comments on the proposed Capital Improvement Program Budget and adopt Resolution No. 2012-45, approving and adopting the City of Norco Capital Improvement Program Budget for Fiscal Years 2013-2017. (Deputy City Manager/Director of Finance)**

**Deputy City Manager/Director of Finance Okoro** presented an overview of the proposed CIP Budget for Fiscal Years 2013-2017. He noted that all of the projects listed will be paid with cash on hand, as identified on the attachment to the proposed resolution. He pointed out that the money for the projects funded by bond proceeds from the former Norco Community Redevelopment Agency have been requested in the Oversight Board approved Recognized Obligation Payment Schedule, as staff believes that these projects will benefit the City. He stated that these available bond proceeds are being discussed with the Department of Finance and he believes that in the end, it would be to the best interest of the City to use these funds for projects that benefit the City.

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

**Dave Henderson.** Mr. Henderson requested that speed tables be addressed and added when street re-pavement projects take place.

**Vern Showalter.** Mr. Showalter spoke in support of the approval of the proposed CIP Budget.

**Mayor Bash CLOSED the public hearing.**

**M/S Higgins/Bash to adopt Resolution No. 2012-45, approving and adopting the City of Norco Capital Improvement Program Budget for Fiscal Years 2013-2017. The motion was carried by the following roll call vote:**

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

- D. Zone Code Amendment 2012-02: A Proposal to Amend Title 18, Chapter 18.23 of the Norco Municipal Code to allow Hotels, Motels and Bed and Breakfasts in the C-4 (Commercial) Zone through a Conditional Use Permit

*The C-4 zone does not currently allow hotels, motels or bed and breakfast inns even though the uses were previously allowed in the Sixth Street Revitalization Specific Plan. If approved, Zone Code Amendment 2012-02 would add these as permitted uses again in the C-4 zone upon approval of a conditional use permit and only for the portion of Sixth Street west of Center Avenue. On May 9, 2012 the Planning Commission adopted Resolution 2012-28 recommending approval.*

**Recommended Actions: Adopt Ordinance No. 951, approving Zone Code Amendment 2012-02 for first reading.** (Planning Director)

**Planning Director King** presented the public hearing item for Council discussion.

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

**Pat Overstreet.** Ms. Overstreet spoke in support of the Zone Code Amendment.

**Mayor Bash CLOSED the public hearing.**

**M/S Higgins/Hanna to adopt Ordinance No. 951, approving Zone Code Amendment 2012-02 for first reading. The motion was carried by the following roll call vote:**

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

- E. Zone Code Amendment 2012-03. A City-Initiated Clarifying Amendment to Chapter 18.13 of the Norco Municipal Code Regarding Additional Animals in the A-1 (Agricultural-Low Density) Zone

*This is a clarifying amendment to the Zoning Code to reflect action that was taken in 2003, recommended for approval by the Planning Commission, and intended for approval by the City Council but which did not get reflected in the actual change to the text in the Municipal Code. The Zone Code Amendment in 2003 was to allow for an increase in the number of allowed animals, including animal rescues, upon approval of a conditional use permit. The text change to the Zoning Code did not establish that procedure as intended.*

**Recommended Actions: Adopt Ordinance No. 952 approving Zone Code Amendment 2012-03 for first reading.** (Planning Director)

**Planning Director King** presented the public hearing item for Council discussion.

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

**M/S Hanna/Higgins to adopt Ordinance No. 952 approving Zone Code Amendment 2012-03 for first reading. The motion was carried by the following roll call vote:**

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

5. PUBLIC COMMENTS:

**Pat Overstreet.** Ms. Overstreet reported that the Ranch Tour was a success, noting that the revenue will be donated to the trail fund.

**Greg Newton.** Mr. Newton presented an economic lesson.

6. **OTHER MATTERS – CITY COUNCIL, CITY MANAGER AND STAFF:**

A. City Council Updates from Regional Boards and Commissions:

**Mayor Pro Tem Azevedo** stated that there are still available seats for those interested in attending the WRCOG General Assembly.

B. City Council Other Matters:

**Mayor Bash** commented on the recent accomplishments of the Norco High School Softball Team.

C. Staff Other Matters: NONE

7. **ADJOURNMENT:** There being no further business to come before the City Council, Mayor Bash adjourned the meeting at 9:25 p.m.

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BRENDA K. JACOBS, CMC  
CITY CLERK

/bj-81270